

PROJECT

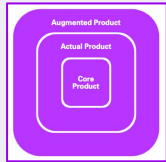
ChargeAfter- The Buy Now Pay Later Platform

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06/17/2023

Product Principles Sprint summary



Product Principles is all about learning the frameworks and concepts needed to create sticky, memorable product experiences, and applying them to a firm of your choosing



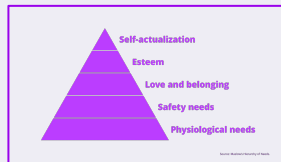
Levels of Product

A framework that explains how a product is more than its function — the best products include a core product that meets a psychological need.



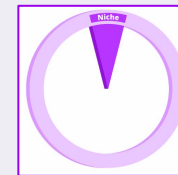
Levels of Competition

To defend your product's value proposition, understand four types of competitors: narrow, form, need, and resource.



Psychology of Value

Most products lack intrinsic value. To imbue a product with strong psychological value, identify your customer's needs.



Customer Niche/Target Customer

Sizable, identifiable, and accessible set of consumers who share the same core need and behave similarly.

Product Principles Sprint summary cont'd.

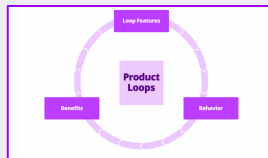


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Friction Audit

Framework to remove friction points along the customer journey.



Product Loops

Mechanisms to get customers to return to your product. Embed loops into the product itself, leverage rewards, share useful content, and create a community.

Levels of Product



How is your product more than just its function?

STEP 1: Write Your Company & Your Product

ChargeAfter is the leading network for Buy Now Pay Later Consumer Financing. Connecting merchants and lenders to provide shoppers with responsible, approved financing offers from multiple lenders behind a single application. ChargeAfter offer shoppers responsible, approved, and personalized consumer financing from multiple lenders through a single quick application wherever they shop.

STEP 2: Identify Your Levels of Product

List your core, actual, and augmented product below

Augmented Product

Added benefit that generates customer value

Supports all Platforms

ChargeAfter supports Magento, Shopify, WooCommerce, BigCommerce, hybris and custom platforms. Offer the full range of point of sale financing products on merchant/ retailer site or in-store with easy to connect extensions or simple JavaScript code.

White Label options

Full Reporting

ChargeAfter provides full performance and detailed transaction transaction dashboard reporting

Actual Product

Functional item that customers buy

Multi Lender Consumer Financing

With a single application, ChargeAfter delivers personalized point of sale multichannel (eCommerce/ mobile websites, in-store POS system, and call-center operations) financing that offers merchants & retailers consumers Buy Now Pay Later network of lenders.

Core Product

The psychological reason behind your customers' purchase (aka core need)

Consumers who needs to buy more expensive products- meets the need of esteem, status simbol. Business (merchants/ retailers)s owners could sell 30% more if BNPL was an option for their customers so, overall, revenue potentially increase by 30%.

Evaluate Your Niche (Target Customer)



How does your product target a set of customers who share the same core need?

STEP 1: Define Your Customers' Unmet Need

What unmet needs binds your niche together? What need do all members of this niche have in common?

Pro tip: this is based on your answer to Core Product on the previous slide

BNPL product offer consumers retailers/ merchants, more choice when it comes to large purchases, and they can be less expensive than using credit cards. This preference is especially pronounced among younger consumers.

STEP 2: Identify Your Niche (Target Customer)

Size

How many people have that need?

The Buy Now Pay Later (BNPL) market size will be valued at \$309.2 billion in 2023 and is expected to grow at a compound annual growth rate (CAGR) of 25.5% over the forecast period. The payment method has emerged as a popular choice with GenZ and Millennials. Share of the young generation using BNPL with around 61% of people in the age group (18-24) using BNPL services in the United States.

Identifiable

How would you identify/tell whether an individual has that need?

- Purchase history of high AOV (average order value)
- In the age of 18-40
- Looking for alternative lower cost finance options

Accessible

What channels should you use to market to individuals with that need?

- ChargeAfter delivers personalized point of sale multichannel (eCommerce/ mobile websites, in-store POS system, and call-center operations) financing that offers merchants & retailers consumers Buy Now Pay Later network of lenders.

Predictable Behaviors

What buying or usage behaviors do people that have this need exhibit?

- BNPL preference is especially pronounced among younger consumers.
- BNPL payments can be easier to manage than credit card repayments, there is a simple approval process, and BNPL options can charge no interest if the debt is paid back on time.

Levels of Competition



How does your product meet customer needs in a way that the competition does not?

STEP 1: Write Your Core Product

Carry over from the first slide

ChargeAfter optimize the BNPL, so retailers/ merchants customers who needs to buy more expensive products, have now more options to finance them.
Business owners (retailers/ merchants) could sell 30% more if BNPL is an option for their customers.

STEP 2: Identify Your Levels of Competition

Narrow Substitute

Products that are nearly indistinguishable from yours, with the same core and actual product

- PayPal Credit
- Afterpay
- Affirm
- Klarna
- Zip (Zip Pay)

Form Substitute

Similar actual products that compete for wallet share, but aren't perfect substitutes

- All credit cards types in POS or checkout
- Apple pay
- Amazon pay

Need Substitute

Similar core products that meet the same need for the user (may be different actual products)

- Coupon/ voucher code in POS or checkout that the merchant/ retailer can offer. It meets the same consumer & retailer need which is to sell the product

Resource Substitute

Products that compete for the same customer resource (i.e. money, time, attention, appetite)

- SNPL- each retailer can set up for itself, consumer set aside funds in the retailers wallet over time. And once they have saved the purchase price of the items they have selected (couch, shoes, funeral plot) they take possession of the item

Customer Journey Friction Audit



Now that you've gotten your customers in the door, how will you remove friction to keep them there?

STEP 1: Customer Journey Friction Audit

List every point at which your customer interacts with your product, brainstorm areas of friction, and solutions

Points of Purchase	Customer Touchpoint	Friction	Solution
Pre-Purchase	Checkout experience	4-steps in 4 different pages during checkout/ purchase experience: Payment option, order summary, pick a payment plan, complete your purchase/ confirmation	Change the flow to a folded checkout process/ where all the steps are being processed in 1 page.
Purchase	Checkout page- pick a payment plan	After choosing BNPL (rather than credit card/ wallet options), then the customer is being offered with 3 finance options-> installments with different return rates	Make the best decision for the consumer at checkout. if the consumer has a good credit score do not offer him different installment options-> provide & calculate the best finance options for the consumer- too many option may confuse the consumer with a potential of higher churn/ downsell
Post-Purchase	Consumers makes her payments, in the cadence they chose during checkout. The lender (via ChargeAfter) never charges hidden or late fees.	The charges are being done automatically w/o continues communication to the merchant consumer.	Consumer to be prompt reminders via merchant/ retailer app (email/ messages), and engage/ show them exactly the payment that will be charge soon- and the outstanding balance.

Product Loops



You've identified areas of friction in the customer journey, but how will you get your customers to keep coming back?

STEP 1: Brainstorm Potential Product Loops

Use the four strategies to identify effective ways to get customers to return to your product after an initial purchase

Loops within the Product	Leverage Rewards	Share Useful Content	Create a Community
<ul style="list-style-type: none">ChargeAfter offers split payments, revolving credit and 0% APR from multiple lenders	<ul style="list-style-type: none">Banners- Item costs \$600 or as low as \$53/month with ChargeAfter	<ul style="list-style-type: none">Email/ My account/ Message BNPL installment plan	<ul style="list-style-type: none">Blog, booth within fintech events, merchandise
<ul style="list-style-type: none">Merchants can offer their customers various financial options to purchase goods	<ul style="list-style-type: none">Consumer can afford the item! And will purchase it	<ul style="list-style-type: none">Customers engage/ interact with the merchant/ retailer outside of actual shopping	<ul style="list-style-type: none">Increased brand awareness and personalized experience
<ul style="list-style-type: none">Convenience , save money, excellent experience in buying products	<ul style="list-style-type: none">Create added value to the consumer by providing him financial option to buy the goods he wants	<ul style="list-style-type: none">Finance APR educational content on BNPL financial tools.	<ul style="list-style-type: none">Personalized customer pricing, demo's, added value using the ChargeAfter product.

Closing Reflection



You've done the analysis. Now, reflect on what you've learned and how you'll put it into practice.

Your Insights

What did you learn? Think about what surprised you, led to an a-ha moment, or changed how you think about something.

Splitting the product into Augmented, Actual and Core tiers! The market size and growth, competition- specially the substitute need- which was new to me.

Your Application

What is one action your firm can take to make your product more-sticky? How can you apply these insights to your product? Think about what impact you could make on your company's product strategy

I can definitely advise the head of product to move to a folded checkout process/ where all the steps are being processed in 1 page/ instead of 4.

Your Next Steps

What do you need to do to put your learnings to work? Think about data gathering, stakeholder conversations, or further analysis.

I'll take out data from Amplitude on users funnel in checkout, and will suggest to deploy the new UX in A/B testing mode & behind feature flag- which will help me turn on and turn off the feature. I will run an analysis on the 2 mode checkout process (conversion of customers lands on BNPL page/ customer provides payment info and agrees to T&Cs)