

REVIEW ARTICLE

DYNAMICS OF USE OF PAY-LATER SERVICES: INVESTIGATION OF MOTIVATION AND FINANCIAL BEHAVIOR OF INDONESIAN COMMUNITIES

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ABSTRACT

This research explores the dynamics of the use of pay-later services among Indonesian people with a focus on motivation and financial behavior. This research aims to analyze the factors that encourage the adoption of pay-later services, identify their impact on people's financial behavior, and evaluate their role in Indonesia's digital financial ecosystem. This research method uses a quantitative approach with secondary data from the Populix report which focuses on paylater service users. The research results show that the majority of respondents use pay-later services for various purposes, including bill payments and lifestyle needs. While these services provide flexibility, there are potential risks such as overuse and inability to pay on time. The study's recommendations include the need for transparent regulation, prudent credit limits, and strong consumer protection. In addition, research suggests evaluating the role of pay-later services in the financial ecosystem as well as developing financial education strategies to increase consumer awareness.

KEYWORDS

Pay-later Services, Behavioral Finance

1. INTRODUCTION

In recent years, Indonesia has witnessed rapid growth in the use of pay-later services as part of a deep transformation in the financial sector. This phenomenon reflects society's rapid adoption of financial technology innovations that enable them to carry out transactions without having to pay in cash directly, but rather by postponing payments until a certain maturity date. These developments provide an interesting background for investigating the motivations behind the use of pay-later services and their impact on the financial behavior of Indonesian society.

The significant increase in the growth of pay-later service users creates a paradox that needs to be understood more deeply. Along with this growth, it is necessary to find answers to questions regarding the factors that encourage people to adopt these services, whether based on immediate needs, lifestyle changes, or long-term financial considerations. In addition, the essence of this research also involves understanding the impact of using pay-later services on financial behavior, taking into account the risks of excessive use and the ability to pay according to the specified deadline.

Not only that, but the role of pay-later services in the digital financial ecosystem is also an important part that needs to be paid attention to. How these services impact overall financial stability and how governments and financial institutions can respond to these changes are crucial questions. Furthermore, in the context of the growing use of pay-later services, financial education is considered a crucial element. How financial literacy can help people use pay later services wisely and prevent risks that may arise is also an important aspect that needs to be considered. Therefore, it is hoped that this research will be able to provide in-depth insight into the dynamics of the use of paylater services in Indonesia and provide a basis for recommendations for more effective financial education policies and

initiatives.

This research aims to investigate in depth the dynamics of the use of pay-later services in Indonesian society, with a focus on motivation and financial behavior. First, the research will analyze the factors that encourage Indonesian people to adopt pay-later services, including immediate needs, lifestyle preferences, and long-term financial considerations. Furthermore, this research aims to identify the impact of using pay-later services on people's financial behavior, with an emphasis on potential risks such as excessive use and inability to pay on time. In addition, the objectives of this research include evaluating the role of pay-later services in Indonesia's digital financial ecosystem, as well as analyzing the implications for financial stability and integration with other financial services. As an important contribution, this research also intends to develop policy recommendations that can help manage the use of pay-later services wisely, including the need for adequate regulations and monitoring mechanisms. Finally, this research will encourage awareness of the importance of financial education in the context of using pay later services, by designing educational guidelines to increase people's financial literacy and prevent potential related risks. Thus, it is hoped that this research can provide a holistic and useful understanding regarding the dynamics of the use of paylater services in Indonesia.

2. THEORETICAL BASIS AND PRIOR RESEARCH

The theory used in this research is Utility Theory. Utility Theory is a theory that has a central concept in economics and behavioral science which aims to explain how consumers make decisions in choosing products or services (Fishburn, 1968). This theory assumes that consumer decisions are based on the level of satisfaction or utility obtained from consuming a good or service. Utility can be defined as a subjective measure of the

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usefulness or satisfaction obtained by an individual from a product. There are several key concepts in Utility Theory, such as total utility which refers to the total satisfaction from the overall consumption of a good or service, the marginal utility which shows the change in satisfaction from one additional unit of consumption, and the concept of green's utility which indicates the point at which the consumer reaches the maximum level of satisfaction. An indifference curve is also a graphical tool used to show the combination of different goods or services that provide the same level of satisfaction. By applying Utility Theory, economists and analysts can understand how consumer preferences and satisfaction influence their purchasing decisions, as well as identify factors that influence the level of consumer satisfaction with a product or service.

Utility Theory has significant relevance in analyzing the dynamics of the use of pay-later services in Indonesia, especially in the context of research on people's financial motivation and behavior. From the perspective of Utility Theory, a consumer's decision to use pay-later services can be interpreted as an effort to increase the level of satisfaction or utility obtained from the service. The motivation of pay-later service users can be seen as a result of the perception that this service provides additional benefits, such as convenience and flexibility of payment.

In addition, the concept of marginal utility can explain how changes in the use of pay-later services can influence people's financial behavior. Initially, these services may provide high marginal utility because they provide financial flexibility, but over time, their marginal utility may decrease, especially if additional risks arise such as fees or late payments. Gren's point of utility in Utility Theory can also be applied to the use of pay-later services, identifying the point at which the additional satisfaction obtained becomes reduced or even has the potential to hurt personal finances. Therefore, understanding this point can provide insight into when the use of pay-later services may no longer provide maximum utility.

Apart from being an analytical tool, Utility Theory also stimulates the need for financial education in society. By increasing financial literacy, people can make more informed decisions and increase the utility of using pay-later services. Thus, the integration of Utility Theory in the investigation of motivation and financial behavior regarding pay-later services can provide a holistic and in-depth understanding, helping to formulate more effective policies and relevant financial education guidelines.

For previous research, we will begin to explain the concept of Buy-now-pay-later (BNPL) which has become a rapidly emerging short-term debt option and, like other innovative fintechs, is challenging existing regulations (Gerrans, Baur, & Lavagna-Slater, 2021). In the context of the dynamic use of pay-later services in Indonesia, BNPL services avoid the legal obligations of 'responsible credit provision' which are usually applied to similar short-term credit products. In contrast, BNPL relies on 'responsible spending' by presenting a potentially more economical option compared to alternatives such as credit cards. This research, in line with investigations of Indonesian people's financial motivations and behavior regarding pay-later services, illustrates the interaction between regulation and responsibility in the BNPL context. Through a survey focused on key demographic groups, particularly youth, this research aims to explore whether Indonesians have the desire or skills to use BNPL services responsibly. The research findings also analyzed users' preferences for BNPL compared to credit cards, and the role of financial literacy and other characteristics, such as propensity to plan and save. The results show that financial literacy can influence the perceived benefits of using BNPL and that lower levels of financial literacy are associated with greater perceptions of benefits and smaller risks associated with BNPL.

By combining these findings, this research contributes to understanding the dynamics of paylater service use in Indonesia, by highlighting the interaction between regulation, responsibility, and user motivation in adopting short-term debt options such as BNPL. The implication, in the context of policy development and financial education, is that it is increasingly important to understand these factors to ensure the responsible use of pay-later services amidst the growth of fintech in Indonesia.

Then, still with the same concept regarding the use of buy now pay later (BNPL) services has grown rapidly in recent years (Cook et al., 2023). Existing research focuses more on the regulatory challenges it faces, but further research is needed to illustrate its significance as a way to normalize and naturalize debt. In response to this, this article focuses on the marketing and branding landscape of BNPL services through an analysis of their websites and apps, a walking ethnography in a large shopping center, and interviews with BNPL customers. We find that BNPL services form a "feeling structure" reminiscent of digitally intimate online spaces, and we argue that by creating a sense of fun and excitement, they

differentiate themselves from other, relatively more "serious" financial services. We ultimately argue that this helps them to present themselves as simply a "way to pay" rather than a form of credit, and this represents a significant new step in the depoliticization of debt.

In the context of the dynamics of the use of pay-later services in Indonesia, these findings can be linked to investigations of people's financial motivations and behavior. BNPL services, by instilling feelings of comfort and excitement, can shape user behavior patterns that reflect intimate online moods. This may influence how society interprets pay-later services, perhaps seeing them as a fun and less "serious" alternative to other financial options. The depoliticization of debt through the emphasis on BNPL as just a "way to pay" can also be a relevant theme in understanding how Indonesians respond to and adopt pay-later services in their financial lives.

Still, the same study regarding 'buy now, pay later' (BNPL) provides insight into this unregulated FinTech credit product, allowing consumers to defer payments into interest-free installments (Guttman-Kenney, Firth, & Gathergood, 2023). This research uses credit card transaction data in the UK to understand BNPL usage patterns. The results show that consumers are taking advantage of BNPL by loading BNPL transactions onto their credit cards. BNPL use on credit cards is most common among younger consumers and those living in the most deprived areas. Carrying 0% interest BNPL debt onto a credit card, where the typical interest rate is 20% and the amortization schedule spans years, casts doubt on these consumers' ability to repay the BNPL. This raises the regulatory question of whether consumers should be allowed to refinance their unsecured debt.

In the context of the dynamics of the use of pay-later services in Indonesia, these findings can be linked to investigations of people's financial motivations and behavior. The use of BNPL loaded to credit cards, particularly by young consumers and those living in deprived areas, highlights the potential financial risks associated with this way of using the service. The refinancing of BNPL debt to credit cards also raises regulatory questions, particularly in terms of consumers' ability to pay their financial obligations. Therefore, this research can provide valuable insight into the implications and regulatory considerations related to the dynamics of paylater service use, especially among Indonesian consumers.

The next study addresses the inconvenience of privacy and which has recently been proposed as an important issue in consumer adoption of online services trust (Dominica & Pardameana, 2023). Therefore, we use an extended theory of planned behavior (TPB) model to investigate how privacy discomfort and trust influence consumers' attitudes toward Buy Now, Pay Later (BNPL). We also tested the mediating role of trust in the relationship between privacy discomfort and attitudes. The online survey was conducted among undergraduate and graduate students in India, as BNPL is most popular among young consumers. We find that privacy discomfort reduces consumers' trust and attitudes toward BNPL. Specifically, attitudes, subjective norms, and perceived behavior emerged as significant predictors of BNPL usage intentions. A partial mediating role of trust in the relationship between privacy discomfort and attitudes was also found. This implies that users who are concerned about the security of their data are less likely to trust that providers will safeguard their information. However, by increasing trust, user privacy concerns can be reduced in BNPL services.

In the context of the dynamics of the use of pay-later services in Indonesia, these findings can be linked to investigations of people's financial motivations and behavior. The reduction in consumer trust and attitudes towards pay-later services due to privacy discomfort shows that data security is a critical factor in the acceptance of these services. Increasing trust may be the key to overcoming privacy concerns and stimulating wider use of pay-later services among Indonesians

3. RESEARCH METHODS

This research focuses on the dynamics of the use of Fintech Lending and Paylater services in Indonesia by applying quantitative descriptive methods. The data used comes from the October 2023 edition of the Populix report entitled "Unveiling Indonesia's Financial Evolution: Fintech Lending & Paylater Adoption," which was compiled by Katadata. The research aims to describe and analyze aspects such as the level of service adoption, user profile, motivation for use, and its impact on the financial behavior of the Indonesian people.

4. DISCUSSION

4.1 Pay Later Usage Trends

The results of a Populix survey entitled "Unveiling Indonesia's Financial Evolution: Fintech Lending & Paylater Adoption" revealed that 45% of 555 respondents using paylater services in Indonesia admitted to having used the service (Muhamad, 2023b). This trend in using pay-later raises questions about the reasons behind Indonesian consumers' preferences in using this service. From this survey, it was discovered that the majority of respondents, namely 48%, used pay-later services for various purposes, including covering internet costs/data packages, credit card payments, electricity bills, and shopping for fashion products. Furthermore, 35% of respondents use pay-later services to meet monthly spending needs, while 21% use this service to buy gadgets and electronic accessories. As many as 19% of respondents chose pay-later to get the latest gadgets. The motivation for using pay-later is also seen in the entertainment and lifestyle category, where 10% of respondents use this service to pay for vacations, staycations, or entertainment, while the other 6% use it for other needs. The importance of consideration factors in choosing a pay-later application/service is also highlighted in this survey. As many as 71% of respondents said they chose pay-later services that were connected to the marketplace. Followed by 67% of respondents who considered a pay-later application that was registered with the Financial Services Authority (OJK), flexible payment installments (57%), easy registration (52%), and low-interest rates (50%). This survey was conducted on 15-18 September 2023 involving 555 respondents using paylater services spread across various regions in Indonesia. The majority of respondents were on Java Island (79%), followed by Sumatra Island (12%), and other islands (9%). In terms of age, respondents were dominated by the 17-25 year old group (55%) and the 26-35 year old group (31%). These results provide a comprehensive picture of the motivations and preferences of paylater service users in Indonesia (Muhamad, 2023b).

4.1.1 Argumentation and Analysis

First, the Populix survey showed that as many as 45% of the 555 respondents using paylater services in Indonesia admitted to having used the service. This significant figure shows that pay later has become a quite popular financing option among Indonesian consumers. Second, the majority of respondents, namely 48%, use pay-later services for various purposes, including paying internet fees/data packages, credit card bills, electricity, and shopping for fashion products. Thus, it can be concluded that Indonesian consumers use pay-later not only for primary needs but also for daily needs and lifestyle. Third, the motivation for using pay-later in the entertainment and lifestyle categories is also visible, where 10% of respondents use this service to pay for holidays, staycations, or entertainment. This shows that pay-later is not only considered as a means of payment but also as a financing solution for recreational and lifestyle activities. Fourth, in choosing pay-later services, important factors such as connectivity with the marketplace (71%), easy registration (52%), and being registered with the OJK (67%) are the main considerations. Apart from that, installment flexibility (57%) and low-interest rates (50%) are also factors that respondents pay attention to.

The results of this survey provide an in-depth understanding of the motivations and preferences of paylater service users in Indonesia. Motivations for using paylater which include daily needs, lifestyle, and entertainment can be used as a starting point for further investigation into the dynamics of financial behavior of Indonesian society. Further investigation could dig deeper into what factors drive consumers to choose paylater as a financing option, and how their financial behavior changes as their use of this service increases. Additionally, a deeper understanding of marketplace engagement, easy registration, and other factors can provide insights into consumer preferences that can be linked to their financial decisions. Thus, the results of this survey can be the basis for further investigations that focus on the dynamics of the use of paylater services in Indonesia, especially in the context of people's financial motivation and behavior.

4.2 Pay Later Services

Pay-later services, as a type of digital financing service, have become the choice of consumers in Indonesia. According to the Populix report entitled "Unveiling Indonesia's Financial Evolution: Fintech Lending & Pay-later Adoption" October 2023 edition, the most popular pay-later service among Indonesian consumers is Shopee Pay-Later (Muhamad, 2023a). Based on survey results, 89% of 1,017 respondents were aware of Shopee Pay-Later, making it the pay-later service with the highest brand awareness. Apart from being well known, Shopee Pay-Later also recorded high usage, with 77% of the 45% of respondents who had used Pay-Later

services stating that they had used Shopee Pay-Later. In second place in brand awareness is GoPay Later which is known by 50% of respondents, followed by Kredivo with 38%, and Akulaku Paylater with 36%. Meanwhile, other pay-later services such as Traveloka Pay-Later, Home Credit, Indodana Pay-Later, Atome, and others have a lower level of brand awareness. This survey was conducted on 15-18 September 2023 on 1,017 respondents spread across various regions in Indonesia. The majority of respondents came from Java (79%), followed by Sumatra (12%), and other islands (9%). In terms of age, the majority of respondents fell into the 17-25 year old age group (55%) and 26-35 year olds (31%). The survey results also show that of the 555 respondents who have used Pay-Later, the majority of them have the highest knowledge or awareness of Shopee Pay-Later (Muhamad, 2023a).

4.2.1 Argumentation and Analysis

First, the survey results show that Shopee Pay-Later has the highest brand awareness with 89% of respondents knowing about this service. This high level of awareness reflects that Shopee Pay-Later has succeeded in building a strong image in the eyes of consumers as a known and recognized pay-later service. Second, not only is Shopee Pay-Later well known, but Shopee Pay-Later has also recorded high usage, with 77% of respondents who have used Pay-Later services stating that they have used Shopee Pay-Later. This fact shows that high brand awareness is not just an achievement in terms of knowledge, but also contributes to a significant level of adoption among consumers.

Third, GoPay Later, Kredivo, and Akulaku Pay-Later emerged as main competitors with a significant level of brand awareness but were still below Shopee Pay-Later. This shows that competition in the pay-later service market is getting tighter, and consumers have a variety of options that influence the dynamics of using these services. The high level of brand awareness of Shopee Pay-Later can be the main driver for further exploration in investigating the motivations and financial behavior of Indonesian people regarding the use of Pay-Later services. Consumers who are more familiar with Shopee Pay-Later may have unique preferences and usage habits, which could be the subject of further research. Thus, the results of this survey can be a basis for understanding more deeply the dynamics of the use of pay-later services in Indonesia, especially in the context of consumer motivation and financial behavior. Through this approach, research can dig deeper into what drives consumers to choose Shopee Pay-Later, whether it is convenience, trust, or other factors that can shape financial behavior patterns.

5. UTILITY THEORY

"Dynamics of Using Pay-Later Services: Investigating Motivation and Financial Behavior of Indonesian People" examines the financial behavior of Indonesian people in using Pay-Later services. In the analysis that can be carried out using utility theory, the concepts of convenience and service flexibility become the center of attention. This theory explains that consumers tend to choose services that provide maximum satisfaction or benefits, and if the survey shows that pay-later is used for daily needs or emergencies, it can be interpreted that this service provides high utility in daily financial management.

Motivations for using pay-later services can also be explained through the lens of utility theory. If the majority of respondents use these services for entertainment or lifestyle needs, this can be interpreted as an attempt to increase utility in daily life, with pay-later providing financial freedom to enjoy these activities without the burden of immediate payment. The factors that consumers consider in choosing pay-later services, such as being connected to the marketplace, being registered with the OJK, flexible payment installments, easy registration, and low-interest rates, can be explained through utility theory. Consumers may consider the added utility of such features in the decision-making process, creating a heightened sense of security and trust.

Furthermore, utility theory can be applied in comparing pay-later services with other alternatives, such as credit cards or conventional loans. Consumer choices based on easy registration or low interest rates reflect selection based on the expected utility of pay-later services compared to other options. Thus, through a utility theory approach, an in-depth analysis can be carried out to evaluate the extent to which consumers' decisions in using pay-later services are related to the level of satisfaction and benefits obtained, providing a richer view regarding the dynamics of the use of this financial service in Indonesia.

5.1 Factors That Encourage Indonesian People To Adopt Pay-Later Services

Indonesian people adopt pay-later services based on several factors that

are urgent, related to lifestyle preferences, and involve long-term financial considerations. In urgent terms, pay-later services provide an instant solution for daily needs, such as paying electricity bills, credit cards, or sudden financial emergencies. The ease of the transaction process and speed of payment make this service attractive to those who prioritize efficiency in shopping. Digital lifestyles and the tendency to shop online are also drivers, especially because pay-later services are often integrated with popular e-commerce platforms. In a long-term financial context, payment flexibility is a key factor, allowing users to plan payments according to their financial conditions. Consideration of interest rates and service fees is also an aspect that is taken into account, with a preference for services that offer affordable fees. Convenience in registration, as well as integration of pay-later services with the marketplace, also plays an important role in user attraction. Thus, the use of pay-later services in Indonesia is not only triggered by immediate needs but also reflects a digital lifestyle and wise financial considerations in the long term.

5.2 The Impact Of The Use Of Pay-Later Services On Public Financial Behavior

The use of pay-later services has a significant impact on people's financial behavior, with particular attention to potential risks such as excessive use and inability to pay on time. First of all, the availability of pay-later services can stimulate consumers to increase their shopping frequency, especially because of the ease of paying in installments. This can lead to overuse, where consumers may be tempted to make impulse purchases or exceed their financial capacity.

Additionally, the biggest risk associated with pay-later services is the potential inability to pay on time. Flexible payment structures may tempt users to ignore set payment deadlines. As a result, they can become entangled in a continuous cycle of debt, with late fees and fines that can be detrimental to an individual's financial stability.

Overuse and inability to pay on time can also negatively impact your credit score and personal financial reputation. If payments are late repeatedly, this can make it difficult for users to obtain additional credit or other financial products in the future.

In this context, it is necessary to provide better financial education to the public regarding the risks of using pay-later services, teach users to make wise financial decisions, and understand the long-term implications of each payment obligation taken. In addition, pay-later service companies are also expected to implement responsible practices, such as providing clear information about terms and conditions, as well as carrying out careful credit evaluations to avoid providing credit to consumers who have high potential risks. In this way, people can be wiser in using pay-later services without sacrificing their financial stability.

5.3 The Role Of Pay-Later Services In The Indonesian Digital Financial Ecosystem

The role of paylater services in Indonesia's digital financial ecosystem shows that these services play an important role in stimulating economic activity and consumption. By providing flexible payment options, pay-later services can drive the growth of the online commerce sector and support financial inclusion by providing access to those who previously did not have access to traditional credit.

However, while pay-later services have a positive impact, their implications for financial stability require special attention. First, it is necessary to pay attention to the potential credit risks that could arise from using this service without an adequate credit evaluation. This risk can increase the level of nonperforming loans (NPL) and hurt the stability of the financial sector as a whole.

In addition, the integration of pay-later services with other financial services is an important factor in determining its impact on financial stability. If integration is carried out well, pay-later services can become part of a balanced and integrated financial ecosystem, strengthening financial access and providing comprehensive solutions for society. However, the lack of integration or good coordination between pay-later services and traditional financial institutions can create gaps that can affect the stability of the financial sector.

Therefore, there needs to be cooperation between pay-later service providers, financial institutions, and financial supervisory authorities to ensure that these services not only provide economic benefits but are also integrated safely and sustainably with the existing financial system. Good regulations are also needed to regulate pay-later service operations, including provisions on credit evaluation, cost transparency, and consumer protection.

With a careful approach and synergy between stakeholders in the financial sector, pay-later services can become a valuable component in developing Indonesia's digital financial ecosystem without compromising financial stability.

6. POLICY RECOMMENDATIONS

Policy recommendations for managing the use of pay-later services wisely include several strategic steps. First, transparent regulations regarding service fees are needed, including interest rates, late fees, and other additional fees. This aims to provide clear information to consumers so they can make the right financial decisions. Second, reasonable credit limits need to be established to prevent excessive use of services while ensuring that a careful credit evaluation process is carried out before providing pay-later services to consumers.

Consumer protection is an important focus, so there is a need for an effective dispute resolution mechanism and protection of consumer rights. Furthermore, the integration of pay-later services with the Financial Services Authority (OJK) can strengthen ongoing supervision and regulation by national financial standards. Financial education is also a crucial aspect in policy recommendations, by promoting outreach programs to the public regarding the risks of using pay later services and wise financial management practices.

Aspects of reporting and transparency are mandatory, with pay-later service providers required to routinely report financial data and service usage statistics to supervisory authorities. Closer collaboration between paylater service providers and traditional financial institutions is also emphasized to ensure better integration in the existing financial ecosystem. Periodic evaluation of regulations needs to be carried out to ensure the relevance and effectiveness of policies in dealing with market and technological changes. With these steps, it is hoped that pay-later services can provide optimal economic benefits without harming financial stability and consumer welfare.

7. CONCLUSION

To manage the use of Pay-Later services wisely in Indonesian society, several policy recommendations can be implemented. First, there is a need for cost transparency regulations so that consumers have clear information regarding interest rates, late fees, and other costs. Second, reasonable credit limits and careful credit evaluation need to be implemented to prevent overuse and ensure wise financial considerations.

Consumer protection is the main focus, with the need for effective dispute resolution mechanisms and protection of consumer rights. Integration of pay-later services with OJK can strengthen supervision, while financial education needs to be improved to increase consumer awareness of risks and good financial management practices.

Reporting and disclosure aspects are required to enable better monitoring of financial stability and risks. Collaboration between pay-later service providers and traditional financial institutions is necessary to ensure harmonious integration in the financial ecosystem. Periodic evaluation of regulations is necessary to remain relevant to market and technological developments.

Overall, the implementation of these policy recommendations is expected to optimize the economic benefits of pay-later services without sacrificing financial stability and consumer welfare. In addition, these steps are expected to create an environment for using PayLater services that is safer, more transparent, and in line with the needs and financial capabilities of the Indonesian people.

8. LIMITATIONS AND RECOMMENDATIONS FOR FURTHER RESEARCH

This research has several limitations that need to be considered for further research. First, the use of secondary data from the Populix report may limit more detailed observations of the dynamics of the use of pay-later services. Furthermore, demographic aspects of respondents who are dominated by certain age groups can influence the generalization of the findings. Additionally, limitations in understanding an individual's economic and social context can influence the interpretation of financial motivation and behavior.

Recommendations for further research are to involve more comprehensive primary data with survey methods involving various age groups and economic backgrounds. Further research can expand geographical coverage to cover various regions in Indonesia so that the

results can be more nationally representative. In addition, research can be more in-depth in analyzing the influence of broader economic and social factors on motivation and financial behavior related to the use of pay-later services.

In understanding the impact of using pay-later services, future research can further explore the long-term risks and benefits for individual financial stability and the financial system as a whole. Furthermore, research can focus on comparative analysis between pay-later services and other conventional financing products, such as credit cards or personal loans.

Research can also deepen understanding of the influence of regulations on the dynamics of the use of pay-later services. Further analysis of the impact of existing regulations, as well as exploration of new regulatory options, could provide better insight into managing the sustainable growth of these services.

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