

# The Merchant Credit Playbook: 2026 Edition

*How merchants with a card program win the big-ticket checkout BNPL keeps taking, in a BNPL-first, agent-enabled year.*

---

---

## The central thesis in one paragraph

In 2026, financing crossed a line it hadn't crossed in 2023 or 2024: it no longer just decides **how** a customer pays at your checkout. It increasingly decides **whether they come to your storefront in the first place**. New PYMNTS Intelligence data (Feb–March 2026, n=2,763) shows that nearly four in ten consumers say BNPL availability influences where they shop for travel and food delivery, 62% of millennials say it shapes where they book travel, and more than half of Gen Z say installment availability shapes their choice of medical and dental provider. This is the merchant-side credit problem of the decade, and it is hiding underneath the BNPL conversion story. The competitive question is no longer "how does our credit product convert better at our checkout?" It is: "**when a customer is choosing a merchant, and therefore a payment path, what is our credit product doing to win that choice, and where in the customer's journey is it visible?**" The merchants who win 2026 will stop treating their card program as a checkout conversion lever and start treating it as a top-of-funnel acquisition asset. They will own more of the customer experience around it. They will renegotiate the parts of their partner-bank relationship that prevent them from shipping at the speed the moment requires. And they will do this without burning the partner-bank relationship, because the bank is not the enemy, the slow clock is.

---

# Part 1, What changed in 2026, and why it changes your job

## 1.1 Financing is now a merchant-choice filter, not a checkout option

The PYMNTS merchant-choice data is the most important signal of the year for any merchant with a credit product:

Finding	Figure	What it means for you
Consumers whose merchant choice is influenced by BNPL availability (travel, food delivery)	~40%	If your category competitors offer visible financing and you don't, you're being filtered out before checkout
Millennials whose travel merchant choice is shaped by BNPL	62%	Your most economically active customer segment is using financing visibility as a shortlist criterion
Gen Z whose healthcare provider choice is shaped by merchant-offered installments	55%	The next decade of category share gets decided on this signal
Gen Z whose healthcare choice is shaped by BNPL	49%	Cherry, Affirm, CareCredit are already in this consideration set, card programs aren't
Heavy BNPL users whose merchant choice is influenced by BNPL availability	Up to 9 in 10	Once a customer adopts pay-later as a filter, it becomes their default lens
Boomers whose travel merchant choice is shaped by BNPL	5%	This is generational. You are choosing whether to play for the next 20 years of spend

**What this means operationally:** the boundary of your credit product is no longer "the checkout page." It's wherever your customer first encounters your brand. Your credit product needs to be visible in the consideration set, not just at the buy button. The conversion gap between your card and the BNPL button next to it on the PDP is a problem you can measure. The customers who never made it to your PDP because financing wasn't visible enough on your category landing page are a problem you can't see, but they are the larger problem.

## 1.2 Card installments are quietly winning the usage battle, but your customer doesn't know it

Three convergent data points:

- **31% of U.S. consumers used card installment plans in the prior 90 days vs. 12% who used standalone BNPL** (PYMNTS, Jan 2026). Card installments are roughly 2.6× as prevalent as BNPL.
- **Card installment use rose 46% from spring 2025 to summer 2025**, with over one-quarter of travel bookers using them.
- **Gen Z reports 45% card installment use vs. 24% BNPL use**, and more than six in ten Gen Z installment users apply them to both essentials and discretionary spend.

This matters because most merchants assume BNPL is winning at checkout. Usage data says card-linked installments are growing faster. The story is not that BNPL is dying, BNPL adoption remains broad (J.D. Power shows ~40% overall usage and ~50% of under-40s; Adobe shows \$20B in U.S. holiday online BNPL spend, up 9.8% YoY). The story is that **the financing your card already offers is actually the faster-growing product category**, and your customers don't know your card does this, because nobody on your team has shipped the surfacing to tell them.

**This is the most underweighted opportunity in merchant-side credit right now.** Your card does installments. The customer doesn't know. The BNPL button does, and says so. The fix is not a new product. The fix is shipping the surfacing.

## 1.3 The bifurcation is the gift

Two distinct use cases are crystallizing in the financing market:

- **BNPL as liquidity tool:** Used disproportionately by paycheck-to-paycheck and younger financially constrained consumers, often for essentials. More than half of lower-income BNPL users use it solely for essential spending. BNPL user base is forecast to grow ~36% in 2026 as credit rejection rates climb to a series-high 24.8% (NY Fed, Oct 2025).
- **Card installments as cash-flow optimization tool:** Consumers earning over \$100K are 57% more likely to use card installments than those earning under \$50K. For high earners, financing is about flexibility, rewards preservation, and budgeting, not financial strain.

The strategic implication for your business is the opposite of what most merchant teams assume. The threat is not that BNPL is stealing your high-value customers. The threat is that you are letting the BNPL button at your checkout serve your high-value customers a product designed for liquidity-strained customers, which means **your best customers are using a worse-for-them product because the better one isn't visible enough.**

The customer choosing BNPL on a \$2,000 flight at your checkout is not, in most cases, financially strained. They are cash-flow optimizing. Your card does that better, with rewards, with dispute protection, with a credit history they're already building. They are choosing BNPL because the BNPL button said "pay over time, no fees, no impact" and your card said nothing. That's a fixable problem.

## 1.4 Agentic commerce is arriving exactly as you need to be visible

Visa Intelligent Commerce and Mastercard Agent Pay move from pilot to production in 2026. Visa has publicly committed to mainstream agentic commerce by early 2026 with 100+ partners; Mastercard Agent Suite launches Q2 2026. Visa projects millions of consumers using AI agents to complete purchases by the 2026 holiday season.

This is the second-order consequence merchants are not pricing in. When a customer instructs an agent to "find the best flight under \$400 with installment options," the agent is going to evaluate where to send them. The agent reads merchant-side payment-option metadata. If your storefront does not expose "installment available" as machine-readable information in your product feeds and PDPs, the agent does not know your card offers it. You are filtered out of the agent's shortlist the same way you are filtered out of the human shortlist today, silently, on a signal you didn't even know was being read.

Merchants who have not started thinking about how their financing offer is exposed to AI agents are betting that 2026 holiday is a normal holiday. It will not be.

---

## Part 2, The Merchant Credit Operating Model

The 2026 merchant credit operating model has seven coordinated capabilities. The further toward the center, the more foundational.

**The seven coordinated capabilities:**

- 1. Foundation, Partner-Bank Relationship as a Velocity Asset.** The relationship is the ground truth. Every other capability builds on knowing which roadmap items live in which approval tier.
- 2. Customer-Facing Surfaces, Pre-Checkout, At-Checkout, Post-Purchase.** The three moments where your credit product either wins or loses against the BNPL button.
- 3. Merchant-Side Data, Attribution, and LTV Economics.** Without first-party measurement of cardholder vs. BNPL-user lifetime value on your platform, every strategic conversation runs on assumption.
- 4. Build-vs-Pressure-vs-Wait Decision Framework.** For every roadmap item: ship it now, route it through routine approval, or have the longer conversation.
- 5. Co-Marketing Economics with the Bank.** The PYMNTS merchant-choice data is your most valuable negotiating asset here. Use it.
- 6. Customer Experience Controls, Disputes, Refunds, Servicing.** Where card programs beat BNPL on the merits, and where most merchant teams have not surfaced the differentiation to customers.
- 7. Agentic Commerce Readiness.** 2027 table stakes you build in 2026, or you are invisible to agent-initiated commerce.
- 8. Regulatory Posture from the Merchant Side.** Design for the strictest regime you operate under, plus one scenario more.

*(The first item is the foundation. Items 2-4 build directly on it. Items 5-7 build on the prior layer. Item 8 cuts across everything.)*

**2.1 Foundation: treat the partner-bank relationship as a velocity asset, not a constraint**

This is the precondition for everything else, and it is where almost every merchant-side credit team is operating below their actual ceiling.

The default mental model on most merchant credit teams is that the partner-bank relationship is a fixed constraint. The bank approves what it approves on the timelines it sets. The merchant product team works around it. This is half-true and very expensive.

The accurate model: the partner-bank relationship is a *contract*, and inside any partner-bank contract there is a meaningful surface area of customer-experience decisions the merchant can make unilaterally without bank sign-off. There is also a separate surface area of decisions that require sign-off but are routinely granted, and a third surface area that genuinely requires the fight. Most merchant teams treat all three the same way and assume everything requires the fight. They are wrong, and they are leaving two quarters of velocity on the table because of it.

The first piece of work for any merchant credit team in 2026 is to **inventory their partner-bank agreement against their roadmap**. For each roadmap item, classify it:

- **Ship now, no approval needed:** UX copy changes, surfacing decisions, marketing placement, A/B test infrastructure on the merchant's own properties, customer education content, post-purchase upsell flows that don't change credit terms. This list is almost always longer than the team assumes.
- **Ship after a routine approval:** Visual changes to credit communications, new placement of existing approved messaging, modest changes to application flow that don't change underwriting. Sign-off cycle is real but predictable, usually 4-8 weeks.
- **Ship after a real negotiation:** Changes to credit terms, pricing, plan structure, underwriting flexibility, data-sharing arrangements. These need a business case and a senior-stakeholder conversation. They are achievable but they take time and political capital.
- **Save for renewal:** Anything fundamental to the program economics. Plan-fee structure, interchange splits, marketing co-fund commitments, exclusivity. These move at renewal, not in between.

The merchants who win 2026 are the ones who get this inventory right. Most of the velocity they unlock is in category 1, which they were already authorized to do and weren't doing because nobody had drawn the line clearly.

## 2.2 Surface strategy: compete in all three customer moments

The PYMNTS merchant-choice data implicitly tells you that being visible at checkout is no longer enough. You need to be in the consideration set before the customer arrives, present at checkout, and continuing the relationship after the purchase. Three surfaces, three different jobs:

Surface	Primary job	Required capability	2026 priority
<b>Pre-checkout visibility</b>	Get into the merchant-choice consideration set	Category landing pages, PDP financing badges, "as low as \$X/mo" surfacing in shopping paths, email/SMS pre-shopping campaigns	<b>Highest</b>
<b>At-checkout</b>	Win the click against the BNPL button	Application UX, copy parity with BNPL ("buy now, pay later" framing for your card's plan), instant decisioning, mobile-first design	<b>High</b>
<b>Post-purchase</b>	Lift LTV, drive next purchase, deepen relationship	Statement-level plan offers, in-app conversion flow on existing purchases, rewards visibility on installment behavior	<b>High</b>

The pre-checkout surface is the most underweighted today across the merchant-side credit landscape. If 40% of consumers are letting financing availability shape where they shop, then the merchant's job is to be the storefront that surfaces "you can finance this purchase on our card, here's what it costs, here's what you earn" before the customer makes a choice. This is a product surface you almost certainly own, do not need bank approval to ship, and can A/B test against your own conversion data within a quarter.

The at-checkout surface is where the fight against the BNPL button happens. The BNPL button has years of conversion optimization, mobile-first design, two-tap UX, and clean copy. Your card's application flow was designed for a different era and looks like it. The work here is not new functionality. It's catching up the UX to fintech standards. Most of this is also yours to do without bank approval, because the bank doesn't approve UX, it approves disclosures, decisioning logic, and terms. UX is yours.

The post-purchase surface is where you preserve and grow what you've already acquired. A customer who used your card at checkout and converted that purchase to a plan in their statement view is a customer who is now in the habit. A customer who used your card and never saw a plan offer is a customer who will next time use the BNPL button on a competitor's site.

## 2.3 Category strategy: lean into where financing is the filter

The PYMNTS data gives merchants a clear prioritization map. Category pull on merchant choice is highest in:

1. **Travel** (nearly 4 in 10 overall, 62% of millennials), if you sell travel, financing visibility is no longer optional
2. **Food delivery** (nearly 4 in 10 overall), high-frequency, small-ticket, requires guardrails against stacking
3. **Medical/dental**, emerging and Gen Z-heavy; greenfield where Cherry, Affirm, CareCredit are already established and a card program can win on rewards continuity and dispute protection
4. **Events and ticketing**, strong engagement among installment users
5. **Large retail ticket** (electronics, furniture, appliances), the historical BNPL stronghold; ground you can take back

If your merchant operates in one of these categories, the financing-as-merchant-choice argument is your strongest negotiating tool with your partner bank. The conversation with the bank changes when you can say "62% of millennials let financing shape their travel choice. We are losing 17% of our travel category traffic to competitors who surface their financing more aggressively. Co-fund this campaign with us." That is a defensible business case with first-party data backing it, and it is meaningfully more compelling than "we'd like to do more marketing."

For categories where financing does not drive merchant choice (groceries, restaurants, roughly 1 in 5), the play is different. Post-purchase conversion for bigger basket sizes, framed as budgeting rather than as merchant acquisition. Don't try to make financing a top-of-funnel asset in a category where customers don't shop on it.

## 2.4 Segment strategy: three lanes, three operating models

Your credit product probably serves all three of these segments today. Most merchant teams have not made the choice about which one they're optimizing for, which means they optimize for none.

Segment	Job-to-be-done	Product design	Economic model
<b>Prime cash-flow optimizers</b> (\$100K+ HH income, disciplined revolvers, category-loyal)	Smooth a meaningful purchase without losing rewards or opening new credit	0% or low-fee plans, full rewards earning, flexible tenure, easy early payoff	Plan fees + preserved interchange + LTV lift through retention and cross-category spend
<b>Aspiring builders</b> (credit-building, thin file, younger, brand-loyal)	Predictability, control, and credit establishment with a brand they like	Shorter tenure, fixed monthly fees, clear bureau reporting, behavior-based limit increases	Modest plan fees + reduced churn + graduation to deeper relationship over years
<b>Liquidity-constrained</b> (paycheck-to-paycheck, essentials BNPL users)	Bridging to next paycheck	Tight eligibility gating; explicit affordability framing; small tenure; or do not serve	Often <b>decline-or-redirect</b> ; risk and regulatory exposure outweigh marginal revenue

The hardest internal conversation for most merchant credit teams is admitting that the third segment is a decline-or-redirect pattern, not a growth segment. Your partner bank will tell you this. Your CFO will sometimes argue against it because the BNPL button at your checkout is happily serving this segment and you are losing the volume. The honest answer is that the BNPL provider serving your liquidity-constrained customer is taking on regulatory risk that will catch up with them (CFPB scrutiny, UK affordability rules going live July 15, 2026), and your card program does not need to compete for that volume.

The strategic move is to be unembarrassed about owning the prime cash-flow optimizer segment with premium experiences, courting the aspiring builder segment with credit-establishment value props, and letting the BNPL button absorb the liquidity-constrained traffic.

## 2.5 Rewards and economics: your structural moat against BNPL

This is where your card program wins the comparison against BNPL, and where most merchant-side teams have not closed the most basic gap.

**The non-negotiable:** your customers must earn rewards on installment purchases. If a customer puts a \$2,000 flight on your card and converts it to a 6-month plan, the rewards they would have earned on the single charge must earn on the plan. Any program that strips or reduces rewards on plan conversion has handed BNPL its only legitimate "why not use the card" argument.

This is not always within your control. The rewards structure on most co-brand programs is in the partner-bank agreement, and rewards-on-financed-spend is a standard renewal-cycle issue. If your current program strips rewards on installment conversion, that is a renewal priority. If it preserves them, that is a marketing message you are probably not using aggressively enough.

**The merchant-side LTV argument:** the comparison between a BNPL transaction and a card transaction on your platform should be a live document on your finance team's desk. The numbers favor your card over time, almost always, but not always at the per-transaction level. BNPL wins a single transaction's conversion lift. Your card wins:

- Recurring interchange and portfolio revenue share over years
- A first-party data relationship with the cardholder that BNPL does not give you
- Repeat purchase compounding through rewards and loyalty integration
- Lower customer-service cost per dollar of GMV financed (your servicing infrastructure is unified; BNPL adds a third party)
- Defensibility against your competitors (a cardholder is a customer who has switched. A BNPL user is a customer who is renting a payment method)

If your team has not modeled the LTV gap between a cardholder and a BNPL user on your platform, that is a one-week analysis project and it is the most useful artifact you can produce for any internal conversation about credit strategy in 2026.

**What to avoid:** deferred interest as a feature, late fees that are out of step with consumer expectations, and "promotional financing" terms that depend on customers not reading the disclosure. The CFPB has flagged deferred interest repeatedly. It is incompatible with a customer-choice story in which trust is your differentiator against BNPL.

## 2.6 Customer experience controls: where you can beat BNPL on the merits

The CFPB's BNPL market monitoring identified disputes and refunds as the #1 consumer complaint theme across the BNPL industry. This is your opening.

When a customer disputes a charge they made on your card, your servicing infrastructure handles it under Reg Z and the existing dispute framework. The customer knows how it works. The bank handles the operational lift. The customer gets predictable recourse.

When a customer disputes a charge they made via BNPL, the picture is murkier. The merchant, the BNPL provider, and the customer often have different versions of who owes what to whom. Refund cycle times are longer. The customer's recourse depends on which BNPL provider they used and what its policies happen to be.

This is not a marketing message you are using. It is a meaningful merchant-side argument and it is buried in your terms and conditions where no customer reads it. The merchants winning in 2026 will surface this in the customer education layer: a clear, simple "here's what happens if you need to dispute or return" comparison, in the customer's pre-checkout shopping path or in the post-purchase confirmation flow.

The KPIs to track on the merchant side:

- Dispute rate on plan purchases vs. revolving purchases vs. BNPL purchases at your checkout
- Refund cycle time on plan purchases vs. BNPL purchases
- Customer-service tickets per dollar of GMV financed by method
- Retention 90/180/365 days post-purchase by financing method
- Repeat purchase rate by financing method

## 2.7 Agentic commerce readiness: 2027 table stakes you build in 2026

Merchants who do not surface financing options in machine-readable form by the 2026 holiday season will be filtered out of agent-initiated commerce in 2027. The specific work for the merchant side:

- **Product feed metadata** that exposes "installment available," "minimum monthly payment," and "rewards earned on plan" as structured fields readable by agents and aggregators
- **API surfacing** of financing terms in any commerce APIs you expose to partners, marketplaces, or comparison agents
- **Schema.org and equivalent structured-data markup** on PDPs and category pages so generalist agents (which will dominate 2026 holiday) can parse your financing offer
- **A clean integration with your partner bank's installment APIs** so agent-initiated purchases can elect a plan at authorization without breaking the agent's flow

This is not a 2027 problem. Visa Intelligent Commerce is in production. Agent traffic to merchants will be a measurable percentage of revenue by Q4 2026 in early-adopter categories. If your team is not piloting this in Q3 2026, you are behind.

## 2.8 Regulatory posture: design for the strictest regime you operate under

The 2026 regulatory picture is not one regulator. It's a set of overlapping regimes whose strictest provisions are converging:

- **U.S.:** CFPB has deprioritized enforcement of the 2024 BNPL interpretive rule (May 2025), but it stands. Credit Card Competition Act and proposed rate caps remain active. The vacated \$8 late fee rule (2025) shows how quickly fee economics can change via litigation.
- **UK:** BNPL comes under FCA supervision on **15 July 2026**, affordability checks, Consumer Duty, ombudsman access. Standalone BNPL's compliance cost rises. Merchant-side card programs in the UK gain relative advantage but inherit complexity.
- **EU/Spain:** Draft Spanish consumer credit bill explicitly regulates BNPL; EU directive transposition ongoing. Disclosure becomes required even for "light" installment products.
- **India:** Lending must sit with regulated entities; UPI credit lines create a non-card installment path. Different problem for merchants operating internationally.
- **Brazil:** Pix Parcelado gives consumers account-to-account installments. Direct competition for card installment culture in the region.
- **Canada:** RPAA supervision in effect since September 8, 2025; FCAC research shows consumer confusion on disputes and credit-score impacts.

The merchant-side design principle: build customer experiences, disclosures, and product economics that are compliant with the strictest regime you currently operate in, plus one scenario more. This is not just about your own compliance posture. It is about being the credit product that does not have to be re-engineered every time a regulator moves, which means you ship faster than competitors who are constantly retrofitting.

This is also the conversation to have with your partner bank. The bank's compliance gravity is heaviest precisely on the things regulators are moving toward. Aligning with the bank's compliance posture is, in 2026, often aligning with where the regulation is going anyway. The constraint becomes the moat.

---

## Part 3, The 2026 execution roadmap

### Q2 2026, Inventory and foundations

- Partner-bank agreement inventory against your roadmap (the single highest-ROI exercise in this quarter, and almost no merchant team has done it cleanly)
- Surface audit: where does your credit product appear pre-checkout, at checkout, and post-purchase? Where is the BNPL button visible that your card is not?
- LTV gap analysis: cardholder vs. BNPL user on your platform, modeled honestly
- Rewards-on-installment audit: is your program preserving rewards on plan conversion? If not, this is the renewal priority and the interim marketing problem
- Baseline KPI instrumentation across the three surfaces

### Q3 2026, Pilot and ship the unlocked work

- Ship the category-1 work (no bank approval needed): pre-checkout surfacing, PDP financing badges, copy parity at checkout, post-purchase plan visibility
- Pilot category-specific campaigns in your highest merchant-choice-influenced category (travel if you sell it; healthcare if you're in care; large retail ticket otherwise)
- Begin the routine-approval cycle on the category-2 work
- Hold the first strategic conversation with your partner bank using the PYMNTS merchant-choice data as the frame
- Dispute and refund workflow hardening, surface the differentiation to customers, not just on backend metrics

### Q4 2026, Expand and prepare for 2027

- Broader rollout of the surfacing work across categories and segments
- Agent-readiness pilot: structured metadata on financing in product feeds, schema markup, machine-readable plan terms
- Holiday peak with all three surfaces live and measured
- Renewal-cycle preparation if your agreement matures in 2027: build the business case from a year of clean attribution data

## **2027, Renegotiate and scale**

- Partner-bank renewal positioned from a position of measured strength (you have a year of data showing what works)
  - Agent-initiated commerce in production volume
  - Category playbooks refined and exported across the program
  - The card program positioned as the strategic asset of the checkout, not the conversion tactic
-

## Part 4, What to do this week

Ten concrete actions a merchant-side credit team can take in the next seven business days:

- 1. Pull your partner-bank agreement and read it.** Most merchant credit product leaders have not personally read the current version of their agreement. The team has. You should. The roadmap inventory exercise starts with you knowing what's actually in the contract.
- 2. Walk your own customer journey.** Start from a category landing page, work through to PDP, to cart, to checkout, to confirmation. Note every place the BNPL button appears. Note every place your card's financing offer does not. Take screenshots.
- 3. Run the PYMNTS merchant-choice percentages against your customer mix.** If 62% of millennials let financing shape travel choice and millennials are 35% of your traffic in a travel-adjacent category, you have a quantifiable exposure number. Bring it to your next leadership conversation.
- 4. Rewards-on-installment audit.** Five minutes. Does your card preserve rewards when a customer converts a purchase to a plan? If not, this is the top renewal priority and the top interim marketing problem.
- 5. Pull your installment plan adoption rate and plan conversion rate on eligible purchases.** If you don't know these, your team can produce them inside two weeks. They are the most important numbers your credit program reports.
- 6. Dispute and refund cycle time on your card vs. on the BNPL button at your checkout.** If you can pull this, the answer is almost certainly favorable to your card. If you can't pull it, your servicing data is fragmented and that's the work.
- 7. Identify your Gen Z healthcare or care strategy if you're in a category adjacent to health.** 55% of Gen Z report installment availability shapes their provider choice. This category is addressable within 12 months if you start now.
- 8. Map your customer-experience surfaces against the UK FCA DPC regime going live July 15, 2026.** Even if you don't operate in the UK, this is the template most regulators will converge toward in the next three years.
- 9. Inventory your product feed metadata and PDP markup for financing-related structured data.** Agent-initiated commerce will read this. If it's empty, your card is invisible to agents.
- 10. Have the explicit conversation about the liquidity-constrained segment with your partner bank and your CFO.** Decide deliberately whether your credit product is competing for that volume or directing it to the BNPL button. Ambiguity here creates risk on both sides of the balance sheet.

## **If this list is your roadmap and you don't have time to execute it this quarter**

That's the Partner-Bank & Checkout Audit.

Five days. \$5,000. I work your checkout and your competitive positioning against the BNPL options sharing the page, then hand back a prioritized list of what's shippable next quarter without bank approval, what's worth a routine approval cycle, and what's worth a longer conversation. The deliverable is a written audit and a roadmap your team can execute against on Monday.

It's built for merchants who sell things that cost real money, who have their own card program, and who feel the pinch every time a basket they could have kept for years gets captured by the BNPL button for a single transaction.

The Audit is the front door. We can scope follow-on work from there if it's useful, but the Audit stands on its own.

Calendly: [\[link\]](#) Email: [sean@forefrontproduct.com](mailto:sean@forefrontproduct.com)

---

## **Appendix, Key figures at a glance**

Metric	Value	Source
U.S. consumers using card installment plans in Jan 2026 (prior 90 days)	31%	PYMNTS (n=2,980)
U.S. consumers using standalone BNPL in Jan 2026 (prior 90 days)	12%	PYMNTS
Card installment use growth, spring 2025 → summer 2025	+46%	PYMNTS
Gen Z card installment adoption	45%	PYMNTS
Gen Z BNPL adoption	24%	PYMNTS
Consumers where BNPL shapes travel merchant choice	~40%	PYMNTS (Feb–Mar 2026, n=2,763)
Millennials where BNPL shapes travel merchant choice	62%	PYMNTS
Gen Z where installment availability shapes medical/dental choice	55%	PYMNTS
Gen Z where BNPL availability shapes medical/dental choice	49%	PYMNTS
Heavy BNPL users where availability shapes merchant choice	Up to 90%	PYMNTS
U.S. BNPL holiday 2024 online spend (Adobe)	\$20B (+9.8% YoY)	Adobe
BNPL user base growth, 2026 forecast	+35.9%	eMarketer
U.S. credit rejection rate, October 2025	24.8% (series high)	NY Fed SCE
Higher-earner (\$100K+) likelihood to use card installments vs. <\$50K	+57%	PYMNTS
UK BNPL regulation go-live	15 July 2026	FCA

Metric	Value	Source
Visa / Mastercard agentic commerce mainstream target	Early 2026 / Q2 2026	Visa, Mastercard

This playbook synthesizes the PYMNTS Intelligence "Pay Later Ecosystem" April 2026 Data Book on merchant choice, the PYMNTS January 2026 "Pay Later Reset" usage survey, J.D. Power 2026 BNPL satisfaction data, Adobe holiday commerce data, CFPB BNPL market monitoring, FCA/CFPB/RBI/Bank of Spain regulatory filings, and Visa/Mastercard agentic commerce announcements. Figures current as of April 2026.

*The Merchant Credit Playbook is published by Forefront Product, which helps merchants with a card program win the big-ticket checkout they keep losing to BNPL. To work together, start with the Partner-Bank & Checkout Audit, five days, \$5,000, a written audit and a prioritized roadmap your team can execute against on Monday.*