An Overview of the Factors Influencing Buy Now, Pay Later (Bnpl) Usage for Comfort Spending among Youths in Malaysia

Syahiru Shafiai, Mohd Sufian Ab Kadir*, Norashikin Adam, Ngau Duo Seng, Maz Izuan Mazalan, Intan Liana Suhaime

Universiti Teknologi MARA, Melaka Branch, Melaka, Malaysia

***Corresponding Author**

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ABSTRACT

The rapid growth of Buy Now, Pay Later (BNPL) services has transformed consumer purchasing behaviour, particularly among youths in Malaysia. While BNPL offers greater convenience and flexibility in managing short-term expenses, its increasing adoption has also raised concerns about excessive comfort spending and potential financial vulnerability. This paper provides an overview of the key factors influencing BNPL usage for comfort spending among Malaysian youths, focusing on income level, financial self-control, and social media and advertising. Income level plays a significant role in shaping BNPL usage, as youths with limited disposable income may rely on deferred payment options to satisfy immediate consumption needs. Financial self-control is another critical determinant, as individuals with weaker self-regulation are more likely to engage in impulsive purchases and accumulate unnecessary debt through BNPL facilities. Furthermore, the widespread influence of social media platforms and targeted advertising encourages consumption by exposing young consumers to personalized promotions, influencer endorsements, and seamless online shopping experiences, thereby increasing the likelihood of BNPL adoption for non-essential purchases. This paper synthesizes existing literature to explain how these factors interact in influencing BNPL usage and comfort spending behaviour among Malaysian youths. Understanding these determinants is important for policymakers, financial institutions, educators, and consumer advocacy groups in promoting responsible BNPL usage and improving financial literacy among young consumers. The findings highlight the need for effective financial education, stronger self-control practices, and responsible marketing strategies to reduce the risks associated with excessive BNPL dependence. This overview contributes to the growing body of knowledge on digital consumer finance by providing insights into the behavioural and socioeconomic factors that drive BNPL usage in Malaysia's evolving financial landscape.

Keywords: comfort spending, financial self-control, level income, social media and advertising and BNPL

INTRODUCTION

Comfort spending refers to discretionary expenditure on goods and services that enhance an individual's lifestyle, convenience, well-being, and enjoyment rather than fulfilling necessities. Examples include dining out, travel, entertainment, premium groceries, wellness services, personal care, subscription services, and smart home technologies.

In Malaysia, comfort spending has become increasingly significant due to rising household incomes, rapid urbanisation, digitalisation, and changing consumer lifestyles. As consumers achieve greater financial stability, they tend to allocate a larger share of their income toward dining, leisure, travel, and convenience-oriented products and services rather than solely on essential goods (DOSM, 2023)

According to report had been published by the Ministry of Finance Malaysia (2026), that explained a clear shift in household expenditure patterns over the past decade. The share of spending on essential items such as food and beverages declined from 20.30 percent in 2009/2010 to 15.70 percent in 2024, while spending on discretionary categories increased substantially. Expenditure on restaurants and accommodation services rose from 10.0 percent to 17.00 percent, indicating that Malaysians are increasingly willing to spend on dining, leisure, and lifestyle experiences. The report attributes this shift to changing lifestyle preferences, urbanisation, technological advancement, demographic transitions, and improvements in living standards.

Despite the growth in comfort spending, Malaysian consumers continue to face challenges arising from inflation, rising living costs, and subsidy reforms. These factors may constrain discretionary expenditure among lower- and middle-income households, encouraging more selective and value-conscious spending behaviour. Nevertheless, domestic consumption remains one of the key drivers of Malaysia's economic growth, supported by resilient household spending and improving labour market conditions. (Reuters, 2025)

The Department of Statistics Malaysia (DOSM) found that the average monthly household consumption expenditure increased from RM5,150 in 2022 to RM5,566 in 2024. Four expenditure categories accounted for more than two-thirds of household spending such as basic utilities and necessities (23.50 percent), services (17.00 percent), food and beverage (15.70 percent and transportation (11.00 percent) that will make comfort of living by individuals. The increasing of services share allocated had been classified to restaurants and accommodation reflects consumers' growing preference for convenience, social experiences, and higher-quality lifestyles especially in urban areas. This also approved the indicator that shows higher expenditure among urban households, supporting the relationship between urbanisation and consumer spending (DOSM, 2020) that mean staying at urban area will be increasing in daily expenses and contributing to using the credit facilities such as BNPL.

Overall, comfort spending in Malaysia reflects the country's evolving consumer landscape. While necessities remain the largest component of household expenditure, Malaysians are increasingly allocating more resources toward products and services that improve convenience, leisure, wellness, and overall quality of life.

Problem Statement

The way people buy things is changing fast with BNPL services. This means people can get what they want away and pay for it later without paying extra money for interest. BNPL is convenient and flexible. It also makes people spend money on things they do not really need. Sometimes people buy things just to feel better or to make themselves happy. BNPL makes it easy to buy things because people do not have to pay for them away. (Ashby.R et al. 2025). This means people are more likely to buy things on impulse, like clothes, phones, makeup and tickets to movies or concerts not related to the necessity's goods. They buy these things because they want to feel good not because they really need them. BNPL services, like this are changing the way people spend money on things they do not really need or enjoying buying following trend in the market.

Recent empirical evidence demonstrates that BNPL significantly increases consumer spending beyond what would normally occur with traditional payment methods. A study by the National Bureau of Economic Research (NBER) found that access to BNPL increases overall retail spending, with the increase being too large to be explained solely by liquidity constraints, suggesting that deferred payment itself encourages higher consumption.

People get worried when they use BNPL a lot to deal with money problems or when they're feeling stressed. There was a study in 2026 by Andosou et al, that found out using BNPL makes people more stressed about money at home. When people use BNPL and they are, on media a lot it gets even worse. The study said that the way companies use technology to sell things and the way BNPL lets people pay later makes people spend much money and get into debt with BNPL. Comfort spending becomes particularly concerning when consumers repeatedly rely on BNPL to cope with financial or emotional stress.

The psychological appeal of BNPL lies in its ability to divide a large payment into several smaller installments, reducing the perceived cost of purchases. Research published by Ashby et. Al (2025) was found that consumers spend more when products are presented as installment payments rather than full prices because installment pricing reduces the perceived expensiveness of a purchase. Furthermore, increasing the number of installments or lowering the initial payment further stimulates spending, making consumers underestimate the total financial commitment every month.

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Despite the widespread adoption of BNPL, there remains limited research examining how comfort spending specifically influences BNPL usage, particularly among young adults in emerging markets such as Malaysia. Existing studies on Buy Now, Pay Later (BNPL) services have primarily concentrated on financial distress, repayment behaviour, indebtedness, and impulsive buying, while relatively limited attention has been devoted to understanding the emotional motivations that drive consumers to use BNPL for purchases, particularly comfort or hedonic spending (Nusir et, al (2026), Mohammad et, al (2025), Di Maggio et, al (2022). Understanding the relationship between comfort spending and BNPL is essential for developing effective financial education programs, consumer protection policies, and responsible lending practices that encourage sustainable financial behaviour while reducing the risk of excessive debt accumulation.

LITERATURE REVIEW

Comfort Spending (Cs)

Comfort spending is a financial behaviour that poses a risk to an individual's financial well-being. It involves purchasing products or services for emotional comfort rather than necessity, which may increase impulsive spending, debt accumulation, and financial vulnerability. Comfort spending refers to buying goods or services to improve one's mood, reduce stress, or seek emotional comfort rather than to meet actual needs.

In Malaysia, comfort spending has become increasingly common due to urbanization, rising disposable income among certain income groups, digital payment adoption, and lifestyle changes (Lasi, A.M et all 2025). Malaysians are spending more on experiences, food delivery, premium beverages, entertainment subscriptions, wellness services, and home comfort products that improve daily living. At the same time, the growth of e-wallets and Buy Now, Pay Later (BNPL) services have made discretionary purchases easier, encouraging more frequent comfort-related spending.

Financial experts therefore recommend balancing discretionary spending or comfort spending with saving and investing to maintain long-term financial well-being (Hasin, M., Zainol.Z, 2024). Financial experts recommend balancing discretionary spending with saving and investing because long-term financial well-being depends not only on enjoying current income but also on building financial security for future needs. Discretionary spending refers to expenses that are not essential for survival, such as entertainment, dining out, vacations, hobbies, and luxury purchases.

While discretionary expenses can improve an individual's quality of life and provide personal satisfaction through enjoyable experiences and lifestyle choices, excessive discretionary spending may reduce the financial resources available for emergency savings, debt repayment, and long-term wealth accumulation (Dunn et al., 2011; Xiao & Porto, 2017). Maintaining a balance between present consumption and future financial security is therefore essential for achieving overall financial well-being. Furthermore, inadequate emergency savings can increase financial vulnerability to unexpected life events, while excessive spending may delay the achievement of long-term financial goals such as homeownership, retirement planning, and investment growth (Bhutta et, al (2023).

A balanced approach requires individuals to allocate their income strategically among needs, wants, savings, and investments. According to the 50/30/20 budgeting framework introduced by Elizabeth Warren and Amelia Warren Tyagi, individuals should consider allocating approximately 50.00 percent of income toward essential needs, 30.00 percent toward discretionary wants, and 20.00 percent toward savings and debt repayment. This framework highlights the importance of maintaining a reasonable level of lifestyle spending while ensuring sufficient resources are directed toward future financial goals (Warren & Tyagi, 2005).

Saving plays a critical role in maintaining financial resilience because it provides liquidity for unexpected events, such as medical emergencies, job loss, or urgent expenses. The Consumer Financial Protection Bureau emphasizes that having emergency savings can help households avoid relying on high-cost borrowing when financial shocks occur (Consumer Financial Protection Bureau, 2023). Therefore, individuals who prioritize savings before increasing discretionary spending are more likely to maintain financial stability during uncertain periods.

Beyond saving, investing is essential for long-term wealth creation because it allows money to grow through returns generated from assets such as stocks, bonds, mutual funds, and retirement accounts. The U.S. Securities and Exchange Commission explains that investing over a long period can help individuals build wealth through the power of compound growth, where investment returns generate additional returns over time (SEC, 2024). However, investments should be aligned with an individual's financial goals, risk tolerance, and time horizon.

An imbalance between discretionary spending or comfort spending and financial planning may create long-term challenges. Excessive consumption can limit the ability to save for major life objectives, including home ownership, education, retirement, and financial independence. Components of financial literacy and responsible financial behaviours, including budgeting and saving, are strongly associated with improved financial outcomes and greater household financial resilience (OECD, 2020).

Therefore, financial experts generally recommend a balanced financial lifestyle: individuals should enjoy discretionary spending within reasonable limits while consistently saving and investing for future objectives. This approach allows people to achieve both short-term satisfaction and long-term financial security by preventing overspending while encouraging wealth accumulation and financial independence.

Comfort spending is becoming an important feature of consumer behaviour in Malaysia, driven by technological advancement, lifestyle changes, and the pursuit of convenience and emotional well-being. While moderate comfort spending can improve life satisfaction, consumers should practice responsible financial management by budgeting discretionary expenses and avoiding excessive reliance on credit facilities.

Buy Now Pay Later (Bnpl).

Buy Now Pay later (BNPL) is a form of short-term consumer credit that allows customers to purchase goods or services immediately and repay the amount later, either through a single payment or installments. Unlike traditional credit cards or personal loans, BNPL services are usually integrated directly into e-commerce platforms or digital payment applications, making access to credit faster and more convenient (SKP, 2026).

In Malaysia, BNPL has grown rapidly due to the expansion of digital payments, e-commerce platforms, and fintech services. Popular BNPL providers allow consumers to divide their purchases into several installments, often promoting low-cost or zero-interest repayment options. However, consumers may still be subject to other charges such as late payment fees, processing fees, or administrative charges depending on the provider's terms and conditions. (BNM, 2022).

Previously, BNPL activities provided by non-bank operators were not comprehensively regulated under a specific consumer credit framework. This raised concerns about consumer protection, affordability assessment, transparency of charges, and responsible lending practices (MOF, 2022). Malaysia introduced the Consumer Credit Act 2025 (CCA) to establish a more comprehensive regulatory framework for consumer credit activities, including BNPL schemes. The Act established the Suruhanjaya Kredit Pengguna (SKP) as the authority responsible for regulating consumer credit providers and protecting consumers (SKP, 2026)

BNPL provides consumers with greater payment flexibility and convenience, making it a useful financial tool when used responsibly. However, excessive reliance on BNPL can create financial difficulties, especially among consumers who do not carefully manage their repayment obligations. Therefore, consumers should evaluate their ability to repay before using BNPL and treat it as a form of credit rather than free money.

The are several advantages of BNPL based on the priority ranking such as improves affordability and cash flow management. BNPL allows consumers to spread the cost of purchases into smaller installments rather than paying the full amount upfront. This can help consumers manage short-term cash flow, particularly for essential purchases such as electronics, education expenses, or household items (CFPB, 2022). Second, it's also creating convenient and easy access to credit of individual that BNPL applications are usually fast and require fewer approval requirements compared with traditional credit products such as credit cards or personal loans. This makes BNPL attractive to consumers who may have limited access to conventional financial services (OECD, 2023).

Third, interest-free payment option (when paid on time) that allowed of providers of BNPL providers offer zero-interest installment plans if consumers make payments according to the agreed schedule. This can reduce borrowing costs compared with high-interest credit cards. (Financial Conduct Authority [FCA], 2021). Last, supports online shopping and business growth in the market that shows this facility provides the consumers with flexible payment choices while helping merchants increase sales, improve customer satisfaction, and reduce purchase barriers (Worldpay, 2024).

There is also the disadvantage of BNPL are risk of overspending and impulse buying that may encourage consumers to purchase items they cannot afford because the immediate financial impact appears smaller. This may lead to excessive borrowing and poor spending value more than income received by an individual (CFPB, 2022). Second, the potential accumulation of debt which is the consumers who use multiple of BNPL services simultaneously may struggle to keep track of repayments. Missed payments can result in late fees, account restrictions, and financial stress (Consumer Financial Protection Bureau (CFPB), 2022).

Third, limited consumer protection compared with traditional credit BNPL products may not always provide the same level of regulatory protection, credit reporting requirements, or affordability assessments as traditional lending products. This can increase the risk of consumers borrowing beyond their repayment capacity (FSB, 2022). Fourth, that a possible impact on credit scores and financial records. Depending on the provider and country's credit reporting system, BNPL repayment behaviour may affect a consumer's credit history. Missed payments could negatively influence future access to credit (Equifax, 2023). Lastly, fees and hidden costs through these services advertise interest-free payments, consumers may face late payment fees or other charges if they fail to meet repayment deadlines (FCA, 2021).

BNPL provides consumers with greater payment flexibility and convenience, making it a useful financial tool when used responsibly (CFBP, 2024; Guttman-Kenney et al., 2022). BNPL enables consumers to purchase goods or services immediately while spreading payments over several installments, often without interest when payments are made on time. This flexibility can improve short-term cash flow management and provide an alternative to traditional credit products, if users manage their repayment obligations responsibly. However, excessive reliance on BNPL can create financial difficulties, especially among consumers who do not carefully manage their repayment obligations. Therefore, consumers should evaluate their ability to repay before using BNPL and treat it as a form of credit rather than free money based on the creditworthiness especially on income.

The adoption of BNPL services has increased rapidly in Malaysia, particularly among young consumers. According to the Malaysian Ministry of Finance, there were approximately 7.5 million active BNPL users by the end of 2025, with around 40.00 percent of all BNPL transactions conducted by individuals aged 30 years and below. The government also reported that BNPL transactions reached 243 million transactions valued at RM21.30 billion during 2025, indicating the growing acceptance of deferred payment services among Malaysian consumers. Additionally, BNPL is primarily used to purchase everyday necessities such as food, groceries, transportation, and services, with an average transaction value of RM91. These findings suggest that BNPL has become an important short-term financing tool, particularly for younger consumers managing daily expenses (Bernama, 2026).

Furthermore, the Ministry of Finance reported that more than 70percent of active BNPL users belong to the B40 income group, indicating that lower-income consumers are the primary users of these services. Although outstanding BNPL loans increased to RM4.9 billion by December 2025, overdue loans remained relatively low at 3.30 percent, suggesting that the overall credit risk remained manageable. Nevertheless, policymakers continue to strengthen regulatory oversight through the Consumer Credit Act 2025 to ensure responsible lending practices and protect young consumers from excessive indebtedness (MOF, 2026).

Financial Self-Control (Fsc)

Financial self-control in comfort spending refers to an individual's ability to regulate emotional and impulsive spending behaviours, especially purchases made to obtain temporary pleasure, relief, or emotional comfort rather than to satisfy genuine needs. Comfort spending is often associated with buying items such as clothing, food, entertainment, gadgets, or luxury goods to cope with stress, sadness, boredom, anxiety, or social pressure. While occasional discretionary spending can improve well-being, excessive reliance on spending as an emotional coping mechanism may negatively affect financial stability.

Comfort spending is closely related to emotional spending or retail therapy, where individuals use purchasing activities to improve their mood or escape negative emotions. Research suggests that shopping can provide short-term emotional benefits because the anticipation and act of purchasing may create feelings of happiness and control. However, these positive effects are usually temporary and may encourage repeated spending whenever negative emotions occur (Rick, Pereira, & Burson, 2014). For example, an individual experiencing work stress may purchase expensive meals, new clothes, or electronic devices to feel better. Although the purchase may provide immediate satisfaction, repeated behaviour without proper control can lead to unnecessary expenses, debt accumulation, and reduced savings.

Financial self-control is the ability to delay immediate gratification and make financial decisions that support long-term goals. According to self-control theory, individuals often struggle between immediate desires and future benefits. People with stronger self-control are more likely to save money, avoid unnecessary debt, and maintain better financial health (Baumeister, 2002). In the context of comfort spending, self-control helps individuals distinguish between needs and wants and allows individuals to evaluate whether a purchase aligns with their financial goals related short-or long-term period.

Several psychological and environmental factors can increase comfort spending behaviour such as an emotional trigger can define a negative emotion such as stress, loneliness, frustration, or anxiety can encourage individuals to spend money as a form of emotional relief. Spending may act as a temporary mood enhancer, but it does not address the underlying emotional issue (Faber & O'Guinn, 1992). Next, instant gratification that relate with modern consumer environments encourage immediate purchases through online shopping platforms, discounts, and digital payment systems. These conveniences reduce the psychological impact of spending money and may weaken self-control (Soman, 2001). Lastly, social media and peer comparisons may encourage individuals to spend beyond their means to maintain a certain lifestyle or social image. Consumers may purchase products not because they need them but because they want to match perceived social expectations (Dittmar, 2005).

A lack of financial self-control in comfort spending may result in reduced savings capacity that a money spent on unnecessary purchases reduces funds available for emergencies and future goals. The second of lack increasing higher debt risk for an individuals may rely on credit cards or loans to maintain spending habits beyond their income. Next, creates a financial stress when an individual's made an excessive spending can create anxiety when individuals struggle to pay bills or meet financial commitments. Lastly, will make it delayed financial goals based on short-term pleasure may prevent individuals from achieving long-term objectives such as retirement planning or wealth accumulation.

Research by Moffitt et al. (2011) found that individuals with stronger self-control during childhood and adulthood generally demonstrate better financial outcomes, including improved financial management and reduced problematic behaviours. he studies showed that individuals with higher self-control in childhood were more likely to manage money effectively and experience better socioeconomic outcomes as adults.

By referring a study by Ameriks et al. (2007) found that self-control plays an important role in household financial decision-making. Individuals with higher self-control were more likely to accumulate wealth because they were better able to manage spending and make decisions aligned with long-term financial objectives.

Financial self-control in comfort spending is essential for achieving long-term financial well-being. While spending can provide temporary emotional satisfaction, uncontrolled comfort spending may undermine financial security. Individuals should develop awareness of emotional triggers, practice budgeting, delay impulsive decisions, and focus on long-term financial goals. Effective self-control does not mean avoiding all enjoyment but creating a balanced relationship between present satisfaction and future financial stability.

However, self-control is not the only factor determining financial success. Financial knowledge, income level, education, family background, economic conditions, and access to financial resources also influence financial outcomes. Nevertheless, self-control remains an important behavioural factor because it affects how individuals use the resources available to them.

Income Level (Il)

Disposable income refers to the amount of money available after taxes and essential expenses. When individuals experience higher disposable income, they have greater financial flexibility to spend on non-essential goods and services, such as entertainment, travel, luxury products, dining experiences, hobbies, and lifestyle upgrades. These types of purchases are known as discretionary spending because they are not necessary for basic survival but contribute to personal satisfaction and quality of life.

According to Keynesian consumption theory, an increase in income generally leads to an increase in consumption, although not necessarily by the same proportion. As income rises, individuals tend to allocate a larger share of their additional income toward discretionary goods because their basic needs have already been satisfied (Keynes, 1936). Similarly, the life-cycle hypothesis suggests that individuals adjust their consumption patterns based on expected lifetime income, allowing those with stronger financial resources to maintain higher levels of consumption and spending on leisure or luxury items (Modigliani & Brumberg, 1954). For example, a person receiving a salary increase may increase spending on holidays, premium electronic devices, branded clothing, or recreational activities because their financial constraints have become less restrictive.

However, lower income does not always result in reduced discretionary spending. Some individuals may continue purchasing non-essential items as a form of emotional coping, commonly referred to as comfort spending or retail therapy. In this situation, consumption is driven less by financial capability and more by emotional needs, such as reducing stress, improving mood, seeking temporary happiness, or creating a sense of control during difficult situations. Research on consumer behaviour shows that shopping can provide emotional relief because purchasing activities may activate positive feelings and serve as a distraction from negative emotions (Atalay & Meloy, 2011). Similarly, Mick and DeMoss (1990) found that consumers often engage in self-gifting behaviours to reward themselves, relieve stress, or cope with emotional challenges.

For lower-income individuals, comfort spending may occur even when financial resources are limited. For instance, someone experiencing financial pressure may purchase small indulgences such as food delivery, entertainment subscriptions, or inexpensive personal items to temporarily improve their emotional state. Although these purchases may provide short-term psychological benefits, excessive comfort spending can create financial difficulties, including debt accumulation and reduced savings capacity. Therefore, spending behaviour is influenced not only by income level but also by psychological motivations, financial attitudes, and emotional conditions. Higher-income individuals are more likely to engage in discretionary spending because they have greater financial capacity, whereas lower-income individuals may still participate in comfort spending when consumption is used as an emotional regulation strategy.

This suggests that income affects the ability to spend, while emotional factors influence the motivation to spend. Understanding both dimensions is important when analysing consumer behaviour, financial well-being, and personal financial planning.

Social Media and Advertising (Sma).

Exposure to social media influencers, targeted advertisements, and online shopping promotions has significantly changed consumer spending behaviour by encouraging comfort spending that mean the purchase of goods or services to improve mood, reduce stress, or obtain emotional satisfaction. Digital platforms use personalized algorithms to present advertisements and promotional content that closely match users' interests, increasing the likelihood of impulsive purchases. At the same time, influencers create aspirational lifestyles and authentic product recommendations that foster trust and emotional attachment, making consumers more willing to purchase products they might not have otherwise considered. Studies have shown that influencer credibility, expertise, and attractiveness positively affect consumers' attitudes toward products and increase purchase intentions (Ooi et al. 2023)

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Furthermore, online shopping platforms reinforce comfort spending through frequent promotional strategies such as flash sales, limited-time discounts, free shipping, and personalized recommendations. These tactics create a sense of urgency and fear of missing out (FOMO), encouraging consumers to make spontaneous purchases for immediate emotional gratification rather than actual necessity. The convenience of one-click purchasing, combined with constant exposure to curated content on social media, reduces the psychological barriers to spending. Research has also found that trust in influencer-sponsored content significantly increases consumers' urge to buy impulsively, especially in social commerce environments where shopping is seamlessly integrated into social media platforms (Shamim, et al. (2024).

Additionally, repeated exposure to influencers who showcase luxury lifestyles, fashion trends, and consumer products can normalize materialistic values and strengthen the perception that purchasing products leads to happiness, self-improvement, or social acceptance. This emotional appeal is particularly influential among younger consumers, who often spend considerable time on social media and are more susceptible to digital marketing messages. Consequently, comfort spending becomes a coping mechanism for dealing with stress, boredom, or negative emotions, although excessive reliance on this behaviour may contribute to financial strain and compulsive buying habits (Azhar, et al (2025).

RESEARCH FRAMEWORK

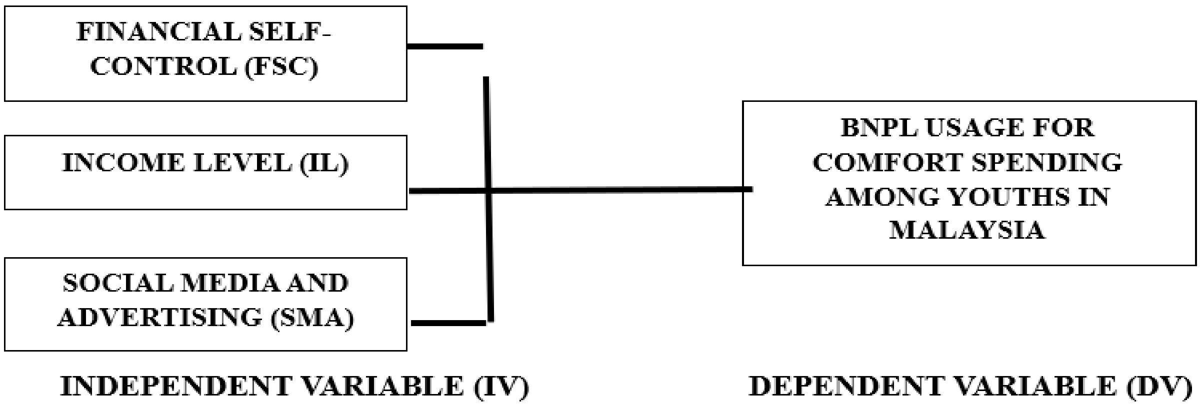

Diagram 1.0 Research Framework The Factors Influencing Buy Now, Pay Later (BNPL) Usage for Comfort Spending Among Youths in Malaysia

RESEARCH METHODOLOGY

This study will be conducted based on a quantitative cross-sectional research design to examine the factors influencing Buy Now, Pay Later (BNPL) usage for comfort spending among youths in Malaysia. A quantitative approach is appropriate because it enables researchers to measure the relationships between multiple independent variables such as income level, financial self-control, and social media and advertising connected or have a relationship with dependent variable, BNPL usage for comfort spending, using statistical analysis.

Cross-sectional surveys are widely employed in consumer finance (by referring the user of online banking) and financial technology (FinTech) research because they allow data to be collected from respondents, providing an efficient means of examining behavioural patterns and testing theoretical relationships (Chuah, et.al 2023). These factors collectively influence youths' intention to use BNPL services for discretionary consumption rather than essential purchases because of social media and advertising as a tool of promotion by a seller in digital platform and capability of buying through income received. This conceptual framework contributes to understanding digital payment behaviour and responsible borrowing among Malaysian youths (Sarifudin, 2025).

The population of this study consists of Malaysian youths aged 18 until 30 years who have experience using at least one BNPL platform such as Shopee PayLater, Grab PayLater, Atome, or other BNPL services. This age group represents one of the fastest-growing users of digital financial services and is particularly susceptible to social media influence and impulsive spending due to their familiarity with digital technology. Previous

Malaysian BNPL studies have similarly focused on Generation Z and young adults because they are among the primary adopters of BNPL services (Osman, et.al 2024).

The sampling of this study will be employs non-probability purposive sampling regarding the criteria has been identified such as Malaysian citizen range of aged 18 until 30 years, current users of BNPL services and can complete an online survey independently. The main reason this method is suitable because only individuals with BNPL experience can provide meaningful responses regarding comfort spending behaviour. Data collection will be conducted through an online questionnaire distributed via social media platforms such as Facebook, Instagram, WhatsApp, Telegram, and university student networks**.**

Following the suggestion of Hair et al. (2022), if Partial Least Squares Structural Equation Modelling (PLS-SEM) is used, a minimum sample size of 200 until 300 respondents is generally adequate or accommodate for analysing behavioural models with several latent constructs. Measurement items will be adapted from previously validated studies on BNPL adoption, consumer behaviour, financial self-control, and digital payment adoption to ensure content validity and reliability.

The study hypothesises that:

a. H1**:** Income level significantly influences BNPL usage for comfort spending among Malaysian youths.

b. H2**:** Financial self-control significantly influences BNPL usage for comfort spending among Malaysian youths.

c. H3**:** Social media and advertising significantly influence BNPL usage for comfort spending among Malaysian youths.

CONCLUSION

In conclusion, the growing use of BNPL services have significantly influenced comfort spending among Malaysian youths. This review highlights that income level, financial self-control, and social media and advertising are key determinants shaping BNPL adoption. Limited disposable income may encourage youths to rely on deferred payment options, while weak financial self-control increases the likelihood of impulsive spending and debt accumulation. At the same time, personalized digital marketing, influencer endorsements, and online shopping promotions further stimulate non-essential purchases through BNPL Understanding the interaction of these factors is essential for addressing the financial risks associated with excessive BNPL dependence. Strengthening financial literacy, promoting responsible spending habits, and encouraging ethical marketing practices can help young consumers make informed financial decisions. These efforts will support sustainable financial well-being and contribute to the responsible development of digital consumer finance in Malaysia.

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