THE INFLUENCE OF LIFESTYLE AND FINANCIAL ATTITUDES ON THE USE OF PAYLATER SERVICES: A STUDY ON GENERATION Z IN SAMARINDA CITY

[1]**Nesa Mailani,** [2]**Rahman Anshari,** [3]**Muhammad Iqbal Pribadi**

[1,2,3]*Department of Management, Faculty of Business and Political Economy, Universitas Muhammadiyah Kalimantan Timur, Samarinda city, Indonesia*

Author's email:
[1]*2011102431360@umkt.ac.id ;* [2]*ra940@umkt.ac.id ;* [3]*mip733@umkt.ac.id*

Corresponding author: 12011102431360@umkt.ac.id

Abstract. *This research aims to determine the impact of lifestyle and financial attractiveness on the use of PayLater services among generation Z in Samarinda City. This region was chosen because have a large population of generation Z and its economy continues to grow. The sampling technique used in this study is purposive sampling. The number of respondent used in the research was 200 respondents and using Partial Least Square analysis technique, and processed by using SmartPLS software. The results of the research is that the lifestyle has a positive and significant effect on the use of paylater services, financial attitude does not have effect on the use of paylater services. Researchers are interested in this study because want to have a new data in the form of new respondent targets from younger generation such as generation Z Samarinda, who have a different digital lifestyle compared to previous generations and the influence of lifestyle and financial attitudes on using PayLater services.*

Keywords: *Financial Attitude, Gen Z, Lifestlyle, Paylater Services, Samarinda.*

1. INTRODUCTION

Digital technology is now an important component in the financial services sector. Various processes such as offering, account creation, and purchase of financial products and services can be done online. Generation Z generally has enough knowledge and ability to utilize digital technology wisely, safely, and efficiently. Generation Z is known as a generation that is very familiar with digital technology, the internet, and digital financial applications, such as Paylater services, almost all sectors are currently digitizing, including the financial sector. Technological developments have encouraged the emergence of various digital features and access, allowing people to make online buying and selling transactions through electronic devices. Based on a survey conducted by Katadata Insight Center (KIC) with Kredivo, Generation Z in Indonesia is one of the largest groups of users of paylater services, which shows their high interest in this practical and flexible payment method. The results of a survey conducted by Kredivo together with the Katadata Insight Center (KIC) reported that Paylater service users in Indonesia mostly come from generation Z. between 18 and 25 years old Meanwhile, 26.5% of users are from generation Z, the survey shows that they are the second largest user of Paylater services in Indonesia, with a percentage of around 26.5%. Generation Z was generally born between 1997 and 2012, so the 18-25 year age group covers the early part of this generation.

However, behind the convenience offered, concerns arise related to financial management in the consumptive behavior of using the paylater service that can be triggered by this service. Gen Z, who tend to be quick to adapt to technological innovations, are susceptible to the temptation to use Paylater as an instant way to fulfill

their lifestyle desires, without thinking about the long-term impact on their finances. The use of Paylater services by Generation Z is triggered by several factors, including ease of access, desire to fulfill lifestyle, and the influence of social media. One of the main attractions of the Paylater service is its ease of use. Generation Z can make purchases online without having to pay upfront, which gives them the freedom to shop without having to spend money right away. The ease of access offered by this service is one of the main reasons why Generation Z is more likely to use it. They can buy goods and services in a more flexible way and without strict financial restrictions.

Generation Z is greatly affected by the growing trends on social media. Many influencers and celebrities promote a glamorous lifestyle, which can often be achieved through the use of Paylater services. This creates an incentive for them to follow the trend and make purchases that may not always be necessary. While the Paylater service offers convenience, there are concerns that its use could encourage unplanned consumptive behavior. Generation Z, who tend to be impulsive in spending, may not fully consider the long-term financial consequences of their decisions. Generation Z who use this service to meet lifestyle needs, are unaware of the debt risks they may face in the future.

Financial attitude refers to a person's attitude and beliefs towards financial management, which affects the way they make decisions related to money, saving, investing, and managing daily expenses. This attitude reflects the individual's beliefs about the importance of money in their lives, as well as their views on financial risk, consumption, and the financial future. The impact of a good financial attitude can be very positive. A positive attitude towards financial management can make a person wiser in making decisions about money, so they are more likely to save more, invest smarter, and manage expenses more effectively. Conversely, a negative attitude towards finances can result in poor money management, such as overspending, accumulated debt, and lack of preparation for the future. This can have an impact on financial stability and long-term well-being. Therefore, having a healthy attitude towards finances is essential for achieving financial goals and maintaining overall financial health.

Based on the above and existing problems, lifestyle and financial attitude can affect an individual's decision to use paylater services. So the author is interested in conducting research with the aim of finding out the influence of lifestyle and financial attitude on the use of paylater services in generation z in Samarinda City. This research is important to be carried out, in order to know the role of generation z in allocating their finances, besides that research with this variable is still minimal so that the results of this research are expected to be able to add literature on the use of paylater services.

2. LITERATURE REVIEW
2.1 Lifestyle Towards the Use of Paylater Services
The influence of lifestyle on the use of paylater services can be explained by the theory of planned behavior through three factors, the first is a positive attitude towards behavior, namely a consumptive lifestyle that encourages individuals to have a positive attitude towards paylater because of the convenience and flexibility offered, the second is the subjective norm factor including social pressure, especially from friends or the environment who also use similar services, influencing individual decisions and the third on perceived behavioral control factors is that if individuals find it easy to access and use Paylater services, they are more likely to use them. In this study, the theory of planned behavior proposed by Ajzen (1991), which states that consumer behavior, including the use of financial services such as paylater, influenced by attitudes, social norms, and perceived behavioral control. Lifestyle is a person's attitude that produces behavior. One of the incentives will result in consumptive behavior when using the

service paylater. Kolter & Keller's (2016) consumer lifestyle theory supports this, stating that financial decisions are often influenced by personal habits and values.

Research by Khaerunisa et al., (2024) found that lifestyle also has a positive and significant impact on the consumptive behavior of Paylater users. Rahmawati & Mirati (2022), to examine the influence of financial attitudes and lifestyle on the consumptive behavior of generation Z paylater users. From the two studies, it can be concluded that the higher the lifestyle, the higher the desire to use paylater, Based on this, researchers suspect that lifestyle has an influence and has a positive correlation with the consumptive behavior of paylater users in generation Z because an increasingly advanced lifestyle will encourage them to buy items that do not suit their needs. Which makes them consumptive in using paylater.

2.2 Financial Attitude Towards the Use of Paylater

The influence of financial attitude on the use of paylater services can be explained by the theory of planned behavior through three factors, the first is a positive attitude towards behavior, namely attitudes towards behavior, subjective norms, and perceived behavioral control. These three factors can help explain how financial attitudes affect an individual's decision to use a paylater service. An individual's attitude towards paylater services is largely determined by their financial attitude. For example, if someone tends to have a consumptive attitude, they may consider paylater services as an easy solution to meet their needs. Conversely, individuals with conservative financial stances may be more cautious. Subjective norms refer to perceived social pressures. Younger generations may feel compelled to use paylater when they see friends or influencers using it, increasing their intention to behave similarly. Perceived Behavior Control: The ease of access and operation of paylater services increases one's intention to use them. However, a strong financial stance when it comes to debt management can be a limiting factor that prevents overuse. A positive financial attitude, especially related to wise management, can help users better consider the benefits and risks of services such as paylater. In this study, the theory of planned behavior proposed by Ajzen (1991), which states that consumer behavior, including the use of financial services such as paylater, influenced by attitudes, social norms, and perceived behavioral control.

Previous research by Nur Komarudin et al.,(2024) berjudul "The Impact of Funancial proficiency, Financial attitudes, and Income on Financial Behavior in Using Paylater on E-Commerce'' resulted in a positive effect on the use of the service paylater. Financial attitudes, and income towards financial behavior in paylater services are very significant. Good financial proficiency allows individuals to understand the conditions of risk associated with this option, so they can make more informed decisions. In addition, positive financial attitudes tend to encourage more planned spending behavior, lowering the risk of impulse purchases. Individuals with higher incomes have more depth to use these services without putting a strain on their finances, while those who live low may be more cautious overall. These three factors interact with each other in determining how effectively individuals can manage the use of paylater services wisely.

3. RESEARCH METHODS

3.1 Research Location and Type of Research

This research was conducted in Samarinda City to explore the influence of lifestyle use and financial attitude on the use of paylater taken by generation Z in Samarinda City. This region was chosen because of its large population of generation Z and its economy continues to grow. This type of research is quantitative research, the approach used is a survey. The survey method is a data collection technique used to obtain information from a group of people, usually through questionnaires and interviews

3.2 Population and Sample

The population in this study is based on the object of the study, namely generation Z who have used Paylater or have used Paylater before in the Samarinda area. The sampling technique used is purposive sampling, which is random sampling of the population of generation Z in the city of Samarinda who uses Paylater or has used Paylater servicesbefore because the number of the population is unknown, so the purposive sampling technique is carried out.

3.3 Data Sources and Data Collection Techniques
3.3.1 Data Source

The data source designated as the source for the purposes of this study refers to primary data in the Samarinda City area obtained through respondents through google form media.

3.3.1 Data Collection Techniques

The data collection technique used in this study can be in the form of a questionnaire by submitting questions and articulation to a sample of research subjects that the questionnaire wants to be distributed in the form of google from which is arranged on a Likert scale. Here are the Likert scale scores:

Table 1.

Jawaban	Nilai
Sangat Setuju (SS)	5
Setuju (S)	4
Netral	3

3.4 Data Analysis Techniques

This study uses data analysis using application by PLS-SEM data or partical least square structural equition modelling. In testing, the data is used as follows:

1. Descriptive Statistical Test

Descriptive analysis is used to analyze data by describing or describing the data that has been collected without making broad conclusions. This descriptive analysis is presented in the form of presentations, tables, graphs, diagrams, and so on.

2. PLS-SEM Test

a. Test Measurement Model (outer model)

In the measurement model test (outer model), the following tests are used:

1) Validation Test

Convergent Validity occurs when scores obtained from two different instruments measuring the same construct have high collance. The validity test of the convergence of reflective indicators can be seen based on the value of the loading factor parameter (correlation between score items/component score). The value of the rule of thumbs on the loading factor is said to be high if it is >0.7. Average Variance Exstracted (AVE) is used for the evaluation of converagent validity. The AVE score must be greater than 0.5.

2) Reliability Test

There are two methods of reliability testing, including compesite reability and cronbach's alpha. This value of the rule of thumbs for composites is > 0.7 and cronbach's alpha > 0.6. The following is the design of a measurement model using Smart PLS software.

b. Uji Model Struktural (inner Model)

In the structural model test (inner model), the following tests are used:

1

1) Uji Coefffician Off Determination/Goodnes (R2)

The goodness off fit model was measured using the R-squre dependent latent variable with the same interperformance with the R-squre regression of the predidityve relevance for the structural model, to measure how well the observation values produced by the model and also the estimation of its parameters. The R-squere value category includes: 0.75 is high 0.50 is

0.25 is weak.

2) F-Square Test

F-Square is used to look at the relative impact of independent variables on dependent variables. If the F-Square value is 0.02, there is a small effect of the independent variable on the dependent, and if the F-square value is 0.15, there is a moderate or moderate effect of the independent variable on the dependent variable and if the F-square value is 0.35, there is a large effect of the independent variable on the variable.

3) Uji Hipotesis (bootstrapping)

Hypothesis testing through t-test using PLS was carried out by the boodstrapping method on the sample. The criteria in the hypothesis test are

(i) If the t-statistic is higher than the t-table, it means that the hypothesis is accepted, and vice versa. The criterion for accepting or rejecting the hypothesis is Ha accepted and H0 rejected if t-statistic >1.95: (ii) in the hypothesis test on PLS can be seen from the p-vulue value, if a p-vulue is obtained >0.05 then it can be said to be significant, but if the p-vulue is >0.05 then it is not significant.

4. RESULTS AND DISCUSSIONS

H1: Lifestyle Has a Positive and Significant Effect on Paylater Services

Based on the results of data processing using the smart PLS application, with the Descriptive Statistical Test and hypothesis test with a total of 232 data, it was found that lifestyle had a positive and significant effect on paylater services. This result can be seen in the bootstrapping table, thus H1 is accepted. This means that lifestyle has a great influence on the use of paylater in generation Z, with the existence of social media and increasingly sophisticated technology, it is possible for generation Z to follow a popular lifestyle, so that generation Z does a lot to be able to meet the lifestyle, with paylater services from several applications such as shoppe paylater, gopay later, Kredivo, Akulaku, TikTok Paylater, HomeCredit, Traveloka Paylater and Dana, which are easy to use, make Generation Z use these applications to fulfill their lifestyle. An increasingly high lifestyle makes generation Z use paylater to buy items that are suitable or not in accordance with their needs. This result is in line with the theory of planned behavior, this theory proposes about individual behavior that affects decision-making or attitudes in planning, so that lifestyle greatly influences the life of generation Z.

H2: Financial Attidute Has a Positive and Significant Effect on Paylater Services

Based on the results of data processing using the smart PLS application, with a Descriptive Statistical Test and a hypothesis test with a total of 232 data, it was found that financial attidute had a positive and insignificant effect on paylater services. This result can be seen on the bootstrapping table, thus H2 is rejected. This means that financial management skills can influence the decision to use paylater, and vice versa, an excessive lifestyle without seeing the negative impact of financial attdute can cause problems in finance, such as a lot of debt and difficulty in managing one's own finances. This result is in line with the theory of planned behavior, this theory proposes about individual behavior that affects decision-making or attitudes in a plan, so that financial attidute affects the life of generation Z but not with the use of paylater.

2

CONCLUSION

Based on the results of the study entitled The Influence of Lifestyle and Financial Attidute on the Use of Paylater Services : A Study on Generation Z in Samarinda City, it can be concluded as follows: (i) The location of this research was carried out in Samarinda City with the criteria of Generation Z respondents who use paylater services

(ii) the purpose of this study is to determine the influence on lifestyle and financial attitude on the use of paylater services in generation Z in the city of Samarinda. The methodology of this study uses a data collection technique using a questionnaire with a Likert scale, data is processed using the PLS-SEM application with data testing using a descriptive statistical test. The results of this study show that lifestyle has a positive and significant effect on paylater services, these results indicate that the greater the lifestyle, the more often paylater services are used. On the contrary, financial attitude has a positive and insignificant effect on paylater services, these results indicate that with financial management skills, the use of paylater services is decreasing

REFERENCES

Van Tuan, P. (2024). Factors Affecting the Intention to Buy Now - Pay Later for Online Payment of Generation Z. *Journal of Business and Econometrics Studies*, *1*(2), 1–6. https://doi.org/10.61440/jbes.2024.v1.12

Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, *50*(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020- T

Agustine, L., & Widjaja, I. (2021). Influence: Financial Attitude, Financial Knowledge Locus Of Control on Financial Management Behavior. *Journal of Managerial and Entrepreneurship*, *3*(4), 1087. https://doi.org/10.24912/jmk.v3i4.13504

Angelista, F. D., Anggraini, L. D., & Putri, A. U. (2024). The Influence of Financial Literacy, Lifestyle and Financial Attitudes on the Financial Behavior of Student Shopee Paylater Users. *Journal of Trends Economics and Accounting Research*, *4*(3), 696–705. https://doi.org/10.47065/jtear.v4i3.1197

Chawla, D., & Joshi, H. (2023). Role of Mediator in Examining the Influence of Antecedents of Mobile Wallet Adoption on Attitude and Intention. *Global Business Review*, *24*(4), 609–625. https://doi.org/10.1177/0972150920924506

Maghfiroh, E. L., & Dwiridotjahjono, J. (2023). The Influence of Financial Literacy, Life Style, Financial Attitude and Self-Control on Financial Management Behavior. *Scientific Journal of Business Administration and Innovation*, *7*(1), 99–114. https://doi.org/10.25139/jiabi.v7i1.5812

Prastiwi, I. E., & Fitria, T. N. (2021). The Concept of Paylater Online Shopping in the View of Islamic Economics. *Scientific Journal of Islamic Economics*, *7*(1), 425. https://doi.org/10.29040/jiei.v7i1.1458

Sardiyo, S., & Martini, M. (2022). The Influence of Lifestyle and Financial Literacy Ability on Consumptive Behavior of Online Shopping. *Owner*, *6*(3), 3169–3180. https://doi.org/10.33395/owner.v6i3.934

Sitepu, G. A., & Fadila, A. (2024). *Analysis of Paylater Service Utilization in the*. *3*(1), 57–70.

Angelista, F. D., Anggraini, L. D., & Putri, A. U. (2024). The Influence of Financial Literacy, Lifestyle and Financial Attitudes on the Financial Behavior of Student Shopee Paylater Users. *Journal of Trends Economics and Accounting Research*, *4*(3), 696–705. https://doi.org/10.47065/jtear.v4i3.1197

Dwinansi, P., Purnamasari, E. D., & Lazuarni, S. (2023). The Influence of Financial Literacy and Financial Attitude of the Millennial Generation on the Use of Paylater in E-Commerce. *Scientific Journal of Management, Business Economics, Entrepreneurship*, *10*(2), 48–58.

Khaerunisa, R., Fanther, R., & Sukardi, D. (2024). The Influence of Financial Literacy and Lifestyle on the Consumptive Behavior of Shopee Paylater Users in Generation Z (Case Study on Febi Iain Syekh Nurjati Cirebon Students)). *Journal of Accounting and Business*, *10*(01), 57. https://doi.org/10.47686/jab.v10i01.678

Magno, F., Cassia, F., & Ringle, C. M. (2024). A brief review of partial least squares structural equation modeling (PLS-SEM) use in quality management studies. *TQM Journal*, *36*(5), 1242–1251. https://doi.org/10.1108/TQM-06-2022-0197

Ningsih, M. C., Woestho, C., & Kurniawan, D. (2023). The Effect of Financial Literacy, Paylater Benefits and Generation Z Income on Interest in Using Paylater on the Shopee Platform in South Tambun District. *Journal of Economics*, *2*(11), 3218– 3231. https://doi.org/10.55681/economina.v2i11.967

Nur Komarudin, M., Arraniri, I., & Agyan, D. F. (2024). The Impact of Financial Proficiency, Financial Attitudes, and Income on Financial Behavior in Using PayLater on E-Commerce. *International Journal Administration, Business & Organization*, *5*(2), 26–36. https://doi.org/10.61242/ijabo.24.407

Erwin Permana, Dela Setia Cahyani, Famita Wijayanti, & Syamsurizal Syamsurizal. (2024). Analysis of Generation Z's Satisfaction with E-Commerce Services.
Scientific Journal of Economics, Accounting, and Tax, *1*(2), 337– 355. https://doi.org/10.61132/jieap.v1i2.312

Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Evaluation of Formative Measurement Models.* https://doi.org/https://doi.org/10.1007/978-3-030-80519-7_5

Rizkiyah, K., Nurmayanti, L., Macdhy, R. D. N., & Yusuf, A. (2021). THE INFLUENCE OF DIGITAL PAYMENT ON CONSUMER BEHAVIOR OF OVO Digital Payment

Platform Users. *Scientific Journal of Management*, *16*(1), 107–126.

Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, *50*(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020- T

Abdillah & Jugiyanto. (2015). No Title. *Partial Least Square (PLS) Alternative Structural Equation Modeling (SEM) in Business Research. Ed*, *1*, 103–150.

Pokhrel, S. (2024). No TitleELENI. *Agae*, *15*(1), 37–48.

Sandu Siyoto, A. S. (2015). Basics of Research Methodology. *Yogyakarta: Media Publishing Literacy.*