

## How Buy Now, Pay Later (BNPL) is Shaping Gen Z's Spending Spree in Malaysia

\*Ismah Osman<sup>1</sup>, Nur Afizah Muhamad Ariffin<sup>1</sup>, Muhammad Farhan Naim Bin Mohd Yuraimie<sup>2</sup>,  
Muhammad Faiz Bin Ali<sup>2</sup>, Muhammad Aziz Farhan Bin Noor Akbar<sup>2</sup>

<sup>1</sup>Faculty of Business Management, Universiti Teknologi MARA Cawangan Selangor, Kampus Puncak Alam,  
Bandar Puncak Alam, Selangor, Malaysia

<sup>2</sup>Arshad Ayub Graduate Business School, Universiti Teknologi MARA, Shah Alam, Malaysia

\*ismah817@uitm.edu.my

Corresponding Author: Ismah Osman

**Abstract:** This study seeks to examine the determinants that impact the inclination to utilize Buy Now, Pay Later (BNPL) services, with an emphasis on the perspective of Generation Z. The study examines the relationships between materialism, money management skills, self-efficacy, attitude, subjective norm, perceived behavioral control, and moral obligation in determining the intention to adopt BNPL. It utilizes a quantitative approach with a descriptive research style. Questionnaires were distributed to the Gen Z demographic, and a total of 440 responses were collected using Google Forms. The data were gathered through comprehensive field research, which involved an online survey, and later examined using SmartPLS 4.0. The findings highlight the significance of materialism, money management abilities, self-confidence, attitude, subjective norm, perceived behavioral control, and moral obligation in influencing the utilization of BNPL. The outcomes are highly significant for both advancing theoretical understanding and improving practical operations for BNPL providers. It facilitates a comprehensive understanding of the elements that impact the propensity to utilize BNPL, particularly from the perspective of Generation Z. Although acknowledging the limitations of targeting only Gen-Z, the research offers interesting insights and practical recommendations for BNPL service providers.

**Keywords:** *Buy now pay later, theory of planned behavior (TPB), self-efficacy, extended TPB, attitude, Gen-Z*

### 1. Introduction

The rapid advancement of technology and the changing landscape of e-commerce have transformed the way customers shop. According to Stankevich (2017), consumer behavior has undergone significant shifts, especially in how people make decisions and their subsequent influence on purchase intentions. The Buy-Now-Pay-Later (BNPL) system has become popular, particularly among Gen Z, as it allows immediate purchases while delaying payment or breaking it into smaller, manageable installments (Nik Azmi et al., 2022). Since BNPL platforms do not charge interest, they are not considered formal credit, which means suppliers are not bound by financial hardship and responsible lending requirements (The Australian Securities and Investments Commission, 2018). This innovative payment method has revolutionized the traditional credit system and offers a new way for people, including Gen Z, to manage their finances and make purchases.

Understanding the psychological determinants of BNPL usage is crucial, as providers often emphasize features that appeal to consumers' temporal and social dimensions, such as deferred payment and cost spreading (Relja et al., 2023). Mukhtar (2023) proposes a framework for assessing BNPL adoption and its effects on consumer buying behavior, offering a structured approach to understanding the implications of these payment methods. Katterbauer et al. (2023) provide a legal analysis of AI-driven Islamic BNPL schemes, showcasing the intersection of technology and financial services in shaping payment options. Hegawan (2023) investigates the influence of the perceived usefulness and value of BNPL on consumer satisfaction, impulsive buying, and post-purchase intentions, emphasizing the behavioral aspects associated with these payment methods.

According to Research and Markets (2021), Malaysia's BNPL Gross Merchandise Value is projected to surge from US\$ 271.8 million in 2020 to US\$ 3,571.8 million by 2028. Despite this significant growth potential, Malaysia still trails behind countries like China in the acceptance of BNPL services. Several e-commerce and online platforms, including Atome, Shopee, Grab, and Fave, have started offering BNPL payment systems to attract more users. However, consumers remain cautious, fearing that BNPL could lead to a new debt trap and encourage reckless spending. The competitive market landscape further complicates the situation for BNPL providers, as new competitors, including traditional banks, enter the space. Therefore, it is crucial for BNPL

providers to thoroughly understand and address customer concerns to drive wider adoption of this platform's services in Malaysia.

Research indicates that BNPL services often emphasize features like "pay later" and "spread the cost," focusing on ease of transaction and promoting unplanned purchases (Schomburgk & Hoffmann, 2022). In Malaysia, the acceptance and usage of mobile payments have been studied extensively, with the Unified Theory of Acceptance and Use of Technology (UTAUT) being applied to investigate user acceptance of mobile payment services (Cao et al., 2021b). Additionally, Bank Negara Malaysia has launched a blueprint for the financial sector to shape the future of Malaysia's financial markets and payment systems, highlighting the importance of evolving payment methods in the country (Cao et al., 2021a), especially for Gen-Z.

BNPL services have gained significant traction among Gen Z in Malaysia, reflecting a broader trend seen globally. The rise of BNPL among this demographic is driven by their comfort with digital technologies and their preference for flexible payment options (Özdemir-Güzel & Baş, 2021). In Malaysia, Gen Z's adoption of BNPL is marked by their desire for efficiency and simplicity in transactions, aligning with their digitally immersed lifestyles (Khan & Mbanyi, 2022). Thus, the consumer financing sector has experienced significant transformation as a result of the increasing prevalence of BNPL services, particularly among the technologically adept Gen-Z cohort (Chuah et al., 2023). Nevertheless, organizations that use BNPL techniques encounter a significant challenge related to the possible influence on their marketing tactics (Schomburgk & Hoffmann, 2022).

Gen Z consumers are prone to making impulsive purchases because they are attracted to the option of deferred payments, which in turn raises the likelihood of experiencing financial trouble (Khan & Mbanyi, 2022). Therefore, businesses must address this issue to comprehend the factors that influence Gen-Z's intention to utilize BNPL and enhance their marketing strategies in this ever-changing environment (Schomburgk & Hoffmann, 2022). Furthermore, the changing legal environment around BNPL services brings about ambiguity and poses compliance difficulties for organizations operating in this industry (Chuah et al., 2023). Hence, businesses need to adopt responsible lending policies and mitigate the possible adverse effects of BNPL usage among Gen-Z to effectively navigate this rapidly expanding market. Comprehending the factors that influence Gen-Z's inclination to utilize BNPL is crucial for organizations to formulate efficient plans that prioritize both client contentment and fiscal prudence (Khan & Mbanyi, 2022).

Hence, the study examined various factors that influence the intention to use BNPL among Gen Z. These components include the groups of features under the theory of planned behavior (attitude, subjective norm, and perceived behavioral control), as well as the perceived moral obligation as an additional factor, as well as materialism, money management skills, and self-efficacy. Subsequently, in the following sections, we will delve into the approach, its key findings, and their consequences.

## 2. Literature Review

### Theory of planned behavior

The Theory of Planned Behavior (TPB), developed by Icek Ajzen in the late 1980s (Ajzen, 2020), is a fundamental framework for understanding and predicting human behavior across various domains such as health psychology, social psychology, and consumer behavior (Yuen et al., 2020). This theory builds upon Ajzen's earlier work, the Theory of Reasoned Action (TRA), by incorporating the elements of attitude, subjective norm, and perceived behavioral control to determine individuals' intentions to engage in specific behaviors. Consequently, The TPB's ability to address behaviors influenced by external factors beyond individual control makes it a valuable tool for studying complex consumer decisions in the financial domain, where societal norms and perceptions significantly shape behaviors (Chang & Watchravesringkan, 2018). Studies in related fields, such as ethical consumption and sustainable purchasing, have utilized the TPB to explore the gap between intentions and actual behaviors (Yadav et al., 2022).

In the context of consumer behavior within the BNPL sector, the TPB offers a comprehensive framework for examining behaviors that may not be entirely under an individual's voluntary control (Sivaramakrishnan et al., 2017). This is particularly relevant in financial decision-making concerning BNPL services, where individuals

may be influenced by various factors when opting for deferred payment options. The TPB's emphasis on intention as a precursor to behavior aligns well with studying consumer decisions related to BNPL, allowing for the exploration of factors influencing individuals' intentions to utilize such services and the subsequent impact on their actual behavior (Mazambani & Mutambara, 2019).

By considering attitudes, subjective norms, and perceived behavioral control, researchers can delve into the motivations behind consumers' choices to engage with BNPL services, shedding light on the underlying drivers (Mushi, 2020). Powell et al. (2023) examine the relationship between responsible financial behaviors and financial well-being in the context of BNPL services, highlighting the impact of financial responsibility on overall financial health. Specifically, for BNPL services, the TPB offers a nuanced understanding of consumers' intentions and behaviors regarding deferred payment options (Ögel, 2022).

Through examining factors such as attitudes toward convenience, social norms surrounding financial decisions, and perceived control over payment obligations, researchers can identify key drivers of consumer behavior in the BNPL sector and develop strategies to enhance financial literacy and responsible spending practices among consumers (Alam et al., 2019). The TPB's applicability across diverse cultural and economic contexts; helps tailor interventions to local settings and specific market dynamics, promoting desirable behaviors in BNPL adoption (Schomburgk & Hoffmann, 2022). Various studies have incorporated additional elements into the TPB, such as self-identity, moral norms, and planning, to enhance its predictive capability (Cao et al., 2023).

Research indicates that attitudes significantly impact the intention to use BNPL services. According to Ajzen's TPB, positive attitudes toward a behavior increase the likelihood of engaging in it (Ajzen, 2020). Studies have shown that favorable attitudes towards BNPL, perceived as convenient and adaptable, enhance the intention to utilize these services (Alkadi & Abed, 2023). Similarly, consumers with positive views on BNPL consider it a feasible and appealing payment method, increasing their willingness to use it for future transactions (Relja et al., 2023). Acceptance of innovative payment methods like BNPL is also higher among individuals with positive attitudes toward these technologies (Chen et al., 2023). This underscores the crucial role of attitudes in shaping consumer behavior in financial services. Subsequently, Figure 1 illustrates the conceptual framework for this study.

Understanding the role of attitudes in BNPL adoption is vital for providers and retailers aiming to align with consumer preferences and promote ethical usage. Research shows that younger consumers and tech-savvy individuals with positive attitudes are more inclined to embrace BNPL as a payment method (Schomburgk & Hoffmann, 2022). Consequently, favorable attitudes towards BNPL are linked to a higher intention to use these services. This insight highlights the need for targeted strategies that address consumer attitudes, fostering responsible and widespread adoption of BNPL options. Thus, the proposed hypothesis is as follows:

**H1:** *Attitude influences positively the intention to use BNPL.*

Subjective norm refers to an individual's perception of social pressure or influence from others regarding a particular behavior (Anderson, 2023). This concept describes how individuals interpret the opinions and expectations of influential members of their social environment, including family, friends, coworkers, and social media (Li et al., 2023; Zhang et al., 2023). Subjective norms are founded on individuals' perceptions and interpretations of social influences and can be shaped by the beliefs and attitudes of close associates and broader societal and cultural norms (Anderson, 2023; Sia & Jose, 2019).

Subjective norms consist of two key components: normative beliefs and motivation to comply (Anderson, 2023). Normative beliefs refer to an individual's perceptions about whether significant others think they should engage in a specific behavior (Li et al., 2023). These beliefs are influenced by direct statements, observed behaviors, and social norms (Sia & Jose, 2019). The second component, motivation to comply, reflects an individual's desire to conform to others' expectations, driven by factors such as social acceptance, fear of judgment, and cultural norms (Zhang et al., 2023). Understanding these components is crucial in fields like psychology, marketing, and public health, as it helps predict and influence behavior by considering perceived social pressures (Anderson, 2023; Sia & Jose, 2019).

Subjective norms significantly influence the intention to use BNPL services. According to the TPB, subjective norms, which reflect perceived social pressure to perform or not perform a behavior, consistently influence behavioral intentions (Thomas & Subhashree, 2020). Positive social endorsements from influential people can lead to favorable subjective norms, increasing the likelihood of using BNPL service. Studies have shown that normative beliefs and societal expectations contribute to positive attitudes toward BNPL (Aji et al., 2020). The impact of subjective norms on usage intentions has been demonstrated in various contexts, including e-learning technology acceptance and formal financial services (Thomas & Subhashree, 2020). Consequently, we believe that :

**H2:** *Subjective norms positively influence the intention to use BNPL*

Perceived Behavioral Control (PBC) is a psychological construct essential to the TPB. PBC encompasses various elements such as personal beliefs, self-efficacy, prior experiences, and external situations, which collectively shape an individual's perception of their ability to control their actions. Within TPB, PBC significantly shapes behavioral intentions and behaviors, emphasizing not only subjective views but also the conviction in one's ability to exercise control effectively (Guo et al., 2023). This positive correlation between perceived control and likelihood of engaging in behavior is crucial in consumer decision-making, influencing preferences and payment choices (Vu et al., 2023).

The intention to use BNPL services is greatly influenced by perceived behavioral control (PBC), which reflects how easy or complex individuals perceive this financial option to be (Majid, 2021). People are more likely to use BNPL if they find the service user-friendly and efficient (Hegawan et al., 2023). Features like easy-to-navigate interfaces, clear terms and conditions, and straightforward communication about the BNPL process can enhance this perception. More importantly, financial capability is important; those who feel confident in managing BNPL payments are more likely to use the service (Johnson et al., 2021). PBC is strengthened by transparent BNPL terms, which build user confidence in the system's security and reliability (Shankar, 2022). Financial literacy also boosts PBC, as better financial knowledge gives individuals a greater sense of control over their financial choices (Hidayat, 2022).

BNPL allows consumers to engage in instant transactions while deferring payment, appealing due to its ease, transparency, and mitigation of immediate financial strain (Lupşa-Tătaru et al., 2023). Consumers' perceived ability to manage BNPL obligations, including financial stability, anticipated income, and ease of use, influences their intention to use these services. Empirical evidence supports a positive association between increased PBC and the intention to use BNPL (Raj et al., 2023). Techniques that enhance PBC can significantly influence consumers' intention to use BNPL, affecting their purchasing choices (Ji et al., 2023). Understanding PBC is crucial for comprehending customer behavior within the dynamic realm of modern payment systems, such as BNPL, and its extensive impact on consumer decision-making patterns in the financial domain (Ji et al., 2023). Consequently,

**H3:** *Perceived behavior control influences positively the intention to use BNPL.*

Perceived moral obligation (PMO) refers to an individual's sense of duty or responsibility rooted in moral principles or ethical norms, often surpassing legal or societal requirements and reflecting a personal commitment to one's values (Alsaad et al., 2020). PMO correlates with values, beliefs, and the ethical systems individuals adhere to, influenced by cultural, religious, philosophical, or personal factors (Chen, 2020). Alsaad et al. (2020) found PMO mediates the effect of idealism on ethical purchasing intention, highlighting its role in ethical decision-making. This sense of duty impacts behavior and decision-making, as evidenced by Uysal et al. (2022), who found that individuals with a strong moral duty and low harm perception are more likely to engage in collective action. Additionally, PMO significantly influences ethical decisions in organizational contexts, such as internal whistleblowing intentions among accountants (Sarikhani & Ebrahimi, 2021), and ethical behavior prediction accuracy (Drażkowski et al., 2020).

Incorporating PMO into the TPB provides a more comprehensive understanding of intentions to use BNPL services (Chen, 2020). Traditional TPB emphasizes attitudes, subjective norms, and perceived behavioral control but may overlook the ethical aspects inherent in financial decisions (Atiyah & Kusumawati, 2023). Including PMO addresses this gap, recognizing that moral obligations significantly influence attitudes towards BNPL, shaping whether individuals view it as ethically acceptable (Liang & Wu, 2023). PMO also affects

perceived control over using BNPL, either empowering or limiting it based on ethical considerations (Sabri et al., 2023). By integrating PMO, the expanded TPB captures the ethical deliberations intertwined with attitudes, norms, and control, offering a richer understanding of the psychological factors influencing BNPL usage intentions (Annamdevula et al., 2022).

The relationship between PMO and BNPL usage Intentions is further complicated by the intrinsic connection between BNPL and indebtedness, highlighting the moral aspects of financial decisions (Zainudin et al., 2019). Transparency and clarity from BNPL providers regarding terms, charges, and repercussions significantly impact consumers' moral obligations (Relja et al., 2023). If consumers view BNPL as aligning with fiscal prudence and their ability to manage debt, it supports their ethical stance (Schomburgk & Hoffmann, 2022). Moreover, the moral need to avoid excessive borrowing is influenced by the potential risks of substantial debt accumulation through BNPL (Zainudin et al., 2019). Financial empowerment, enabling responsible short-term management within one's capabilities, is a critical aspect of this ethical consideration (Jang et al., 2021). Therefore,

**H4:** *Perceived moral obligation influence positively the intention to use BNPL.*

### **The antecedents and consequences of the extended TPB model**

To comprehend the motivation behind utilizing BNPL services, an expanded version of the TPB has been employed to investigate the aspects that influence consumers' intentions. A study conducted by Hidayat (2022) revealed that technology readiness, perceived usefulness, and perceived simplicity of use significantly affect the intention to use a BNPL product. Notably, perceived usefulness was found to have the most prominent and direct influence on consumers' intentions. This illustrates the significance of the expanded TPB in comprehending consumer behavior towards BNPL services. More importantly, Yadav and Pathak (2017), offer a more thorough insight into human decision-making and behavior by considering additional aspects such as technology readiness, privacy concerns, and cultural effects. This expansion allows researchers to further investigate the complex relationship between psychological, social, and situational aspects that influence individuals' intentions to engage with BNPL services and other behaviors (Han & Kim, 2010).

A recent study has explored the consequences of BNPL services on materialism, Impulse spending, and financial well-being. The study highlights the significance of understanding the possible dangers linked to postponed payment choices (Chaudhary & Bisai, 2018). Researchers can utilize the extended TPB to examine the reasons and effects of BNPL usage. This approach allows them to discover the fundamental factors that influence consumer behavior and create tactics to promote responsible financial habits and reduce negative repercussions (Silvera et al., 2008). The TPB extension presented by Zaman et al. (2022) offers a comprehensive theoretical framework for analyzing the intricate nature of modern consumer behaviors. It specifically examines how evolving financial technology impacts individuals' decision-making processes and financial well-being.

Materialism, defined as the emphasis on material possessions and wealth in one's life (Pupelis & Šeinauskienė, 2023), intersects with the concept of BNPL in consumer behavior. Materialistic individuals prioritize acquiring goods and wealth as measures of success and fulfillment (Kim & Oh, 2022), which aligns with the allure of BNPL, a payment method allowing immediate acquisition of goods without full upfront payment (Gerrans et al., 2021). This connection between materialism and BNPL reflects societal norms where happiness and self-worth are associated with possessing certain goods (Ahmed et al., 2023).

Materialistic ideas can significantly impact subjective norms, which are the social pressures individuals feel to behave in certain ways (Moldes & Ku, 2020). People with materialistic values are more likely to be influenced by societal and peer expectations to pursue wealth and material success. These norms are reinforced in materialistic cultures, which emphasize the importance of wealth and the consumption of material goods. Additionally, materialism can affect perceived behavioral control by shaping how easy or difficult individuals believe it is to achieve financial success. Materialistic people might feel more capable of reaching financial goals or acquiring possessions because they prioritize these outcomes (Yolcu & Meyer, 2023).

More importantly, the continuous desire for the latest products, reinforced by materialistic ideals, fuels the popularity of BNPL, especially among younger consumers seeking identity through material belongings (Liu et

al., 2023). BNPL's appeal lies in its facilitation of immediate acquisition, resonating with individuals valuing material possessions as symbols of achievement and social standing (Manchanda, 2019). The accessibility of BNPL aligns with the materialistic mindset, enabling individuals to satisfy their desire for material goods without immediate financial constraints (Gogoi & Baruah, 2023).

Materialistic individuals, who prioritize material possessions and wealth, often view BNPL as a convenient way to access desired goods and maintain a lifestyle associated with success and status (Manchanda, 2019). This aligns with their desire for instant gratification and the accumulation of tangible items indicative of achievement, fostering a positive moral obligation towards BNPL usage. They may also view the use of BNPL as ethically permissible or desirable, particularly when it aligns with their goal of material success (Chaudhary & Dey, 2019). Their focus on short-term gains and immediate gratification often leads them to overlook potential long-term financial implications, reinforcing a value system where the pursuit of wealth and status outweighs concerns about fiscal responsibility or ethical considerations.

The connection between materialism and BNPL underscores the complex interplay between consumer behavior, societal norms, and financial practices. While BNPL appeals to materialistic aspirations by offering immediate access to desired goods, it also reflects the broader societal emphasis on material possessions as indicators of success and happiness. However, consumer education and regulatory measures are essential to ensure responsible usage of BNPL and mitigate potential negative consequences associated with materialistic consumption patterns (Schomburgk & Hoffmann, 2022). Therefore, it can be considered that:

- H5a:** *Individuals with higher levels of materialism are more likely to perceive a favorable attitude toward BNPL*
- H5b:** *Individuals with higher levels of materialism are more likely to perceive a favorable subjective norm regarding BNPL.*
- H5c:** *Individuals with higher levels of materialism are more likely to perceive a favorable perceived behavioral control regarding BNPL.*
- H5d:** *Individuals with higher levels of materialism are more likely to perceive BNPL services as morally acceptable*

Secondly, proficient money management skills enable individuals to make informed financial decisions and exhibit responsible financial behavior, such as budgeting and saving (Boonroungrut & Huang, 2021a). This responsible fiscal conduct fosters a favorable mindset toward financial planning and prudent spending, which aligns with the principles of BNPL usage. Individuals adept at managing finances may perceive BNPL as a tool for facilitating planned purchases and managing cash flow effectively, thus cultivating a positive attitude related to its utilization (Lavonda et al., 2021). Moreover, individuals with strong money management abilities are more likely to view BNPL as a convenient and flexible payment option that complements their financial planning strategies. They may perceive BNPL as a means to access desired goods without compromising their budgeting goals or financial stability, thereby contributing to a positive attitude toward its adoption (Boonroungrut & Huang, 2021a; Rai et al., 2019).

Money management skills encompass the ability to effectively handle financial resources through informed decision-making on budgeting, saving, investing, debt management, and risk management (Rai et al., 2019; Lubis et al., 2019). Individuals who possess proficient money management skills are more likely to exhibit responsible financial behavior, such as budgeting, saving, and investing (Boonroungrut & Huang, 2021b). Research has shown that individuals with strong money management skills tend to foster favorable attitudes toward responsible fiscal conduct (Lavonda et al., 2021). As a result, they may perceive actions related to financial responsibility, including the use of BNPL services, as socially desirable or expected behaviors (Boonroungrut & Huang, 2021b).

Research has shown that individuals with strong money management skills tend to have greater perceived control over their financial behavior (Lavonda et al., 2021). They feel more confident in managing their finances and making informed decisions about their money (Hamid & Loke, 2020). Significantly, individuals with proficient money management abilities are likely to believe that they have the necessary skills and resources to exercise control over their financial decisions, including the use of BNPL services (Boonroungrut & Huang, 2021a). They may perceive BNPL as a tool that they can manage effectively within their overall financial strategy. Consequently, they may perceive that their peers, who are also financially savvy, view BNPL favorably.

Additionally, individuals with strong money management skills are more likely to consider the ethical implications of their financial decisions, including the use of BNPL services. They may feel a moral obligation to use BNPL responsibly, ensuring that they fulfill their financial commitments and avoid overextending themselves financially (Boonroungrut & Huang, 2021b). Therefore, based on these findings, it is reasonable to suggest that individuals with good money management skills are more likely to create a positive perceived moral obligation towards BNPL, viewing it as a responsible financial tool that aligns with their ethical values and principles. Consequently,

**H6a:** *Individuals with strong money management skills are more likely to perceive a favorable attitude toward BNPL.*

**H6b:** *Individuals with strong money management skills are more likely to perceive a favorable subjective norm regarding BNPL.*

**H6c:** *Individuals with strong money management skills are more likely to perceive favorable behavioral control over BNPL.*

**H6d:** *Individuals with strong money management skills are more likely to perceive a favorable moral obligation towards BNPL.*

Self-efficacy is a person's belief in their capacity to execute behaviors or tasks successfully (Massimino et al., 2023). It also refers to an individual's belief in their ability to accomplish specific tasks or goals. Albert Bandura, a psychologist, defined self-efficacy as the belief in one's capability to organize and execute the courses of action required to manage prospective situations (Saadat & Sultana, 2023). It has been extensively studied across various domains, including healthcare, education, and psychology. Those with a robust sense of self-efficacy regarding financial matters are likely to demonstrate an elevated perception of their capability and ability to control their monetary choices (Pang et al., 2021). Individuals with self-efficacy may also use BNPL services, where they may experience a sense of assurance regarding their capacity to manage the financial obligations that accompany such transactions (Zainudin et al., 2019).

Existing research indicates a positive association between high levels of self-efficacy and responsible financial behaviors (Zainudin et al., 2019). Eventually, the assurance in effectively managing the complexities of BNPL, such as repayment and financial strategizing, enhances one's ethical accountability (Johnson et al., 2021). Research suggests that individuals with high self-efficacy tend to approach tasks and challenges with confidence and optimism (Bandura, 1977). In the context of BNPL, individuals who believe in their ability to manage their finances effectively and make informed decisions may view BNPL as a convenient and beneficial payment option.

Moreover, it is common for individuals with a strong sense of self-efficacy to hold optimistic expectations regarding the outcomes of their endeavors, expecting favorable financial results in return (Johnson et al., 2021). This optimistic perspective might be consistent with the responsible utilization of BNPLs, thereby strengthening a perceived ethical duty to interact with these services in a fiscally prudent fashion. The connection between self-efficacy and perceived moral obligation stems from the perception of control and empowerment that individuals with a strong belief in their financial capabilities experience (Mushi, 2020). This perception influences their ethical deliberations regarding the use of BNPL. It is believed that:

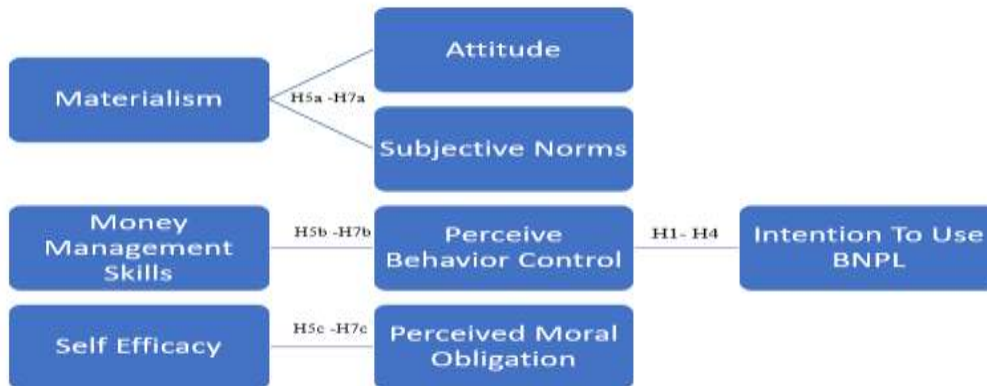
**H7a:** *Individuals developing financial self-efficacy are more likely to cultivate a favorable attitude towards BNPL.*

**H7b:** *Individuals developing financial self-efficacy are more likely to perceive a favorable subjective norm regarding BNPL.*

**H7c:** *Individuals developing financial self-efficacy are more likely to perceive favorable perceived behavioral control over BNPL.*

**H7d:** *Individuals developing financial self-efficacy are more likely to perceive a favorable moral obligation towards BNPL.*

Figure 1: Conceptual framework for this study



Source: Adapted from Chen and Tung (2014)

### 3. Research Methodology

#### Data collection procedures

This study exclusively utilized primary data collected through questionnaires. A purposive sampling was employed and this method subsequently, aids in selecting representative samples and reduces the potential for non-response bias. Primarily, the researchers identified a group comprising Gen Z individuals (born in 1997 to 2012) due to their particular traits, specifically in embracing new technologies and trends (Zou et al., 2023). Another trait is to identify their spending and payment habits which could provide insights into their financial decision-making processes (Zou et al., 2023). To ensure the appropriateness of potential respondents, that is Gen Z individuals, three pre-screening questions were incorporated as selection criteria for our sampling approach. The initial question sought confirmation of respondents being born between 1997 to 2012. The second question evaluated whether they have heard of or actively used at least one online shopping platform that offers BNPL options, including Shopee, Atome, Grabpay, or others. Participants failing to meet these pre-screening criteria were excluded from the study.

Table 1: Demographic Characteristics of the Respondents (N=440)

Demographic	Attribute	Frequency (n)	%
Gender	Male	170	38.6
	Female	270	61.4
Age	13-26	440	100
Education	SPM	16	3.6
	Diploma	103	23.4
	Degree	188	42.7
	Master	133	30.2
Occupation	Employed	116	26.4
	Self-Employed	31	7.0
	Unemployed	23	5.2
	Student	270	61.4
Monthly Income	Below RM1,000	290	65.9
	RM1,001 – EM2,999	70	15.9
	RM3,000 – RM4999	69	15.7
	RM5000 – Above	11	2.5
Marital Status	Single	334	75.9
	Married (Without Children)	85	19.3
	Married (With Children)	21	4.8



Demographic	Attribute	Frequency ( <i>n</i> )	%
Have you Heard about Buy-Now-Pay-Later (BNPL)?	Yes	440	100
Total		440	100

Source: Author's creation (data from survey)

A total of 550 responses were initially gathered. After removing incomplete submissions and those with straight-line responses, 440 valid responses were confirmed for analysis. Table 1 presents the demographic details of the Gen Z participants who knew about BNPL services. Diving into gender distribution, the data revealed that 38.6% of participants were male, while 61.4% were female. The participants' educational backgrounds exhibited a diverse spectrum, with degree holders dominating the study at 42.7%, and those with SPM qualifications constitute a minor proportion, accounting for only 3.6% of the total participants. Regarding the survey's collection venue, the university setting yielded the highest student participation rate at 61.4%, while employed participants constituted 26.4%. For the financial landscape of the participants, a significant 65.9% reported a monthly income below RM1,000. Conversely, participants with a monthly income of RM5,000 or above represent a minimal 2.5% of the total. The participants' relationship status revealed that the majority, approximately 75.9%, are single. Married individuals without children account for 19.3%, and those married with children constitute the smallest proportion at 4.8%.

### Measures

The measurement items for all constructs were modified from existing literature, with some adjustments made specifically for the BNPL setting. Since the survey was carried out in Malaysia, and all the items in the survey were first created in English, we decided to use the forward-back translation method to verify the precision of the translation (Brislin, 1970). Subsequently, a group of four specialists, consisting of marketing lecturers who frequently engage in BNPL services, evaluated all the items. They were asked to evaluate whether the statements in the questionnaire accurately represent the concepts being assessed. Before distributing the questionnaires, we ran a preliminary test (pre-test) with a group of 40 Gen-Z shoppers who engage in BNPL services. The results indicate that all questionnaire items in the exploratory factor analysis have Cronbach's  $\alpha$  coefficients greater than 0.7 in the pre-test. This suggests that all proposed items for each construct are both valid and reliable (Hair et al., 2020).

Firstly, the measures of materialism were derived from Raj et al. (2023), while the money management skills were assessed using the scale developed by Singh and Malik (2022), and subsequently, self-efficacy was adopted from Zainuddin et al. (2019). The components of TPB including attitude, subjective norms, and perceived behavioral control used measures adopted from Hsiao & Tang (2014), Liu et al. (2020), and Chanda et al. (2023), whereas the instrument of perceived moral obligation was adopted using Mahdzan et al. (2023). Finally, the measurement items devised by Raj et al. (2023) were used to determine the scale of behavioral intention to use BNPL services.

### 4. Data analysis

The structural model was assessed, confirmed, and examined using Structural Equation Modelling (SEM). SEM is very beneficial for assessing intricate models and integrating hidden variables. To be more specific, we opted for the Partial Least Squares (PLS) SME technique, employing the SmartPLS 3.2.8 software (Ringle et al., 2015). Common method bias (CMB) is a frequently encountered issue in research. Considering the cross-sectional approach employed in the study design, the presence of CMBs may be a potential concern. To evaluate the CMB, we utilized two distinct methods of assessment. Initially, we utilized Harman's single-factor test and observed that the initial factor accounted for 28.9% of the variance, which is below the threshold of 40%. This indicates the absence of CMB as suggested by Fuller et al. (2016). Furthermore, the complete collinearity (FC) test demonstrated that the variance inflation factor (VIF) values ranged from 1.035 to 1.465, which is below the threshold of 3.33 (as shown in Table 2). This indicates that the presence of multicollinearity (CMB) is not a significant concern in this study (Kock, 2015).

**Table 2: Results Summary for Measurement Models**

Construct	Item	Loading	Full collinearity (FC)	Cronbach's Alpha	Composite Reliability	AVE
Materialism (M)	M1	0.870	1.234	0.789	0.877	0.705
	M2	0.889				
	M3	0.755				
Money Management Skills (MMS)	MMS2	0.917	1.056	0.770	0.896	0.812
	MMS4	0.886				
Self-Efficacy (SE)	SE1	0.842	1.74	0.799	0.881	0.711
	SE2	0.865				
	SE5	0.822				
Attitude (ATT)	ATT3	0.914	1.039	0.795	0.879	0.709
	ATT4	0.793				
	ATT5	0.815				
Subjective Norm (SN)	SN1	0.856	1.157	0.860	0.913	0.778
	SN2	0.875				
	SN5	0.915				
Perceived Behavior Control (PBC)	PBC3	0.910	1.284	0.868	0.919	0.791
	PBC4	0.883				
	PBC5	0.876				
Perceived Moral Obligation (PMO)	PMO2	0.865	1.279	0.812	0.889	0.728
	PMO3	0.804				
	PMO4	0.888				
Intention to Use BNPL	ITUB2	0.897	1.047	0.849	0.908	0.768
	ITUB3	0.857				
	ITUB5	0.875				

Source: Author's creation (data from survey)

Various methodologies were employed to ascertain the unidimensionality and dependability of the dataset. Construct reliability refers to the extent to which items are devoid of random errors and consistently yield reliable outcomes. In this study, the reliability of measures was assessed using the composite reliability (CR) and average variance extracted (AVE) indices. Both indices surpassed the evaluation criteria for all metrics, specifically 0.7 for the CR index and 0.5 for the AVE index. Convergent validity assesses the level of coherence among many constructs. As illustrated in Table 3, all values fell within the specified range, indicating that there is internal consistency, reliability, and convergent validity. (Hair et al., 2014). Discriminant validity was assessed using the HTMT criterion (Henseler, Ringle, & Sarstedt, 2015), which successfully met the .90 threshold, confirming the establishment of discriminant validity.

**Table 3: Discriminant Validity**

Variable	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Materialism (1)								
Money Management Skills (2)	0.787							
Self-Efficacy (3)	0.897	0.732						
Attitude (4)	0.789	0.773	0.786					
Subjective Norm (5)	0.900	0.802	0.895	0.747				
Perceived Behavior Control (6)	0.802	0.817	0.793	0.729	0.858			
Perceived Moral Obligation (7)	0.809	0.841	0.884	0.823	0.809	0.892		
Intention To Use BNPL (8)	0.801	0.773	0.858	0.708	0.728	0.824	0.829	

Source: Author's creation (data from survey)

**Structural model**

Sixteen hypotheses were formulated in this study, specifically relating to the constructs outlined in Figure 2. According to the evaluation of the path coefficients presented in Table 4, all of the hypotheses received were supported. Subsequently, the bootstrapping method employing 10,000 subsamples was employed to assess the statistical significance of the associations between the concepts (Hair et al., 2020).

Table 4 shows the attitude of BNPL positively influenced intention to use BNPL ( $\beta = 0.1320, t = 2.4190, p < 0.01$ ) supporting H1. Besides, subjective norms ( $\beta = 0.1150, t = 2.507, p < 0.01$ ), perceived behavioral control ( $\beta = 0.3410, t = 5.9590, p < 0.01$ ) and perceived moral obligation ( $\beta = 0.2700, t = 5.0790, p < 0.01$ ) had positive relationships with the intention to use BNPL, providing support for H2, H3 and H4. Next, materialism positively induced attitude towards BNPL ( $\beta = 0.2350, t = 5.312, p < 0.01$ ), subjective norms ( $\beta = 0.349, t = 10.829, p < 0.01$ ), perceived behavioral control ( $\beta = 0.2230, t = 5.353, p < 0.01$ ), and perceived moral obligation ( $\beta = 0.135, t = 3.273, p < 0.01$ ), delivering support for H5a, H5b, H5c and H5d.

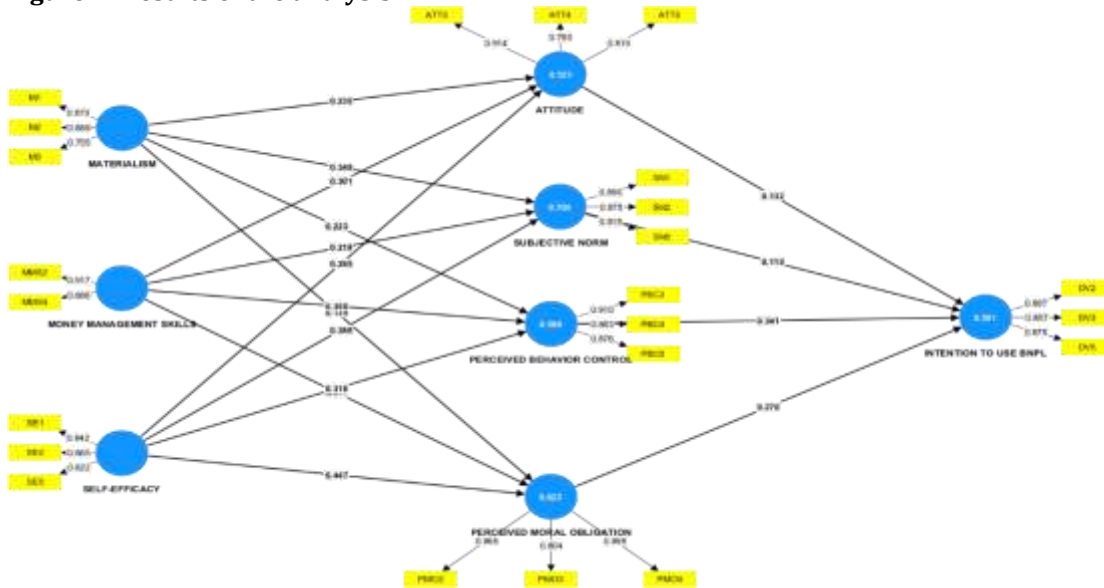
Subsequently, money management skills positively influenced attitude towards BNPL ( $\beta = 0.310, t = 8.013, p < 0.01$ ), subjective norms ( $\beta = 0.218, t = 5.984, p < 0.01$ ), perceived behavioral control ( $\beta = 0.35, t = 7.706, p < 0.01$ ), and perceived Moral Obligation ( $\beta = 0.317, t = 7.749, p < 0.01$ ), delivering support for H6a, H6b, H6c and H6d. Lastly, self-efficacy positively induced attitude towards BNPL ( $\beta = 0.295, t = 5.962, p < 0.01$ ), subjective norms ( $\beta = 0.3880, t = 13.525, p < 0.01$ ), perceived behavioral control ( $\beta = 0.316, t = 9.891, p < 0.01$ ), and perceived Moral Obligation ( $\beta = 0.4470, t = 10.979, p < 0.01$ ), delivering support for H7a, H7b, H7c and H7d.

The  $R^2$  value suggested that the model accounted for roughly 58.1% of the variability of the intention to use BNPL and was predicted by the four external constructs (attitude, subjective norms, perceived behavioral control, and moral obligation). Subsequently, the proposed model accounted for roughly 52.30% of the variability of attitude, 70.6% of subjective norms, 59.8% of perceived behavioral control, and 62.3% of perceived moral obligation. Table 4 illustrates the result of the hypotheses testing.

**Table 4: Result of the hypotheses**

	Std. $\beta$	std. Error	t-value	p- value	Result
ATTITUDE -> INTENTION TO USE BNPL	0.1320	0.0390	2.4190	0.0000	Supported
SUBJECTIVE NORM -> INTENTION TO USE BNPL	0.1150	0.0480	2.5070	0.0080	Supported
PERCEIVED BEHAVIOR CONTROL -> INTENTION TO USE BNPL	0.3410	0.0570	5.9590	0.0000	Supported
PERCEIVED MORAL OBLIGATION -> INTENTION TO USE BNPL	0.2700	0.0530	5.0790	0.0000	Supported
MATERIALISM -> ATTITUDE	0.2350	0.0440	5.3120	0.0000	Supported
MONEY MANAGEMENT SKILLS -> ATTITUDE	0.3010	0.0380	8.0130	0.0000	Supported
SELF-EFFICACY -> ATTITUDE	0.2950	0.0490	5.9620	0.0000	Supported
MATERIALISM -> SUBJECTIVE NORM	0.3490	0.0320	10.8290	0.0000	Supported
MONEY MANAGEMENT SKILLS -> SUBJECTIVE NORM	0.2180	0.0360	5.9840	0.0000	Supported
SELF-EFFICACY -> SUBJECTIVE NORM	0.3880	0.0290	13.5250	0.0000	Supported
MATERIALISM -> PERCEIVED BEHAVIOR CONTROL	0.2230	0.0420	5.3530	0.0000	Supported
SELF-EFFICACY -> PERCEIVED BEHAVIOR CONTROL	0.3160	0.0320	9.8910	0.0000	Supported
MONEY MANAGEMENT SKILLS -> PBC	0.3500	0.0450	7.7060	0.0000	Supported
MATERIALISM -> PERCEIVED MORAL OBLIGATION	0.1350	0.0410	3.2730	0.0010	Supported
MONEY MANAGEMENT SKILLS -> PMO	0.3170	0.0410	7.7490	0.0000	Supported
SELF-EFFICACY -> PERCEIVED MORAL OBLIGATION	0.4470	0.0410	10.9790	0.0000	Supported

Figure 2: Results of the analysis



Source: Author's creation (data from survey)

### Discussion

This study investigates the factors motivating consumers' intention to use Buy Now Pay Later (BNPL) platforms, proposing sixteen hypotheses related to these driving variables. Findings indicate that most participants in Malaysia are receptive to using BNPL applications, reflecting high digital literacy in the e-commerce sector. This is consistent with Özdemir-Güzel and Baş (2021), who noted that Generation Z is highly adaptable to technology and frequently utilizes smart devices and applications. Although not all respondents are familiar with BNPL, they maintain a positive attitude towards it. Previous research suggests that increased consumer awareness of technological advantages will enhance e-commerce application usage (Özdemir-Güzel & Baş, 2021). This study enriches the literature on BNPL app usage and emphasizes understanding purchasing behavior in developing nations like Malaysia.

The evidence suggests that attitude significantly influences Gen Z's decision to use BNPL, aligning with earlier consumer behavior studies and the Theory of Planned Behavior (TPB) (Rabaa'i et al., 2024). Attitudes can evolve due to persuasion, new information, cognitive dissonance, and influential individuals (Sia & Jose, 2019). Positive attitudes towards payment methods promote BNPL adoption, underscoring the necessity for businesses to comprehend user motivations to cultivate favorable perceptions of the platform. Moreover, the study reveals that subjective norms positively affect Gen Z's BNPL usage, ranking as the second most influential factor (Rabaa'i et al., 2024). Individuals are more inclined to use BNPL if it is deemed socially acceptable (Li et al., 2023). Subjective norms are influenced by societal and cultural standards, as well as peer opinions (Anderson, 2023), significantly impacting decisions due to perceived social expectations (Sia & Jose, 2019; Santos & Liguori, 2019).

Additionally, perceived behavioral control positively affects BNPL usage intention. Gen Z's confidence in managing technology correlates with increased BNPL use (Vu et al., 2023). This perceived control influences payment preferences and the ease of using BNPL services (Majid, 2021; Johnson et al., 2021). Financial competence and transparent communication of BNPL terms enhance perceived control, which is crucial in a volatile financial landscape (Shankar, 2022).

Perceived moral obligation exhibits the highest positive effect on Gen Z's BNPL usage intention. Respondents express a moral duty to repay debt, reflecting their financial responsibility (Bian et al., 2023). This relationship underscores the ethical considerations in financial decisions (Zainudin et al., 2019; Schomburgk & Hoffmann, 2022). BNPL providers' transparency plays a role in shaping consumers' moral obligations (Relja et al., 2023). This study extends TPB by integrating perceived moral obligation, highlighting its significant role in BNPL

adoption (Atiyah & Kusumawati, 2023).

Furthermore, materialism positively influences all four factors related to the expanded TPB and the intention to use BNPL. Respondents believe that possessing luxuries is essential for happiness, driving BNPL use for significant purchases with manageable payments. Materialism enhances perceived behavioral control, making BNPL appear affordable and manageable (Ali et al., 2020). This perception aligns with materialistic desires for immediate gratification and the acquisition of high-value items without immediate financial strain. Social comparison, a key aspect of materialism, also encourages individuals to maintain a certain lifestyle and status, further increasing their inclination toward BNPL services (Zhu et al., 2021).

Finally, money management skills positively correlate with attitude, subjective norm, perceived behavioral control, and perceived moral obligations, impacting BNPL use among Gen Z. Effective money management fosters positive financial attitudes (Lavonda et al., 2021), influences social norms (Hamid & Loke, 2020), and enhances perceived behavioral control (Balagobei & Prashanthan, 2021). Self-efficacy also impacts all factors, linking good money management skills to higher self-efficacy, which is crucial for handling BNPL obligations (Zainudin et al., 2019; Johnson et al., 2021).

## 5. Implications of the Study

To effectively target Generation Z with BNPL services, providers should implement a comprehensive marketing strategy that aligns with this demographic's preferences. BNPL campaigns should appeal to materialism by highlighting the latest trends and popular products, demonstrating how BNPL facilitates access to desired goods without immediate financial burden, which resonates with Gen Z's aspirational lifestyle. Emphasizing self-efficacy is crucial; positioning BNPL as a tool for financial empowerment with flexible payment options promotes financial independence. User-friendly interfaces and straightforward processes reinforce manageability and empowerment. Additionally, providers should offer educational content on responsible spending and financial literacy, including features in BNPL apps to help users track and budget expenditures, thereby increasing confidence in responsible BNPL use.

Marketing campaigns should also align with sustainability by incorporating eco-friendly messaging and partnering with sustainable brands, appealing to Gen Z's environmental values. Social media engagement is vital, leveraging popular platforms to create engaging content that illustrates BNPL's convenience and benefits. Encouraging user-generated content, testimonials, and influencer collaborations enhances visibility and appeal. Creating forums, discussion groups, or exclusive events tailored to Gen Z interests fosters a sense of community and shared experiences. Providers must emphasize ethics by highlighting responsible lending practices, transparency, and fair treatment of customers to build trust. Showcasing initiatives that contribute to social causes and committing to ethical business practices positions BNPL as a socially conscious financial tool. By integrating these strategies, BNPL providers can effectively appeal to Generation Z, driving their intention to use BNPL services while aligning with their attitudes, values, and behaviors.

This research significantly contributes to the literature by addressing the gap regarding Gen Z's intention to use BNPL services. Utilizing an extended Theory of Planned Behavior (TPB), the study examines the influence of Attitude, Subjective Norm, Perceived Behavioral Control, and Perceived Moral Obligation on Gen Z's intention to use BNPL. It also integrates Materialism, Money Management Skills, and Self-Efficacy into the TPB framework. The findings confirm that these variables influence the extended TPB and, indirectly, the intention to use BNPL, providing insights into Gen Z's decision-making processes. Furthermore, incorporating Perceived Moral Obligation into the TPB adds an ethical dimension, enhancing the understanding of decision-making processes by recognizing the interaction between attitudes, norms, perceived control, and moral considerations. This extension offers a comprehensive view of human behavior, emphasizing ethical influences.

The study enhances the TPB by integrating Materialism, Money Management Skills, and Self-Efficacy. Materialism highlights the impact of the desire for possessions on attitudes, while Money Management Skills address practical financial constraints, and Self-Efficacy reflects confidence in financial decisions. This nuanced framework captures the complexity of human decision-making, considering personal traits, social pressures, and internal beliefs, aiding in designing effective interventions to promote behavior changes aligned with core

values and goals. Finally, this study explores Gen Z's intention to use BNPL in developing countries like Malaysia. While many BNPL studies focus on Western consumers, research on Malaysian consumers remains limited. Understanding the local context is crucial, as findings from Western contexts may not generalize to regions like Asia, particularly Malaysia, which is experiencing a technological boom. Indeed, Malaysia's younger population, coupled with growing smartphone penetration, provides fertile ground for BNPL services.

## References

- Ahmed, M. A., Haq, M. a. U., Shafique, T., & Akram, B. (2023). Active mind, active learning: the role of materialism and psychological well-being for the determination of students' academic performance. *International Journal of Management in Education*, 17(1), 44.
- Aji, H. M., Berakon, I., & Riza, A. F. (2020). The effects of subjective norm and knowledge about riba on intention to use e-money in Indonesia. *Journal of Islamic Marketing*, 12(6), 1180–1196
- Ajzen, I. (2020). The theory of planned behavior: Frequently asked questions. *Human Behavior and Emerging Technologies*, 2(4), 314–324.
- Alam, S., Lin, C., Ahmad, M., Omar, N., & Ali, M. (2019). Factors affecting energy-efficient household products buying intention: empirical study. *Environmental and Climate Technologies*, 23(1), 84-97.
- Ali, A., Sherwani, M., Ali, A., Ali, Z., & Sherwani, S. (2020). The moderating role of individualism/collectivism and materialism: An application of the Theory of Planned Behavior (TPB) in halal food purchasing. *Journal of Food Products Marketing*, 26(9), 581-599.
- Alkadi, R. S., & Abed, S. S. (2023). Consumer Acceptance of Fintech app Payment Services: A Systematic Literature Review and Future Research Agenda. *Journal of Theoretical and Applied Electronic Commerce Research*, 18(4), 1838–1860.
- Alsaad, A., Saif-Alyousfi, A. Y., & Elrehail, H. (2020). Religiosity, idealism, and ethical consumption: the mediating effect of perceived customer effectiveness and moral obligation. *Journal of Social Marketing*, 11(1), 25–43.
- Anderson, J. (2023). The role of subjective norms in developing entrepreneurial intentions in university students. *Journal of Strategy and Management*, 16(4), 643–653.
- Annamdevula, S., Nudurupati, S. S., Pappu, R. P., & Sinha, R. (2022). Moral obligation for recycling among youth: extended models of the theory of planned behavior. *Young Consumers: Insight and Ideas for Responsible Marketers*, 24(2), 165–183.
- Atiyah, M. N., & Kusumawati, F. (2023). The influence of attitude, subjective norm, perceived behavioral control and knowledge environment on purchase intention of hybrid cars. *Journal of Management and Energy Business*, 3(1).
- Australian Government. (2024). *Exposure draft legislation for the regulation of Buy Now, Pay Later services*. Retrieved from <https://www.example.gov.au>
- Balagobei, S., & Prashanthan, V. (2021). Impact of Financial Literacy on Investment Decisions: Evidence from Individual Investors in Jaffna District. *International Journal of Accounting and Business Finance*, 7(0), 155.
- Bandura, A. (1977). Self-efficacy: Toward a unifying theory of behavioral change. *Psychological Review*, 84(2), 191–215.
- Bian, W., Cong, L. W., & Ji, Y. (2023). The rise of E-Wallets and Buy-Now-Pay-Later: payment competition, credit expansion, and consumer behavior. <https://doi.org/10.3386/w31202>
- Boonroungrut, C., & Huang, F. (2021a). Reforming theory of planned behavior to measure money management intention: a validation study among student debtors. *RAUSP Management Journal*, 56(1), 24–37.
- Boonroungrut, C., & Huang, S. (2021b). Money management skills, financial behavior, and financial well-being: Evidence from Thailand. *Journal of Asian Finance, Economics, and Business*, 8(3), 437-445
- Brislin, R. W. (1970). Back-translation for cross-cultural research. *Journal of cross-cultural psychology*, 1(3), 185-216.
- Cao, Y., Tham, J., Azam, S., & Khatibi, A. (2021a). An empirical study on the acceptance of mobile payment and its competitive advantage in Malaysia. *European Journal of Social Sciences Studies*, 7(1).
- Cao, Y., Tham, J., Azam, S., & Khatibi, A. (2021b). The acceptance of mobile payment and sustainable usage intention in Malaysia: an analysis based on a unified theory of acceptance and use of technology (output). *European Journal of Economic and Financial Research*, 5(3).

- Chanda, R. C., Isa, S. M., & Ahmed, T. (2023). Factors influencing customers' green purchasing intention: evidence from a developing country. *Journal of Science & Technology Policy Management*.
- Chang, H. and Watchravesringkan, K. (2018). Who are sustainably minded apparel shoppers? An investigation of the influencing factors of sustainable apparel consumption. *International Journal of Retail & Distribution Management*, 46(2), 148-162.
- Chaudhary, N., & Dey, A. (2019). Luxury consumption and materialism: A review. *Journal of Management Sciences*, 6(1), 1-14.
- Chaudhary, R. and Bisai, S. (2018). Factors influencing green purchase behavior of millennials in India. *Management of Environmental Quality an International Journal*, 29(5), 798-812.
- Chen, M. F., & Tung, P. J. (2014). Developing an extended theory of planned behavior model to predict consumers' intention to visit green hotels. *International Journal of hospitality management*, 36, 221-230
- Chen, M. (2020). The impacts of perceived moral obligation and sustainability self-identity on sustainability development: A theory of planned behavior purchase intention model of sustainability-labeled coffee and the moderating effect of climate change skepticism. *Business Strategy and the Environment*, 29(6), 2404-2417.
- Chen, M., Wang, H., & Zhang, R. (2023). Using the Extended Theory of Planned Behavior to predict Privacy-Protection Behavioral Intentions in the Big Data Era: The role of Privacy Concern. *SHS Web of Conferences*, 155, 03011.
- Chuah, S. H., Koh, J. C., Puah, I. Z. Y., Liew, K. S., & Liu, Y. K. (2023). The rise of buy-now-pay-later (BNPL) service in Malaysia [UTAR].
- Drążkowski, D., Trepanowski, R., Chwiłkowska, P., & Majewska, M. (2020). Self-Persuasion Increases Motivation for Social Isolation During the COVID-19 Pandemic Through Moral Obligation. -. <https://doi.org/10.31234/osf.io/4q2y9>
- Fuller, C. M., Simmering, M. J., Atinc, G., Atinc, Y., & Babin, B. J. (2016). Common methods variance detection in business research. *Journal of business research*, 69(8), 3192-3198.
- Gerrans, P., Baur, D. G., & Lavagna-Slater, S. (2021). Fintech and responsibility: Buy-now-pay-later arrangements. *Australian Journal of Management*, 47(3), 474-502.
- Guo, J. L., Chang, Y. C., Lin, F. H., Fan, C. C., Lai, T. M., & Huang, C. M. (2023). User experience evaluation of a 3D virtual reality educational program for illegal drug use prevention among high school students: Applying the decomposed theory of planned behavior. *Digital Health*, 9, 20552076231171237.
- Gogoi, J., & Baruah, D. K. (2023). Buy Now Pay Later (BNPL) – A New Trend: Its Awareness and Acceptance among the Millennials & Generation “Z” with Special Reference to Jorhat District, Assam. *International Journal for Multidisciplinary Research*, 5(6).
- Hair, J. F., Gabriel, M., & Patel, V. (2014). AMOS covariance-based structural equation modeling (CB-SEM): Guidelines on its application as a marketing research tool. *Brazilian Journal of Marketing*, 13(2).
- Hair, J. F., Howard, M. C., & Nitzl, C. (2020). Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of Business Research*, 109, 101-110.
- Hamid, F. S., & Loke, Y. J. (2020). Financial literacy, money management skills and credit card repayments. *International Journal of Consumer Studies*, 45(2), 235-247.
- Han, H. and Kim, Y. (2010). An investigation of green hotel customers' decision formation: developing an extended model of the theory of planned behavior. *International Journal of Hospitality Management*, 29(4), 659-668.
- Hegawan, C. I. P., Faustine, T. M., Wijayanti, S., & Manaf, P. A. (2023). Exploring the influence of perceived usefulness and value of PayLater/BNPL on satisfaction, impulsive buying, and post-purchase intention. *International Journal of Emerging Trends in Social Sciences*, 15(1), 1-12.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115-135.
- Hidayat, M. (2022). The analysis of the “Buy now, pay later” use intention in Indonesia. *International Journal of Current Science Research and Review*, 05(07).
- Hsiao, C., & Tang, K. (2014). Explaining undergraduates' behavior intention of e-textbook adoption. *Library Hi Tech*, 32(1), 139-163.
- Jang, Y., Li, M., & Chen, C. (2021). Pay now or pay later: The impact of time on payment preference in hotel booking. *Journal of Vacation Marketing*, 28(4), 439-454.

- Ji, Y., Wang, X., Huang, Y., Chen, S., & Fang, W. (2023). Buy now, pay later as liquidity insurance: Evidence from an early experiment in China. *China Economic Review*, 80.
- Katterbauer, K., Syed, H., Genç, S., & Cleenewerck, L. (2023). Ai-driven Islamic buy now pay later (BNP) – a legal analysis. *Journal of Management and Islamic Finance*, 3(1), 1-19.
- Khan, A., & Vilary Mbanyi, A. (2022). Millennial's fashion buying behavior from Buy Now, Pay Later perspective: A study of Buy Now, Pay Later (BNPL) and its influence on millennials buying behavior and consumption when mobile shopping.
- Kim, J., & Oh, J. (2022). The effects of materialism on life satisfaction and financial behaviors among young adults. *Journal of Youth Studies*, 25(3), 378-391.
- Kock, N. (2015). Common method bias in PLS-SEM: A full collinearity assessment approach. *International Journal of e-Collaboration (ijec)*, 11(4), 1-10.
- Lavonda, L., Hamid, R. A., Loke, S. P., & Ginavičienė, D. (2021). The role of money management skills in influencing financial literacy and financial behavior among Malaysian youths. *International Journal of Management, Accounting and Economics*, 8(4), 291-305.
- Li, X., Dai, J., Zhu, X., Li, J., He, J., Huang, Y., Liu, X., & Shen, Q. (2023). Mechanisms of attitude, subjective norms, and perceived behavioral control influence the green development behavior of construction enterprises. *Humanities & Social Sciences Communications*, 10(1).
- Liang, A., & Wu, S. (2023). The Chinese People's Re-intention on Volunteering—The Interpretations from a Theoretical Framework of Consumer Behavior and the Influences of Perceived Moral Obligation. *Journal of Humanities, Arts and Social Science*, 7(1), 83-97.
- Liu, J., & Chen, X. (2023). Analysis of college students' phone call behavior while riding e-bikes: An application of the extended theory of planned behavior. *Journal of Transport & Health*, 31, 101635.
- Liu, M. T., Liu, Y., & Mo, Z. (2020). Moral norm is the key. *Asia Pacific Journal of Marketing and Logistics*, 32(8), 1823-1841.
- Lubis, A. R., Dioko, L. A., & Wang, S. (2019). The role of financial inclusion in promoting women's economic empowerment: Evidence from ASEAN countries. *Journal of Asian Finance, Economics, and Business*, 8(5), 719-730.
- Lupşa-Tătaru, D. A., Nichifor, E., Dovleac, L., Chițu, I. B., Dania, T. R., & Brătucu, G. (2023). Buy Now Pay Later—A fad or a reality? A perspective on Electronic commerce. *Economies*, 11(8), 218.
- Mahdzan, N. S., Zainudin, R., & Shaari, M. S. (2023). The influence of religious belief and psychological factors on borrowing behavior among Malaysian public sector employees. *Asia-Pacific Journal of Business Administration*, 15(3), 361-385.
- Majid, R. (2021). The Role of Religiosity in Explaining the Intention to Use Islamic FinTech Among MSME Actors. *International Journal of Islamic Economics and Finance*, 4(2).
- Manchanda, R. V. (2019). The role of materialism in the acquisition of luxury brands: A social identity perspective. *Journal of Business Research*, 96, 348-360.
- Massimino, S., Rinella, S., Guerrera, C. S., Di Corrado, D., Astuto, R., Sorbello, A., Reina, F., Perciavalle, V., Buscemi, A., & Coco, M. (2023). Self-efficacy and the digit ratio in a group of Sports University students. *Journal of Functional Morphology and Kinesiology*, 8(3), 97.
- Mazambani, L. and Mutambara, E. (2019). Predicting fintech innovation adoption in South Africa: the case of cryptocurrency. *African Journal of Economic and Management Studies*, 11(1), 30-50.
- Moldes, O., & Ku, L. (2020). Materialistic cues make us miserable: A meta-analysis of the experimental evidence for the effects of materialism on individual and societal well-being. *Psychology & Marketing*, 37(10), 1396-1419.
- Mukhtar, B., Tamrin, S. N. B. A., Shad, M. K., Lai, F. W., & Jalil, N. A. (2023). A Proposed Framework for Assessing BNPL (Buy Now, Pay Later) Adoption and its Impact on Consumers' Buying Behavior. *KnE Social Sciences*.
- Mushi, H. (2020). Intention, government regulation, self-regulatory efficacy, subjective norm, idolatry and consumer behavior in purchasing pirated compact disks (CDs) in mainland Tanzania. *Mediterranean Journal of Social Sciences*, 11(5), 9.
- Nik Azmi, N. N., Mohd Zahari, N. H., Md Yunus, Z., Mohsin, F. H., & Md Isa, N. (2022). EXPLORING THE FACTOR INFLUENCING BUY NOW PAY LATER MECHANISM ON THE IMPULSIVE PURCHASE DECISION IN MALAYSIA. *International Journal of Business and Economy*, 4(4), 48-57.
- Ögel, İ. (2022). Is it sustainability or fashion? Young educated consumers' motivations for buying second-hand clothing. *Business and Management Studies an International Journal*, 10(3), 817-834.



- Özdemir-Güzel, S., & Baş, Y. N. (2021). Gen Z Tourists and smart devices. In *Springer eBooks* (pp. 141–165). [https://doi.org/10.1007/978-3-030-70695-1\\_6](https://doi.org/10.1007/978-3-030-70695-1_6)
- Pang, S. M., Tan, B. C., & Lau, T. (2021). Antecedents of Consumers' Purchase Intention towards Organic Food: Integration of Theory of Planned Behavior and Protection Motivation Theory. *Sustainability*, 13(9), 5218.
- Powell, R., Do, A., Gengatharen, D., Yong, J., & Gengatharen, D. (2023). The relationship between responsible financial behaviors and financial wellbeing: The case of buy-now-pay-later. *Accounting & Finance*.
- Pupelis, A., & Šeinauskienė, B. (2023). Exploring the impact of materialism on sustainable
- Rabaa'i, A. A., Maati, S. a. A., Muhammad, N. B., & Eljamal, E. M. (2024). Understanding mobile payments through the lens of innovation resistance and planned behavior theories. *Uncertain Supply Chain Management*, 12(1), 45–64.
- Rai, N., Shrestha, S., Gautam, S., & Acharya, S. (2019). Assessing the money management skills among undergraduate students: A case of management students. *Nepalese Journal of Finance and Management*, 1(1), 42-55.
- Raj, V. A., Jasrotia, S. S., & Shankar, S. (2023). Intensifying materialism through buy-now pay-later (BNPL): examining the dark sides. *International Journal of Bank Marketing*.
- Raj, V. A., Jasrotia, S. S., & Rai, S. S. (2023). Role of privacy concerns and trust in consumers' intention to use Buy-Now, Pay-Later (BNPL): an extended TPB model. *International Journal of Human-Computer Interaction*, 1-12.
- Relja, R., Ward, P., & Zhao, A. (2023). Understanding the psychological determinants of buy-now-pay-later (BNP) in the UK: a user perspective. *The International Journal of Bank Marketing*, 42(1), 7-37.
- Research and Markets. (2022, April 28). Malaysia buy now pay later markets report 2022-2028- insurance platforms in Malaysia are offering BNPL services to increase market share. Retrieved June 2, 2022, from [https://www.prnewswire.com/new-releases/Malaysia buy-now-pay-later-markets-report-2022-2028---insurance-platforms-in-Malaysia-are offering-bnpl-services-to-increase-market-share-301535161.html](https://www.prnewswire.com/new-releases/Malaysia-buy-now-pay-later-markets-report-2022-2028---insurance-platforms-in-Malaysia-are-offering-bnpl-services-to-increase-market-share-301535161.html)
- Ringle, C., Da Silva, D., & Bido, D. (2015). Structural equation modeling with the SmartPLS. Bido, D., da Silva, D., & Ringle, C.(2014). Structural Equation Modeling with the Smartpls. *Brazilian Journal Of Marketing*, 13(2).
- Saadat, Z., & Sultana, A. (2023). Understanding gender disparity: factors affecting higher education self-efficacy of students in Malaysia. *Journal of Science & Technology Policy Management*.
- Sabri, M. F., Anthony, M., Law, S. H., Rahim, H. A., Burhan, N. A. S., & Ithnin, M. (2023). Impact of financial behavior on financial well-being: evidence among young adults in Malaysia. *Journal of Financial Services Marketing*.
- Santos, S. G., & Liguori, E. W. (2019). Entrepreneurial self-efficacy and intentions. *International Journal of Entrepreneurial Behavior & Research*, 26(3), 400–415.
- Sarikhani, M., & Ebrahimi, F. (2021). Whistleblowing by accountants: an integration of the fraud pentagon and the extended theory of planned behavior. *Meditari Accountancy Research*, 30(6), 1740–1763.
- Schomburgk, L., & Hoffmann, A. (2022). How mindfulness reduces BNPL usage and how that relates to overall well-being. *European Journal of Marketing*, 57(2), 325–359.
- Shankar, S. (2022). Buy research now pay later model of Amazon. *International Journal of Engineering Technology and Management Sciences*, 6(5).
- Sia, S. K., & Jose, A. (2019). Attitude and subjective norm as personal moral obligation mediated predictors of intention to build eco-friendly house. *Management of Environmental Quality: An International Journal*, 30(4), 678–694.
- Silvera, D., Lavack, A., & Kropp, F. (2008). Impulse buying: the role of affect, social influence, and subjective wellbeing. *Journal of Consumer Marketing*, 25(1), 23-33.
- Singh, K. N., & Malik, S. (2022). An empirical analysis on household financial vulnerability in India: exploring the role of financial knowledge, impulsivity and money management skills. *Managerial Finance*, 48(9/10), 1391–1412.
- Sivaramakrishnan, S., Srivastava, M., & Rastogi, A. (2017). Attitudinal factors, financial literacy, and stock market participation. *The International Journal of Bank Marketing*, 35(5), 818-841.
- Stankevich, A. (2017). Explaining the Consumer Decision-Making Process: Critical Literature Review. *Journal of International Business Research and Marketing*, 2(6), 7–14.

- Thomas, B., & Subhashree, P. (2020). Behavioral and psychological factors that influence the usage of formal financial services among low-income households. *Research in World Economy*, 11(5), 32
- Uysal, M. S., Acar, Y. G., Cameselle, J. M. S., & Çakal, H. (2022). 'To participate or not participate, that's the question': The role of moral obligation and different risk perceptions on collective action. *Journal of Social and Political Psychology*, 10(2), 445-459.
- Vu, T. D., Nguyen, H. V., Vu, P. T., Tran, T., & Vu, V. H. (2023). Gen Z Customers' Continuance Intention in Using Food Delivery Application in an Emerging Market: Empirical Evidence from Vietnam. *Sustainability*, 15(20), 14776.
- Yadav, R. and Pathak, G. (2017). Determinants of consumers' green purchase behavior in a developing nation: applying and extending the theory of planned behavior. *Ecological Economics*, 134, 114-122.
- Yadav, S., Kar, S., & Kumar, P. (2022). Why do consumers buy recycled shoes? An amalgamation of the theory of reasoned action and the theory of planned behavior. *Frontiers in Environmental Science*, 10.
- Yolcu, S., & Meyer, J. (2023). Materialism, financial behaviors, and perceived behavioral control. *Journal of Economic Psychology*, 94, 102540
- Yuen, K., Wang, X., Ma, F., & Li, K. (2020). The psychological causes of panic buying following a health crisis. *International Journal of Environmental Research and Public Health*, 17(10), 3513.
- Zainudin, R., Mahdzan, N. S., & Yeap, M. Y. (2019). Determinants of credit card misuse among Gen Y consumers in urban Malaysia. *International Journal of Bank Marketing*, 37(5), 1350-1370.
- Zaman, K., Iftikhar, U., Rehmani, M., & Irshad, H. (2022). Embracing biodegradable bags: effects of ethical self-identity on consumer buying behavior. *Social Responsibility Journal*, 19(3),
- Zhang, Y., Zhang, F., Ji, Y., & Liu, Y. (2023). Understanding the illegal charging intention of electric micro-mobility vehicle users by extending the theory of planned behavior. *Journal of Cleaner Production*, 413, 137491.
- Zhu, X., Ren, W., Chen, Q., & Evans, R. (2021). How does internet usage affect credit consumption among Chinese college students? A mediation model of social comparison and materialism. *Internet Research*, 31(3), 1083-1101.
- Zou, Y., Van Riel, A. C., Streukens, S., & Bloemer, J. (2023). Wanted! Investigating how elements from the personal usage context affect Gen Z consumers' value-in-use experience and engagement with mobile service. *Journal of Business Research*, 160, 113824.