



Analysis of the Financial Literacy Level of Generation Z College Students and Its Implications for the Use of Paylater in the Context of Economic Education

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ABSTRACT

Purpose of the study: Describes the extent to which Gen Z students understand financial literacy and how it is applied to the use of PayLater.

Methodology: This study uses a qualitative descriptive approach by providing questionnaires to Gen Z students in the cities of Surabaya, Semarang, Malang, Lumajang, and Jember in April 2025.

Main Findings: The results show that the literacy level of Gen Z students is in the medium category. Then, the implication of this literacy level is that many respondents think that the use of paylater tends to influence shopping habits and can also influence lifestyle. Apart from that, regarding perceptions of paylater services as a whole, most respondents tend to choose neutral perceptions rather than positive or negative perceptions. Thus, there needs to be education through formal education, public campaigns, and easy access to financial information for students so that there is a balance between thinking ability and action in terms of financial management.

Novelty/Originality of this study: This study develops and expands the theory of financial literacy with Gen Z students as the object of research.

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1. INTRODUCTION

Currently, the rapid development of technology in all areas of life has also had an impact on the trade sector which has become digital. Electronic commerce, also known as e-commerce, is a type of trade in which transactions for the sale and purchase of goods and services are carried out through the use of communication and computer technology, especially the internet [1]. By using e-commerce, consumers can easily and widely engage in business activities, both as consumers and producers. This has developed into a very important phenomenon in the contemporary business world, changing the way consumers shop, interact with brands, and conduct business for producers.

Electronic commerce, or e-commerce, has become one of the most important innovations in the modern business world. In the ever-growing digital era, e-commerce has become an important part of a company's future success. This is possible because trading through e-commerce can increase market exposure, reduce operating costs, expand worldwide, increase customer loyalty, and improve inventory management [1].

A research also added that e-commerce has many advantages for customers, such as convenience, ease of shopping, a wide selection of products, and lower prices. This makes e-commerce a very attractive option for modern customers who want to optimize their shopping experience [1].

With the increasing use of e-commerce, this has ultimately led to the development of payment methods. Lately, people are familiar with one form of online credit payment system, buy now pay later or better known as paylater. Paylater is a payment system that is almost the same as a credit card, but there is one advantage offered by paylater, namely ease when registering [2]. If in the past applying for a loan had to be done face to face, now loan applications can be done digitally with very easy and practical requirements.

Paylater itself can be used to purchase various primary, secondary, and tertiary needs such as accommodation, household appliances, electronics, sports equipment, ordering food, traveling, and even entertainment tickets. Some paylater platforms that are widely used and registered with the Financial Services Authority (OJK) include Kredivo, Akulaku, Blibli Paylater, Traveloka Paylater, GoPaylater, SPaylater, and so on.

Paylater will continue to grow in Indonesia due to several things, including various conveniences (instant approval), flexibility, convenience, various discounts offered, UI/UX that is attractive to the younger generation, and integration with online sellers or e-commerce [3]. Data from the OJK shows that the number of Financial Technology (Fintech) Lending Organizers in Indonesia until November 2024 is 97 companies consisting of 90 conventional companies and 7 Sharia organizers. The OJK also noted that there were 79.92 million paylater financing contracts in Indonesia in 2023, which was a significant increase from 2019 when only 4.63 contracts were recorded [4]. One example, from 2020 to 2024, the number of Kredivo users has increased twenty-fold. The number and value of transactions have also increased at a CAGR of 58.59% (CAGR) and 78.42% (CAGR) in the last five years [5].



Figure 1. Growth of Paylater Usage

According to a survey by Kredivo and Katadata Insight Center (KIC), the millennial generation and Gen Z are the majority of paylater users in Indonesia [6]. The millennial generation, or people aged 26-35 years, account for 43.9% of paylater users, and Gen Z, or people aged 18-25 years, account for 26.5%. In addition, data obtained from IDX shows that Gen Z (aged 19-25 years) to millennials (26-35 years) are groups who are very fond of debt with a total loan value of up to IDR 14.74 trillion [7].

Currently, Gen Z has an age range of 19-24 years and most of them are still students. Gen Z, who were born when the era of technology and the internet was developing rapidly, makes them have a fairly high consumer culture [8]. The presence of paylater with various conveniences offered certainly invites the interest of Gen Z students to take advantage of the service. Another study showed that young people in much of the world don't know much about finances, which is a cause for concern [9]. However, it is important to note that the use of paylater without insight into good financial management can cause economic problems in the future. Therefore, it is important for Gen Z students to have good financial literacy as a basis for making financial decisions, especially in using paylater.

Knowledge about financial literacy is very important to have. It is useful when someone is about to enter retirement, where physical strength is not able to keep up with the need to earn a decent income. If someone has good financial literacy, from a young age they will start preparing so that they can still earn income in old age [10]. However, the instrumental estimation variables show that financial literacy in retirement planning tends to be underestimated [11]. In addition, other studies have shown that although economic education has become an important part of the curriculum in many countries, there is a significant gap between theory and practice in the field. Therefore, more relevant and interactive learning approaches are needed to significantly improve students' economic knowledge [12]. In order for future generations to overcome economic problems and achieve financial stability, financial education must begin immediately [13].

Economic education should be strengthened in the higher education curriculum because it provides students with the knowledge and skills needed to manage their finances well. In addition, efforts need to be made to increase students' awareness of the importance of understanding and managing finances well [14].

College is the first time for most students to manage their own finances without parental supervision [15]. Without parental supervision and support, students will face new challenges and environments that require them to be able to manage their own finances and be responsible for their decisions. Margaretha & Pambudhi (2015) stated that there are studies that show that many students still do not understand financial literacy [16]. The results of the 2024 National Financial Literacy and Inclusion Survey (SLNIK) conducted by the Financial Services Authority (OJK) showed that the financial literacy index of the Indonesian population was 65.43 percent. Of these figures, survey respondents in the age groups 26-35 years, 36-50 years, and 18-25 years have financial literacy indexes of 74.82 percent, 71.72 percent, and 70.19 percent, respectively. Furthermore, based on work/daily activities, the student group has the lowest financial literacy index, which is only 56.42 percent when compared to other groups such as employees/professionals (83.22 percent), entrepreneurs/entrepreneurs (78.32 percent), housewives (64.44 percent), farmers/livestock breeders/planters/fishermen (57.97 percent), and retirees/retired (57.55 percent). Based on these data, it can be concluded that Gen Z students (in the age range of 18-25 years) have the lowest financial literacy index both in the age group category and based on work/daily activities.

Financial literacy is a process or activity to provide consumers and the public with knowledge, skills, and confidence so that they can better manage their personal finances [17]. Financial literacy is very important to understand so that consumers not only understand the benefits and risks of a financial product, but also so that consumers understand their rights and obligations. For example, in using the paylater payment method, consumers are required to not only understand the ease and speed of the service process, but consumers must also understand how the refund scheme works, the amount of funds that must be returned, the length of time needed, and what sanctions will be received if they are unable to pay off their paylater bills.

Good financial literacy will help people to better understand and evaluate relevant information when making decisions related to finance by understanding the financial consequences. It should be noted that the more consumers with a high level of financial literacy, the more consumers will use various financial products and services. As a result, the more financial transactions that occur, this will drive overall economic growth and create income equality [17].

Seeing the increasing number of paylater users among Gen Z students, it is necessary to conduct a study on the level of financial literacy and its implications for the use of paylater so that Gen Z students do not get caught in economic difficulties in the future. In addition, because Gen Z students are a large demographic group and grow in the technological era, in the future they will become pillars of the country's economy. Furthermore, because they will face various financial opportunities and challenges that are different from previous generations, it is very important for them to improve their financial literacy starting now. Economic education is also expected to equip students with a good understanding of personal financial management. This can be valuable input for the government and educational institutions to develop a curriculum or program that is more effective in improving students' financial literacy.

So far, the research that has been carried out has only focused on finding out how financial literacy factors influence the decision to use paylater using certain fintech applications. They did not classify the sample specifically to see what they learned. This study itself has a gap analysis with previous research, where this study began by measuring the level of financial literacy in a more specific sample, namely Generation Z students at state and private universities in several regions. Next, it is also explained how Gen Z students behave in using Paylater, their Impact and Perception of using Paylater, and how the Implications of using Paylater by Gen Z students in the Context of Economic Education. These variables have never been used in previous studies, so this study will be able to better describe a current phenomenon in representing the level of financial literacy with various aspects related to it.

2. LITERATURE REVIEW

2.1. Financial Literacy

Financial literacy can be defined as the ability to understand financial concepts such as money management, financial planning, investment, taxes, and financial protection [18]. Furthermore, Roestanto (2017) defines financial literacy as an effort to teach consumers and the public more about knowledge, skills and beliefs so that they can manage their personal finances better [17]. Or it can also be interpreted as the ability to understand and have the skills to manage the financial resources they have to achieve prosperity.

The aim of financial literacy is to increase people's lack of or insufficient knowledge about finance (*less literate* or *not literate*) to have high knowledge of finance (*well literate*). Apart from that, financial literacy also aims to increase the number of people who use financial products and services. Ultimately, it is not only society that will benefit from financial literacy education, but also the financial industry and macroeconomics [17]. Furthermore, Riani et al., (2023) explained several benefits of financial literacy, including: helping to make wiser financial decisions, increasing the ability to manage money, improving financial well-being, achieving long-term financial goals, having control over finances, and being able to avoid financial fraud [18].

The Financial Services Authority (OJK) has classified financial literacy into four levels, as follows: (1) *Well Literate*: have an understanding and confidence about financial service institutions and financial products and services, including features, benefits and risks, rights and obligations, and how to use them; (2) *Sufficient Literate*: know and trust financial service institutions and financial products and services, including the features, benefits and risks, as well as the rights and obligations associated with financial products and services; (3) *Less Literate*: only have knowledge about financial service institutions, financial products and services; and (4) *Not Literate*: not only don't have knowledge and confidence about financial products and services, but also don't know how to use them.

2.2. Generation Z

Generation Z is the generation born in the years 1995 – 2010 and has good technological abilities, the ability to interact with social media, expressive abilities and multitasking abilities [19]. Generation Z is identified as having a goal-oriented nature, likes to share, appreciates diversity, and supports social change. It's not just year of birth that differentiates Generation Z from other generations, but also their social demographics. Dependence and unlimited access to technology, devices and data tracking systems are very strong characteristics of Generation Z [20]. Furthermore, Kristyowati (2021) also stated that Generation Z does not like reading stories in printed books, they prefer to access information on the internet, especially visuals and images [20]. This is also supported by the statement of Laturette et al., (2021) which states that generation Z has many choices in their lives because they can easily get access to various types of information and offers [19]. Generation Z has the YOLO principle, or *You Only Live Once*, which means enjoying life in the moment without worrying about what will happen in the future. This can be seen from Gen Z's choice to take a vacation rather than set aside retirement funds because they think retirement is not close yet.

2.3. Paylater

Paylater is a new payment method that has been around since 2018. Paylater is a form of online credit payment system *buy now pay later*, meaning that consumers can purchase goods or services by making payments at a later date [2]. The paylater payment system has quickly become a favorite of e-commerce customers in various applications. Both service providers and customers benefit from this paylater system. This system is much more practical than credit cards, which require more documents in the application process and require faster registration and activation [21]. At first glance, the paylater payment method is almost similar to a credit card, however there are differences in terms of service provider, form of service, loan tenor, and application requirements [22]. Paylater can offer a faster and easier way to get credit without a card than more complicated bank processes [23]. In general, Paylater has more convenience in terms of service than credit cards, this is what makes Paylater users grow quickly.

2.4. Economic Education

Education can be considered as a process according to economic theory, based on the theory of production functions and the application of input, process, output, and outcome models. In addition, education can be considered as a commodity according to economic theory, based on the theory of goods and the application of supply and demand [24]. The causal relationship between the role of education and economic growth is increasingly clear. Because of the role of education as a major driver of economic development, education increasingly drives long-term structural transformation [25]. One way for people to improve their welfare is by investing in themselves, including in terms of education. thus they can expand the range of choices available to them [26]. Economic education is essential to prepare the younger generation to face the challenges of the global economy. Providing an understanding of national and international economic mechanisms helps the younger generation make the right financial decisions, understand global economic issues, and participate productively in economic activities [27]. Education will affect the fertility of society and productivity. Education makes human resources more prepared and able to adapt quickly to changes in the work environment. Therefore, it is not surprising that countries with a sufficiently educated population will experience rapid economic growth [28].

2.5. State of the art

As a state of the art, this study took several examples of previous studies as references and comparisons for the research to be conducted. The first is a study by Hidayanti et al., (2023) entitled *The Influence of Financial Literacy and Risk Perception on the Decision to Use Shopee Paylater through Financial Technology for Students of the Faculty of Economics and Business Abdurachman Saleh Situbondo*. The study aims to determine how knowledge about finance and risk perception impact the decision of students of the Faculty of Economics and Business Abdurachman Saleh Situbondo to use Shopee Paylater through financial technology, and uses Purposive Sampling as a sampling technique. The study used the Structural Equation Model—Partial Least Square (PLS-SEM) to analyze data and test hypotheses. The conclusion of the study is that by using financial technology, financial literacy has a positive and significant impact on the decisions made [29].

The second study by Sholehah & Amaniyah (2024) entitled *The Influence of Financial Literacy and Risk on Student Consumptive Behavior with the Use of Fintech Payment (Paylater) on Shopee as an Intervening Variable*. The conclusion of the study is that financial literacy and risk variables affect the use of Shopee Paylater. The purpose of the study itself is to determine how financial literacy and risk of students affect their consumptive behavior when using Shopee Paylater as a moderating variable. The sample was taken using a purposive sampling method from 97 active students of the Faculty of Economics and Business. The study is quantitative in nature using multiple linear regression analysis [30].

Furthermore, Angelista et al., (2024) conducted a study entitled *The Influence of Financial Literacy, Lifestyle and Financial Attitudes on the Financial Behavior of Students Using Shopee Paylater*. The results showed that financial literacy has a positive impact on the financial behavior of students who use Shopee Paylater. The study itself is a quantitative study using primary data from questionnaires. The study involved one hundred students from the 2020–2023 Class of the Faculty of Economics, Universitas Indo Global Mandiri who use Shopee Paylater. The primary data from the one hundred samples were purposive samples taken using the non-probability method and then processed using the Slovin formula. The study used multiple linear regression, coefficient of determination, t-test, and F-test as analysis tools [31].

The fourth study conducted by Pratiwi & Ni'am (2023) entitled *The Influence of Financial Literacy, Lifestyle, and Use of Shopee Paylater on Students' Personal Financial Management*, concluded that financial literacy greatly influences the way students manage their own finances. The study used a quantitative approach with an associative type. Primary and secondary data were used in this study. The primary data of this study were obtained from distributing questionnaires to respondents who met the research criteria, while secondary data were obtained from public sources such as documents, reports, books, archives, journals, history, and others. Multiple linear regression analysis was used to analyze the data [32].

Based on several previous studies above, there are similarities, namely only measuring how the financial literacy variable influences the decision to use paylater on certain fintech applications without a specific classification of the samples studied. Meanwhile, this study itself has novelty in terms of measuring the level of literacy of Gen Z students and what its implications are for the decision to use paylater in general.

3. RESEARCH METHOD

3.1. Research Design

This study uses a qualitative descriptive approach which is carried out to provide a more detailed description of a particular object or phenomenon that is narrated in the form of words or images [33]. Qualitative descriptive research itself is one of the characteristics of phenomenological theory. Phenomenology is the science of something that appears and is used to find answers about the meaning of a phenomenon [34]. Descriptive studies are conducted with the aim of describing a population, situation, or phenomenon accurately and systematically [35]. Qualitative descriptive research uses a simple qualitative approach with an inductive flow, which means that the research begins by explaining a particular process or event before producing a generalization as a conclusion from that process or event [36].

Qualitative research and focus its study on the meaning and interpretation of social conditions. Social conditions according to qualitative research will produce a lot of data at the time of collection so that special methods are needed so that researchers do not get away from the desired focus [37]. Qualitative research is conducted on human behavior and the meaning behind that behavior, which is difficult to measure with numbers [38]. Qualitative research is the collection of data in a natural setting with the intention of interpreting the phenomena that occur where the researcher is the key instrument, sampling of data sources is done purposively and snowball, collection techniques are triangulated or combined, data analysis is inductive or qualitative, and the results of qualitative research emphasize meaning more than generalization [33]. Qualitative research usually focuses on one situation and then digs deeper until it reaches saturation point, which is the point at which the researcher wants to end the research due to limitations such as time, energy, and cost [37].

3.2. Research Subjects

Population is all elements in the research field and are able to produce data [37]. Population is a generalization area consisting of objects or subjects that have certain attributes and qualities that have been determined by researchers to be studied and then drawn conclusions [39]. The population in this study were students of state and private universities. Sample is a part of the population that is selected and believed by the researcher to be able to produce the required data [37]. Part of the subjects in the population studied is considered a sample, because they can certainly represent the population [39]. The research sample was Gen Z students in the cities of Surabaya, Jember, Malang, Semarang, and Lumajang. The age range of the research sample was between 18-27 years.

3.3. Data Collection Instruments and Techniques

The research data was obtained through a questionnaire using Google Form with a purposive sampling technique. The distribution of the questionnaire was carried out in April 2025. Several things contained in the questionnaire concern how financial knowledge and financial behavior (29 questions), as well as how Gen Z students perceive the use of paylater. The number of samples obtained in this study was a total of 94 samples.

There are 3 categories of personal financial literacy, the first is a sample with a relatively high level of knowledge, namely >80%. The second category represents a moderate level of knowledge with a percentage of 60-79%. And the third category represents a relatively low level of knowledge with a percentage of <60% [40].

3.4. Data Analysis Techniques

Data analysis techniques are the most important step in a study because they function to produce conclusions about the research results. Qualitative descriptive research aims to provide a comprehensive picture and understanding of the phenomenon from the respondent's point of view without testing hypotheses or making statistical generalizations. Unlike numbers, the data collected usually consists of words, stories, pictures, or observed behavior. The stages of Descriptive Qualitative Data Analysis begin with Data Collection using a Google form distributed to Gen Z students at several universities in several regions. then continued by reducing the data by making a summary of each data collected and eliminating data that is considered irrelevant. After being reduced, the relevant data is then presented in table form to make it more organized and easier to understand. The goal is to make it easier for researchers to see the patterns, relationships, and themes that emerge. the last is to draw conclusions from the data that has been reduced and presented by interpreting. Conclusions in qualitative research are tentative at the beginning and will continue to be verified during the analysis process.

3.5. Research Procedure

This research begins with a conceptual preparation stage by collecting data, instruments used, and sources and types of data needed. Then continued with data processing and reduction, data presentation, and ended with interpretation or interpretation of data analysis results and drawing research conclusions.

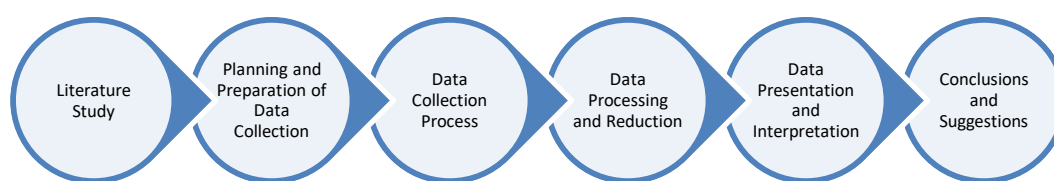


Figure 2. Flowchart of the research procedures

4. RESULTS AND DISCUSSION

Previous studies presented above show various results. However, these studies have similarities, namely only measuring how financial literacy variables influence the decision to use paylater on certain fintech applications without a specific classification of the samples studied. Meanwhile, this study itself has novelty in terms of measuring the level of literacy of Gen Z students and what its implications are for the decision to use paylater in general. The implication of this research is that it can provide recommendations for the formation or change of policies that encourage educational institutions and paylater service providers to contribute more to improving financial literacy. A more in-depth discussion of the results of this study is as follows.

4.1. Descriptive Statistics Based on Demographics

Descriptive statistics based on demographics in Table 1 illustrate the demographic conditions of respondents. Male respondents amounted to 43.6% of the total sample (41 samples), while female respondents amounted to 56.4% (53 samples) of the total sample. Apart from that, Table 1 also provides information regarding age groups, faculties, universities, GPA, monthly expenses, and respondents' main source of income.

Table 1. Descriptive Statistics Based on Demographics

Variable	Number of Respondents	Percentage
Gender		
Man	41	43,6
Woman	53	56,4
Age		
18 years	0	0,0
19 years	3	3,2
20 years	24	25,5
21 years	28	29,8
22 years	22	23,4
23 years	11	11,7
24 years	1	1,1
25 years	1	1,1
26 Years	0	0,0
27 Years	4	4,3
Faculty		
Faculty of Economics and Business (FEB)	73	77,7
Faculty of Administrative Sciences (FIA)	1	1,1
Faculty of Cultural Sciences (FIB)	3	3,2
Faculty of Education (FIP)	1	1,1
Faculty of Social and Political Sciences (FISIP)	2	2,1
Faculty of Agriculture	1	1,1
Faculty of Engineering	1	1,1
Vocational School	12	12,8
College		
ITB Widya Gama Lumajang	58	61,7
Malang State Polytechnic	1	1,1
Malang Ministry of Health Polytechnic	1	1,1
Airlangga University (Unair)	3	3,2
Brawijaya University (UB)	5	5,3
Diponegoro University (UNDIP)	9	9,6
Jember University (UNEJ)	1	1,1
Surabaya State University (Unesa)	2	2,1
Open University (UT)	13	13,8
UPN Veteran East Java	1	1,1
Cumulative Achievement Index (GPA)		
< 2,50	0	0,0
2,51 - 3,00	7	7,4
3,01 - 3,50	41	43,6
3,51 - 4,00	46	48,9
Production per Month		
1 - 2 million rupiah	75	79,8
2 - 3 million rupiah	16	17,0
4 - 5 million rupiah	2	2,1
> 5 million rupiah	1	1,1
Main Source of Income		
Parent's pocket money	28	29,8
Working part-time	32	34,0
Scholarship	2	2,1
Other	32	34,0

The minimum value, maximum value, and average value of respondents' answers are in Table 2.

Table 2. Descriptive Statistical Analysis

Descriptive Statistics	Financial Literacy (%)
Minimum	48,28
Maximum	100
Mean	79,42

This data shows that of the 94 respondents, there were respondents who were able to answer all the questions asked correctly, and there were also respondents who were only able to answer correctly 14 of the 29 questions asked.

Furthermore, the number of students in each financial literacy level category is in table 3. The calculation is based on the financial literacy category by Chen and Volpe (1998). The number of respondents with a low literacy level was 5 respondents (5.32%), 47 respondents (50%) were in the medium category, and the remaining 42 respondents (44.68%) were students with a high level of financial literacy.

Table 3. Student literacy level

Category	Amount	Percentage
Low (<60%)	5	5,32
Medium (60-79%)	47	50,00
High (>80%)	42	44,68
Total	94	100

4.2. Literacy Level of Gen Z Students

Table 4 shows the categorization of respondents based on the level of financial literacy and the percentage of respondents who answered each question correctly. In the Financial Knowledge area, the average respondent has a high level of financial literacy, namely 84.36%. However, in the second area, namely Financial Behavior, the average level of financial literacy of respondents was in the medium category with a value of 68.43%.

Table 4. Percentage of Correct Answers and Literacy Level Categories

Areas of Financial Literacy	Financial Literacy Rate (%)		
	Low (<60%)	Medium (60-79%)	High (>80%)
Financial Knowledge (84,36%)			
Difference between simple interest and compound interest		78,72	
Understanding the concept of inflation and how it affects the value of money			96,81
Existing types of investment			97,87
Understanding the risks associated with investing			93,62
How to calculate the time value of money	50,00		
Understanding the importance of diversification in investment		63,83	
Knowledge of what insurance is and how it works			93,62
Understanding the importance of having an emergency fund			97,87
Know how to manage debt well			82,98
Understanding the rights and obligations as a consumer of financial services		79,79	
Understand the difference between needs and wants			100,00
Knowledge of Credit Score or credit score		60,64	
Knowledge of the impact of late bill payments			97,87
Understanding the importance of having good financial literacy			98,94
Know the difference between credit cards and debit cards			95,74
Know about financial planning for retirement			84,04
Know about investment products such as mutual funds and bonds		76,60	
Know the difference between investment and speculation		60,64	
Know the meaning of interest rates			94,68
Know the difference between assets and liabilities			82,98
Financial Behavior (68.43%)			
Respondents have a monthly budget		68,09	
Respondents always record expenses	37,23		

Respondents save regularly every month	57,45	
Respondents invest	29,79	
Respondents have sufficient emergency funds	58,51	
Respondents compare prices before purchasing goods or services		89,36
Respondents avoid unnecessary debt		95,74
Respondents plan finances for the future		88,30
Respondents utilize financial products and services that suit their needs		91,49

4.3. Paylater Usage Behavior

In table 5, it is shown how many respondents have used paylater services. Of the 94 total respondents, 27 respondents (28.72%) admitted that they had ever used Paylater, while the remaining 67 respondents (71.28%) said that they had never used Paylater services. Apart from that, 27 respondents who had used PayLater services were recorded as having varied PayLater usage behavior, as shown in Table 5.

In one month, of the 27 Paylater users, 15 respondents (55.56%) only used it once, 8 respondents (29.63%) used it 2-3 times, and 4 respondents (14.81%) used it more than three times. The main reasons why respondents used paylater also varied: four respondents said it was because of the convenience it offered (14.81%); 12 respondents because of promotions or discounts (44.44%); five respondents because of urgent need (18.52%); five other respondents because they did not have funds at that time (18.52%); and one respondent had another reason (3.7%). In terms of paylater bill payments, 21 respondents (77.78%) always pay on time, five respondents (18.52%) often pay on time, and only one respondent (3.7%) sometimes pays bills on time. Most of the respondents felt that using PayLater was quite helpful in managing their finances (11 respondents - 40.74%). The remaining ten respondents (37.04%) said they were helpful, 5 respondents (18.52) felt they were very helpful, and only one respondent (3.7%) felt they were not very helpful. After using paylater, 13 respondents (48.15%) felt they tended to become more consumptive. On the other hand, 12 respondents (44.44%) felt that after using paylater, there was no difference in their shopping activities.

Table 5. Paylater Usage Behavior

Variable	Number of Respondents	Percentage
Use of Paylater		
Once	27	28,72
Never	67	71,28
Use of paylater in a month		
1 time	15	55,56
2-3 times	8	29,63
More than 3 times	4	14,81
The main reason to use paylater		
Ease of payment	4	14,81
Promotions or discounts	12	44,44
Urgent need	5	18,52
Didn't have enough funds at that time	5	18,52
Other	1	3,70
Pay later payer bills on time		
Always	21	77,78
Often	5	18,52
Sometimes	1	3,70
Seldom	0	0,00
Never	0	0,00
Feel that using paylater helps with financial management		
Very helpful	5	18,52
Help	10	37,04
Quite helpful	11	40,74
Less helpful	1	3,70
Doesn't help	0	0,00
Feel that since using Paylater become more consumptive		
Yes	13	48,15
No	12	44,44
Don't know	2	7,41

4.4. Impact and Perception

Apart from the behavior of paylater users, information was also obtained regarding the impact and perceptions of paylater use. The use of paylater is considered to influence shopping habits by 38 respondents (40.43%). Apart from that, 34 respondents (36.17%) thought that using Paylater really influenced their shopping habits, 19 respondents (20.21%) thought it had quite an influence, two respondents (2.13%) felt it had little influence, and one respondent (1.06%) thought that using Paylater did not influence shopping habits at all.

In terms of lifestyle, there were 36 respondents (38.30%) who felt that the use of paylater greatly influenced their lifestyle, 39 respondents (41.49%) felt that it influenced it, 15 respondents (15.96%) felt that it influenced it quite a lot, two respondents (2.13%) had little influence, the other two respondents (2.13%) felt that it did not influence it at all.

Finally, based on the data in table 6, it is stated that eight respondents (8.51%) have a positive perception of paylater services as a whole; 15 respondents (15.96%) had negative perceptions; and the remaining 71 respondents (75.53%) chose neutral.

Table 6. Impact and Perception

Variable	Number of Respondents	Percentage
Paylater use influences shopping habits		
Very affecting	34	36,17
Influence	38	40,43
Quite affecting	19	20,21
Less impactful	2	2,13
Doesn't affect	1	1,06
Paylater use affects lifestyle		
Very affecting	36	38,30
Influence	39	41,49
Quite affecting	15	15,96
Less impactful	2	2,13
Doesn't affect	2	2,13
Perception of paylater services as a whole		
Positive	8	8,51
Neutral	71	75,53
Negative	15	15,96

4.5. Implications in the Context of Economic Education

Although the level of financial knowledge of students is relatively high, namely 84.36%, the aspect of financial behavior has a low score (68.43%). With the difference between their thinking ability and their economic actions or behavior, this shows that students have not been able to implement the financial knowledge they have. Thus, there needs to be education through formal education, public campaigns, and easy access to financial information for students so that there is a balance between thinking ability and action in terms of financial management.

Some of the impacts caused by the difference between thinking ability and economic action or behavior include cognitive and emotional biases that can influence judgment and result in suboptimal financial decision-making. In addition, suboptimal economic behavior can collectively change financial plans because they are tempted by consumptive actions. Another impact that arises is that there will be a gap in economic welfare between individuals who have similarities between thinking ability and economic action or behavior with individuals who do not have similarities between thinking ability and economic action or behavior. Although this does not arise from differences in individual thinking ability and economic action directly.

This study itself has several limitations. The first is the limitation of sample coverage. The level of financial literacy and paylater usage behavior can be influenced by the age differences of the Gen Z sample in this study. First-year students and final-year students may have different understandings of financial literacy. The second is about geographic location and educational institutions. Research that focuses on a particular university or area may not be generalizable to all Gen Z students in indonesia. The results of the study can also be influenced by differences in socio-economics, culture, and economic education programs from each institution.

5. CONCLUSION

This research describes the results of measuring the financial literacy level of Gen Z students and the implications for the use of paylater. The results show that the average financial literacy level of Gen Z students is 79.42%. Based on financial literacy level categories by Chen and Volpe (1998), stated that the literacy level of Gen Z students is in the medium category.

Then, the implication of this literacy level is that many respondents think that the use of paylater tends to influence shopping habits and can also influence lifestyle. Apart from that, regarding perceptions of paylater services as a whole, most respondents tend to choose neutral perceptions rather than positive or negative perceptions. This may be because they do not have a high level of financial literacy. If they have a high level of financial literacy and understand how to use paylater wisely, they will probably have a positive perception regarding the use of paylater. However, this needs to be studied further.

It is expected that this study can be used as a basis for making recommendations to encourage educational institutions and paylater service providers to improve students' financial literacy. Then, the results of this study are also expected to be a trigger so that the government can integrate financial literacy into the college curriculum. In addition, further research is expected to use more samples so that it can better represent a population.

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