



The Effect of PayLater Usage on Financial Well-Being: The Moderating Roles of Financial Anxiety and Self-Control among Young Consumers

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Abstract: This study aims to examine the effect of PayLater usage on financial well-being and investigate the moderating roles of financial anxiety and self-control among young consumers in Bengkulu. A quantitative explanatory approach with a cross-sectional design was employed. Data were collected through a structured questionnaire administered to young consumers selected via purposive sampling and analyzed using Moderated Structural Equation Modeling based on Partial Least Squares. The findings demonstrate that PayLater usage has a direct adverse effect on financial well-being. Financial anxiety exacerbates this negative relationship, rendering consumers with higher anxiety more vulnerable to declining financial security. Conversely, self-control serves as a protective psychological mechanism that mitigates the detrimental impact of PayLater usage on financial well-being. The proposed model offers substantial explanatory capability in understanding consumer financial well-being. These findings underscore the importance of responsible credit limits, transparent repayment information, enhanced consumer self-regulation, and targeted digital financial education that addresses installment planning and financial anxiety management.

INTRODUCTION

The rapid expansion of Buy Now, Pay Later (BNPL) services has fundamentally altered consumer credit dynamics in emerging markets, making immediate financing accessible with minimal friction. Recent data from the Indonesian Financial Services Authority (OJK) reveals that outstanding BNPL financing provided by finance companies surged to IDR 6.81 trillion in May 2024, reflecting an annual growth of 33.64% (Otoritas Jasa Keuangan, 2024). Furthermore, 70.4% of active PayLater users

belong to the 18–35 age cohort, confirming that young consumers represent the primary driver of this payment instrument (Kredivo & Katadata Insight Center, 2024). Empirical studies indicate that BNPL payment modes alter spending behavior by reducing the psychological discomfort of spending, yielding a 6.42% increase in online expenditure (Kumar et al., 2024) and focusing consumer attention on smaller installment sizes rather than total accumulated debt (Ashby et al., 2025; Relja et al., 2025; Guttman-Kenney et al., 2023). Although this service offers short-term liquidity, its unbridled adoption among young adults – who are actively transitioning toward financial independence – creates immediate repayment commitments that directly threaten their long-term financial stability. Therefore, investigating the structural impact of PayLater usage on consumer financial health is not merely relevant, but represents an urgent imperative to prevent systemic youth over-indebtedness.

Grounded in the Behavioral Life-Cycle Theory, the temporal decoupling of immediate consumption from payment obligations intensifies present bias, causing individuals to prioritize short-term gratification while systematically underestimating future financial commitments (Shefrin & Thaler, 1988). This structural imbalance reduces disposable income, restricts emergency saving capacity, and undermines individuals' overall financial security and control over personal finances (Ashby et al., 2025; Kumar et al., 2024). However, the magnitude of this negative impact varies depending on psychological contingencies. Elevated financial distress and worry disrupt cognitive processing and heighten sensitivity to debt obligations, thereby amplifying the destructive impact of credit burdens on perceived financial security (Rahman et al., 2021; Strömbäck et al., 2017). Conversely, strong self-regulation serves as a psychological buffer; highly self-controlled individuals demonstrate disciplined spending, withstand promotional triggers, and actively mitigate the adverse financial consequences of digital credit facilities (Du Plessis et al., 2024; Van Raaij et al., 2023).

Young consumers in regional developing areas, such as Bengkulu, represent a uniquely vulnerable yet critically overlooked demographic in financial technology research. Unlike young adults in major metropolitan centers, consumers in tier-two regional cities frequently operate under higher income volatility, limited capital

buffers, and underdeveloped financial planning infrastructure, while facing identical exposure to aggressive digital credit marketing (Shim et al., 2009). Selecting Bengkulu young consumers as the research object provides a realistic empirical setting to observe how digital credit expansion impacts non-metropolitan youth who are establishing early financial management habits without substantial safety nets. Understanding their financial behavior is crucial for designing targeted localized interventions and regional regulatory policies in developing economies.

Despite growing literature on digital credit, several critical gaps remain unaddressed. First, existing BNPL literature predominantly focuses on technology adoption, usage intention, and immediate transaction behavior (Bhattacharya et al., 2024; Kumar et al., 2024; Lupşa-Tătaru et al., 2023), leaving the downstream consequences on long-term financial well-being under-researched. Second, while previous studies have evaluated general financial literacy and financial stress (Goyal et al., 2021; Rahman et al., 2021; Letkiewicz et al., 2014; Gathergood et al., 2012), the specific boundary role of emotional vulnerabilities – particularly financial anxiety – in accelerating credit-induced financial decline remains theoretically underdeveloped. Third, empirical research rarely examines internal self-regulatory mechanisms (self-control) and emotional stressors (financial anxiety) simultaneously within an integrated structural model among young consumers in non-Western emerging markets.

While prior research documents the spending-enhancing effects of digital credit, it fails to explain the psychological boundary conditions under which PayLater usage degrades or preserves youth financial well-being. The novelty of this study lies in developing and empirically testing an integrative model that positions financial anxiety and self-control as dual moderating mechanisms governing the impact of PayLater usage on financial well-being. This research provides actionable insights for financial regulators to establish responsible credit limits, offers service providers guidelines for transparent disclosures, and equips young consumers with self-regulatory strategies. Specifically, this study aims to analyze the direct effect of PayLater usage on the financial well-being of young consumers, examine the

moderating role of financial anxiety in strengthening the negative effect of PayLater usage on financial well-being, and evaluate the moderating role of self-control in weakening the adverse effect of PayLater usage on financial well-being.

LITERATURE REVIEW

Behavioral Life-Cycle Theory and Financial Well-Being

In quantitative behavioral finance, financial well-being serves as the ultimate outcome variable, representing an individual's subjective and objective evaluation of their ability to fully meet current and ongoing financial obligations, feel secure in their financial future, and make choices that allow enjoyment of life (Brüggen et al., 2017; Netemeyer et al., 2018). Rather than treating financial well-being merely as a static reflection of income or asset accumulation, modern consumer research grounds financial well-being in the Behavioral Life-Cycle Theory (BLCT) proposed by Shefrin and Thaler (1988). BLCT posits that individuals constantly navigate psychological conflicts between two internal mechanisms: the "Doer" (who seeks immediate utility and short-term gratification) and the "Planner" (who attempts to maximize long-term lifetime utility and financial security). According to BLCT, an individual's financial well-being is heavily contingent upon how effectively self-regulatory mechanisms and psychological states control current consumption choices to safeguard future financial stability. Digital payment innovations—specifically Buy Now, Pay Later (BNPL)—disrupt traditional mental accounting frameworks by decoupling current consumption from immediate monetary outlay. This structural decoupling exacerbates present bias, enabling the "Doer" to override long-term planning. Consequently, financial well-being is compromised when installment obligations accumulate faster than income growth. Within this theoretical architecture, financial anxiety acts as an affective stressor that impairs cognitive processing and heightens vulnerability to debt burdens (Rahman et al., 2021; Strömbäck et al., 2017), whereas self-control functions as the internal executive resource that restores the "Planner's" authority, mitigating credit-induced financial distress (Du Plessis et al., 2024; Van Raaij et al., 2023).

PayLater Usage and Financial Well-Being

From the theoretical perspective of BLCT, the structural design of PayLater technology reduces the "pain of paying"—a psychological mechanism that normally restrains excessive spending during traditional cash or debit transactions. By dividing total transaction amounts into smaller, delayed installment payments, PayLater alters consumers' mental accounting, making expenses appear smaller and more manageable than they actually are (Ashby et al., 2025). This framing effect systematically induces present bias, encouraging young consumers to reallocate future disposable income toward immediate consumption.

Empirical evidence demonstrates that BNPL adoption leads to increased overall purchase volume and basket size (Kumar et al., 2024). When young consumers repeatedly utilize PayLater facilities, the accumulation of multiple active installment contracts commits significant portions of future income toward debt service obligations. This dynamic diminishes available cash flow for emergency savings, routine living expenses, and long-term financial goals, thereby directly reducing perceived financial security and control over personal finances (Sabri et al., 2024). When deferred payment facilities transition from liquidity-management tools to habitual consumption drivers, they directly erode the core dimensions of financial well-being.

H1: PayLater usage has a negative effect on the financial well-being of young consumers

The Moderating Role of Financial Anxiety

Financial anxiety represents an affective psychological state characterized by pervasive worry and emotional distress regarding one's present and future financial circumstances. Within the financial well-being paradigm, emotional distress functions as a major psychological vulnerability that influences how financial commitments are processed and experienced (Archuleta et al., 2013; Netemeyer et al., 2018).

When consumers maintain high levels of financial anxiety, their cognitive capacity to manage complex debt schedules becomes overburdened. Under high anxiety, accumulating PayLater installment commitments is not merely perceived as

a routine budget item; rather, each active installment payment intensifies fear of default, cash flow disruption, and income insufficiency (Rahman et al., 2021). This emotional amplification exacerbates the subjective perception of financial insecurity, causing even moderate PayLater obligations to trigger a severe decline in perceived financial well-being. Conversely, individuals with low financial anxiety evaluate debt obligations more rationally, maintaining a sense of financial control. Thus, financial anxiety strengthens the negative structural impact of PayLater usage on overall financial well-being.

H2: Financial anxiety strengthens the negative effect of PayLater usage on the financial well-being of young consumers.

The Moderating Role of Self-Control

In the framework of BLCT, self-control represents the key psychological mechanism that enables the "Planner" to regulate the short-term impulsive desires of the "Doer" (Shefrin & Thaler, 1988; Tangney et al., 2004). In personal finance, self-control reflects an executive capacity to delay gratification, evaluate long-term financial consequences, adhere to personal budgets, and resist aggressive promotional cues (Iyer et al., 2020; Strömbäck et al., 2017).

The availability of seamless digital credit creates continuous behavioral temptations. However, individuals possessing strong self-control deploy internal self-regulatory strategies when encountering PayLater options. They evaluate installment offers against their overall income capacity, utilize credit strictly for planned or essential purchases, and actively limit total active contracts (Du Plessis et al., 2024; Van Raaij et al., 2023). By maintaining strict boundaries between actual purchasing power and credit limits, high self-control buffers the individual against over-indebtedness, thereby preserving cash flow stability and safeguarding financial well-being from the detrimental risks of digital credit (Hashmi et al., 2021). In contrast, low self-control allows PayLater features to unleash impulsive spending, accelerating the decay of financial health.

H3: Self-control weakens the negative effect of PayLater usage on the financial well-being of young consumers.

Conceptual Framework

The conceptual model integrates the direct influence of PayLater usage on financial well-being alongside the dual moderating mechanisms of financial anxiety (as an emotional exacerbator) and self-control (as a psychological buffer)

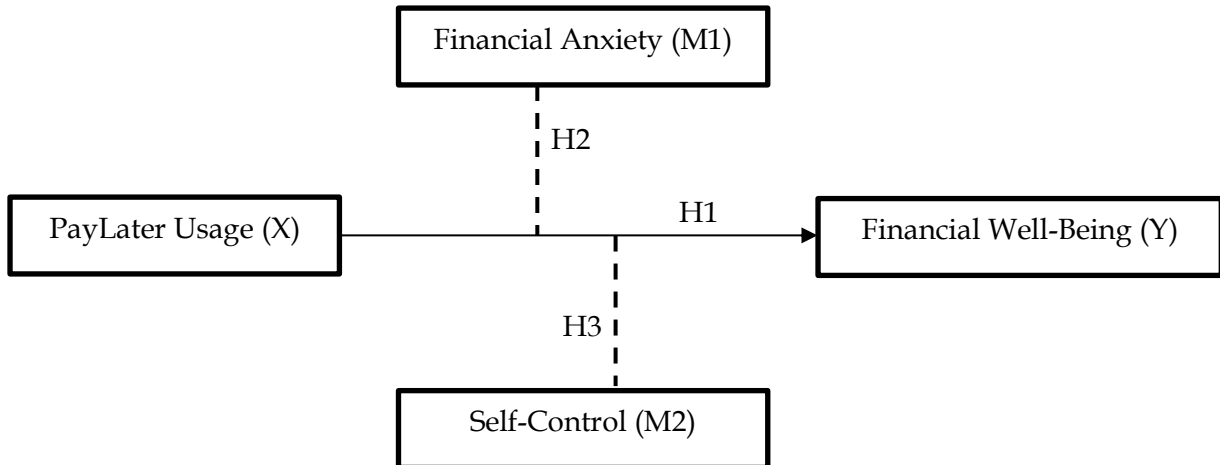


Figure 1. Conceptual Framework

RESEARCH METHOD

Data and Data Collection Procedures

This study utilized a quantitative explanatory approach with a cross-sectional survey design to empirically test the hypothesized relationships between PayLater usage, financial anxiety, self-control, and financial well-being. Primary data were gathered directly from target respondents through a structured questionnaire administered both online and offline in Bengkulu, Indonesia.

The measurement instrument was developed using a five-point Likert scale ranging from 1 ("strongly disagree") to 5 ("strongly agree"). To ensure data integrity, the questionnaire included screening questions at the beginning to filter qualified participants. Data cleaning procedures were conducted prior to model estimation, involving checks for incomplete responses, straight-lining behavior, and unengaged respondents, yielding a finalized dataset ready for structural equation modeling.

Sampling Methods and Sample Justification

The target population comprised young consumers residing in Bengkulu who actively utilized Buy Now, Pay Later (BNPL) facilities. Due to the absence of a

centralized, definitive sampling frame of digital credit users, a non-probability purposive sampling method was employed. The selection of respondents was guided by three strict inclusion criteria:

- 1.) Aged between 18 and 35 years old (representing the young consumer cohort).
- 2.) Currently domiciled in Bengkulu.
- 3.) Had executed at least one PayLater transaction within the preceding six months.

A total sample of 150 valid respondents was established. In Partial Least Squares Structural Equation Modeling (PLS-SEM), sample size adequacy is evaluated based on statistical power requirements rather than large-sample theory. The sample size of $N = 150$ satisfies the minimum sample size requirements determined by Kock and Hadaya (2018) using the inverse square root method, as well as the 10-times rule of thumb for structural models with moderate complexity (Hair et al., 2019). This sample size provides sufficient statistical power (> 0.80) to detect medium effect sizes at a 5% significance level.

Research Model and Measurement Operationalization

The conceptual model examines the direct impact of PayLater usage on financial well-being, alongside the moderating effects of financial anxiety and self-control. The operationalization of variables was adapted from established, validated measurement scales in the literature and can be shown in Table 1:

Table 1. Measurement Operationalization

Variable	Construct Type	Source Scale	Indicators Captured
PayLater Usage (PLU)	Reflective	Self-developed / Adapted	Frequency, intensity, dependence, payment deferral
Financial Anxiety (FA)	Reflective	Archuleta et al. (2013)	Worry, debt stress, emotional distress, financial tension
Self-Control (SC)	Reflective	Tangney et al. (2004)	Impulse control, budget discipline, delayed gratification

Variable	Construct Type	Source Scale	Indicators Captured
Financial Well-Being (FWB)	Reflective (Dependent)	Netemeyer et al. (2018)	Financial security, control, bill-paying ability, future security

Model Testing Procedures

Data analysis and model estimation were executed using SmartPLS 4 through Moderated Structural Equation Modeling based on Partial Least Squares, applying the two-stage approach to construct interaction terms. PLS-SEM was chosen due to its capability in handling complex interaction models and its predictive power orientation (Hair et al., 2019). Model estimation followed a two-step sequential process.

Measurement model evaluation assessed indicator reliability via outer loadings above 0.70, internal consistency reliability via Cronbach's Alpha and Composite Reliability above 0.70, convergent validity via Average Variance Extracted above 0.50, and discriminant validity via the Heterotrait-Monotrait Ratio below 0.90. Structural model evaluation assessed lateral collinearity using Variance Inflation Factors below 5.00, explanatory power using the Coefficient of Determination, predictive relevance using Stone-Geisser's Q-squared, and statistical significance via a nonparametric bootstrapping procedure with 5,000 subsamples at a 5 percent significance level.

RESULTS AND DISCUSSION

Demographic Profile of Respondents and Analytical Interpretation

To provide context for the empirical findings, the demographic characteristics of the 150 young consumer respondents in Bengkulu were analyzed. Rather than treating these metrics as isolated background statistics, understanding respondent demographics provides vital insights into the structural vulnerabilities of the sample within the framework of behavioral finance.

Table 2. Respondent Demographic Profile

Demographic Characteristic	Category	Frequency (n)	Percentage (%)
Gender	Male	62	41.33%
	Female	88	58.67%
Age	18–22 years	51	34.00%
	23–27 years	64	42.67%
	28–35 years	35	23.33%
Monthly Income/Allowance	< IDR 2,000,000	58	38.67%
	IDR 2,000,000 – IDR 4,000,000	67	44.67%
	> IDR 4,000,000	25	16.66%
PayLater Active Platforms	1 platform	61	40.67%
	2 platforms	59	39.33%
	≥ 3 platforms	30	20.00%
Monthly PayLater Allocation	< IDR 300,000	42	28.00%
	IDR 300,000 – IDR 700,000	73	48.67%
	> IDR 700,000	35	23.33%

Source: Primary Data Processed, 2026

The demographic profile reveals critical socio-economic patterns that explain the psychological mechanisms at play. Predominantly aged between 23 and 27 years (42.67%) and earning between IDR 2,000,000 and IDR 4,000,000 (44.67%), the sample represents young adults in early-career stages or financial transitions. From the perspective of the Behavioral Life-Cycle Theory (BLCT), this demographic cohort is structurally vulnerable: they possess limited financial buffers and savings capital, yet face elevated societal pressure for peer consumption and lifestyle maintenance.

Furthermore, 59.33% of respondents actively maintain multiple PayLater accounts (≥ 2 platforms), with 72.00% allocating more than IDR 300,000 monthly toward installment repayments. Relative to their average monthly income, dedicating 15% to 30% of disposable cash flow to servicing short-term consumer debt significantly restricts liquidity. This structural cash-flow commitment explains why digital credit usage rapidly converts into perceived financial insecurity when unexpected expenses occur, reinforcing the theoretical premise that young non-metropolitan consumers operate under precarious financial boundaries.

Measurement Model Evaluation (Outer Model)

The reflective measurement model was evaluated through indicator reliability, internal consistency reliability, convergent validity, and discriminant validity using SmartPLS 4

Table 3. Measurement Model Reliability and Convergent Validity

Construct	Indicators	Outer Loading Range	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)
PayLater Usage (PLU)	PLU1–PLU5	0.735–0.874	0.858	0.898	0.638
Financial Anxiety (FA)	FA1–FA5	0.761–0.895	0.887	0.918	0.692
Self-Control (SC)	SC1–SC5	0.713–0.866	0.846	0.891	0.622
Financial Well-Being (FWB)	FWB1–FWB6	0.742–0.889	0.902	0.925	0.673

Source: Primary Data Processed, 2026

All outer loadings exceeded the recommended threshold of 0.70, confirming indicator reliability. Cronbach's alpha and composite reliability values were all above 0.80, demonstrating robust internal consistency. Furthermore, AVE values for all constructs surpassed 0.50, proving that each construct explains more than half of its indicator variance, establishing convergent validity (Hair et al., 2019).

Table 4. Discriminant Validity via Heterotrait-Monotrait Ratio (HTMT)

Construct	PayLater Usage	Financial Anxiety	Self-Control	Financial Well-Being
PayLater Usage	—			
Financial Anxiety	0.412	—		
Self-Control	-0.385	-0.428	—	
Financial Well-Being	0.584	0.612	0.521	—

Source: Primary Data Processed, 2026

As shown in Table 4, all HTMT ratios were substantially below the conservative threshold of 0.85 (and well within the 0.90 maximum limit). This confirms that all four constructs possess distinct empirical identity without conceptual overlap.

Structural Model Evaluation (Inner Model)

Before hypothesis testing, the structural model was assessed for lateral collinearity, explanatory capacity, and predictive relevance.

Table 5. Structural Model Fit and Diagnostic Metrics

Diagnostic Metric	Observed Value	Recommended Threshold	Interpretation
Variance Inflation Factor (<i>VIF</i>)	1.391 - 1.752	< 5.00	No lateral collinearity issues
Coefficient of Determination (<i>R</i> ²)	0.642	> 0.26 (Substantial)	High explanatory capacity
Adjusted <i>R</i> ²	0.630	—	Robust fit accounting for moderators
Predictive Relevance (<i>Q</i> ²)	0.421	> 0	Excellent out-of-sample prediction

Source: Primary Data Processed, 2026

Substantively, the *R*² value of 0.642 demonstrates that 64.2% of the total variance in young consumers' financial well-being is jointly explained by PayLater usage, financial anxiety, self-control, and their interaction terms. In behavioral social

science research, an explanatory power exceeding 60% indicates a highly robust model. The Q^2 value of 0.421 confirms strong predictive relevance for consumer financial well-being.

Hypothesis Testing and Substantive Theoretical Discussion

Hypothesis testing was executed using a non-parametric bootstrapping procedure with 5,000 subsamples at a 5% significance level.

Table 6. Structural Path Estimates and Hypothesis Testing Summary

Structural Path	Path Coefficient (β)	Sample Mean (M)	Standard Deviation (STDEV)	t-Statistic	p-Value	95% Confidence Interval	Decision
PLU $\rightarrow$ FWB	-0.362	-0.365	0.078	4.641	0.000	[-0.512, -0.211]	Supported
PLU $\times$ FA $\rightarrow$ FWB	-0.174	-0.171	0.069	2.522	0.012	[-0.308, -0.038]	Supported
PLU $\times$ SC $\rightarrow$ FWB	0.151	0.148	0.065	2.323	0.020	[0.024, 0.278]	Supported

Source: Primary Data Processed, 2026

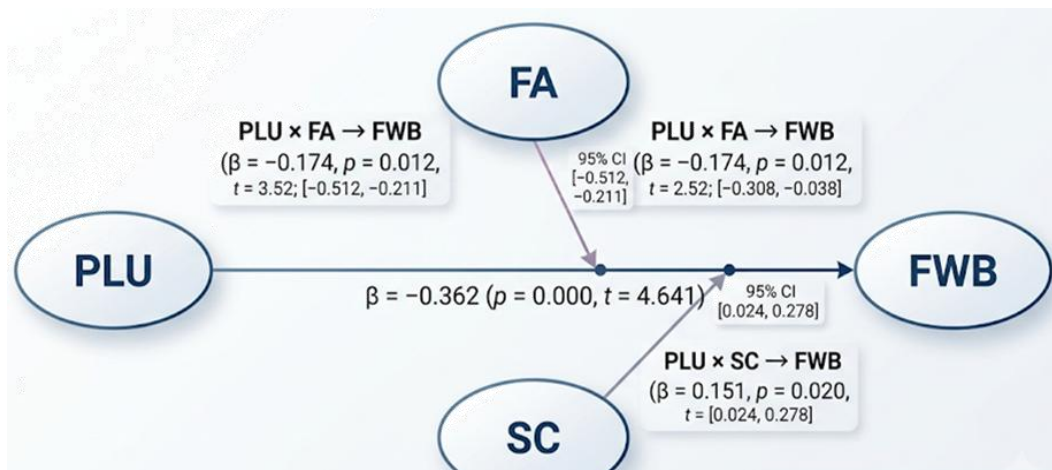


Figure 2. Structural Path

Source: Primary Data Processed, 2026

Discussion

Direct Effect of PayLater Usage on Financial Well-Being (H1)

The empirical results confirm that PayLater usage exerts a significant negative direct effect on financial well-being ($\beta = -0.362$, $t = 4.641$, $p < 0.001$), fully supporting H1.

From a theoretical standpoint, this finding strongly reinforces the Behavioral Life-Cycle Theory (BLCT) (Shefrin & Thaler, 1988). PayLater technology alters standard mental accounting frameworks by decoupling immediate consumption from cash outlay. This temporal separation diminishes the psychological "pain of paying," allowing the immediate utility-seeking "Doer" to dominate consumer decision-making over the long-term "Planner". As young consumers execute multiple transactions via micro-installments, present bias leads them to underestimate total accumulated financial commitments.

Substantively, as installment payments become due, significant portions of future income are automatically sequestered to service past consumption. This structural reduction in future disposable cash flow restricts young adults' ability to maintain emergency savings, fulfill routine obligations, and experience financial freedom. This finding aligns with Ashby et al. (2025), who demonstrated that installment-based price framing encourages overspending by obscuring overall cost magnitude, and Kumar et al. (2024), who confirmed that BNPL adoption elevates overall purchase expenditure. Also, this finding aligns with the behavioral framework of Meier and Sprenger (2010) regarding present-biased borrowing, and is empirically supported by recent BNPL studies (Gerrans et al., 2022), which confirm that multi-installment debt structures systematically erode consumers' financial resilience. Thus, digital credit usage—when unmanaged—directly erodes both objective cash flow flexibility and subjective financial security.

The Moderating Role of Financial Anxiety (H2)

The structural analysis reveals a significant negative interaction coefficient for financial anxiety ($\beta = -0.174, t = 2.522, p = 0.012$), supporting H2. As illustrated in Figure 2, the negative slope between PayLater usage and financial well-being becomes noticeably steeper for consumers experiencing high financial anxiety.

Synthesizing this result with cognitive and emotional vulnerability theories, financial anxiety functions as a severe psychological exacerbator. Consumers with high financial anxiety suffer from elevated baseline distress regarding their financial standing. When these anxious individuals utilize PayLater, each added installment

contract is not processed merely as a routine financial obligation, but as an existential threat to cash flow stability. The impending fear of payment deadlines, late fees, and budget deficits consumes working memory and cognitive capacity, severely reducing their perceived control over personal finances (Rahman et al., 2021).

Conversely, consumers with low financial anxiety view identical installment amounts with greater emotional neutrality and rational planning. This finding expands upon Strömbäck et al. (2017), demonstrating that objective credit obligations do not impact all consumers uniformly; rather, the psychological damage of debt on financial well-being is heavily governed by the consumer's emotional baseline. Financial anxiety strips away psychological resilience, rendering digital credit usage far more destructive to subjective financial health.

The Moderating Role of Self-Control (H3)

The interaction term between PayLater usage and self-control yielded a statistically significant positive coefficient ($\beta = 0.151, t = 2.323, p = 0.020$), supporting H3. Because the main direct effect of PayLater usage is negative, this positive interaction coefficient confirms a buffering moderation effect: self-control dampens and flattens the negative impact of PayLater usage on financial well-being (Figure 2).

In the context of BLCT, self-control represents the essential executive function that restores the "Planner's" authority over impulsive consumer drives (Tangney et al., 2004). Digital credit environments are engineered to remove purchasing friction through single-click checkouts and promotional discounts. However, consumers possessing high self-control deploy internal self-regulatory tactics: they actively evaluate installment commitments against total monthly income, restrict PayLater usage to pre-planned essential purchases, and resist promotional triggers (Iyer et al., 2020).

Consequently, when high-self-control consumers utilize PayLater, they do so as a disciplined liquidity-management tool rather than a vehicle for unbridled consumption. Their budget discipline prevents over-indebtedness, preserving future cash flows and safeguarding financial security. This substantive outcome accords with

Van Raaij et al. (2023) and Du Plessis et al. (2024), who emphasized that internal self-regulation acts as a critical psychological buffer against external financial stressors and digital credit traps.

CONCLUSION

This study was conducted to analyze the structural impact of PayLater usage on the financial well-being of young consumers in Bengkulu, while simultaneously evaluating the moderating roles of financial anxiety and self-control. By synthesizing behavioral finance principles with Moderated Structural Equation Modeling, the empirical findings directly fulfill all three established research objectives: **Direct Impact of PayLater Usage:** In response to the first objective, the empirical results confirm that PayLater usage exerts a statistically significant negative direct effect on financial well-being ($\beta = -0.362; p < 0.001$). More intensive reliance on digital installment payments diminishes young consumers' cash-flow flexibility, reduces emergency saving capacity, and undermines their perceived control over personal finances. **Exacerbating Moderating Role of Financial Anxiety:** Addressing the second objective, financial anxiety was proven to significantly strengthen the adverse effect of PayLater usage on financial well-being ($\beta = -0.174; p = 0.012$). Emotionally anxious consumers experience greater psychological distress and perceived threat from accumulated installment obligations, accelerating the decay of their perceived financial security. **Buffering Moderating Role of Self-Control:** Fulfilling the third objective, self-control significantly weakens the negative relationship between PayLater usage and financial well-being ($\beta = 0.151; p = 0.020$). Internal self-regulation operates as a vital protective mechanism, enabling disciplined consumers to restrict credit usage to planned expenses and mitigate over-indebtedness risks. Collectively, the integrated structural model demonstrates substantial explanatory power, accounting for 64.2% of the total variance in young consumers' financial well-being.

This study makes significant contributions to digital consumer behavior and behavioral finance literature. First, it extends the Behavioral Life-Cycle Theory (BLCT) into the modern fintech landscape by demonstrating how digital payment

mechanisms decouple consumption from payment outlays, exacerbating present bias among young adults. Second, the study advances current scholarship beyond simple adoption models by establishing that digital credit impacts consumer financial health conditionally rather than uniformly. By introducing financial anxiety as an affective vulnerability factor and self-control as an executive protective resource, this research provides a nuanced framework explaining why consumers with identical credit usage experience distinct levels of financial well-being.

The findings offer actionable insights for financial regulators, PayLater service providers, and consumer education initiatives. For Financial Regulators (e.g., Otoritas Jasa Keuangan), Policies should extend beyond interest rate caps to mandate stricter credit limit assessments based on verified user income, particularly for young adults in non-metropolitan regions. Regulations should require standardized disclosures of total accumulated debt obligations prior to contract approval. For PayLater Service Providers, Platform designers should incorporate behavioral "nudges" and transparent dashboard interfaces that display aggregate upcoming monthly liabilities, debt-to-income ratios, and automated warnings when users attempt to open multiple simultaneous installment contracts. For Educational Institutions and Consumers, Digital financial literacy programs must move beyond technical concepts to incorporate emotional debt management, stress-reduction strategies for financial anxiety, and non-cognitive self-regulation training to curb impulsive online spending.

Despite its empirical contributions, several limitations should be noted. First, the cross-sectional design restricts absolute causal inferences; future research should employ longitudinal or experimental designs to track financial well-being trajectories over time. Second, the sample was focused on young consumers in Bengkulu ($N = 150$). Subsequent studies should expand sampling across broader regional contexts to allow for comparative analyses between tier-one metropolitan and tier-two regional areas. Finally, future models could incorporate additional structural antecedents, such as peer pressure, income volatility, and specific digital financial literacy metrics, to further enrich the predictive framework of youth financial well-being.

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