

## The Effect Of Paylater Payment Methods On The Increase Of Impulse Purchases

Rinintha Parameswari<sup>1)</sup>

[rinintha.parameswari@ubd.ac.id](mailto:rinintha.parameswari@ubd.ac.id)

Puti Lenggo Ginny<sup>2)</sup>

[puti.lenggo@ubd.ac.id](mailto:puti.lenggo@ubd.ac.id)

<sup>1) 2)</sup>Universitas Buddhi Dharma

### ABSTRACT

*This research was conducted based on the researcher's desire to find out what factors in the pay later payment method can foster impulse buying, especially for consumers. The independent factor being studied is the Paylater Method (X) while the dependent factor is impulse buying (Y), and the selection of the discount factor is due to the easy payment using the Paylater method. Based on the results of the questionnaire which was processed using SPSS 23 with simple linear regression, it was found that the factors studied had an influence of 4,023. And the result is that X has a positive effect on Y, while based on the results of the R2 count, the value = 0.294 or in other words the discount variable only answers 29.4% of the problems that occur.*

**Keywords: Pay later Method, Impulsive Purchase**

**PRELIMINARY**

The development of E-Commerce and Financial Technology (FinTech) in Indonesia is growing rapidly. The digital era gave rise to technology-based companies. E-Commerce is a provider of online buying and selling platforms. While Fintech is centered on financial service companies that carry out modern innovations in collaboration with E-Commerce companies. Fintech innovates to make payments using mobile phones. The interesting thing here in Fintech is the use of the application of the pay later system (pay in the next month).

There are many services without the use of a credit card to purchase goods on the E-Commerce platform. In carrying out this transaction, the buyer or consumer can buy the desired product by paying based on the loan maturity or in installments. Various E-Commerce carry out massive promotions to consumers by making it easy to use Paylater, one of which is (Go paylater, shopee paylater, Ovo, etc.).

There are several advantages of having FinTech in the community, firstly FinTech can help new developments in the technology startup field. This can help develop jobs and promote economic growth. This economic growth brings a second benefit, namely an increase in people's living standards. FinTech can reach people who are not reached by conventional banking services. In addition, FinTech can also improve macroeconomics. The convenience provided by FinTech can increase e-commerce sales. The final benefit that most people can take advantage of is a reduction in interest rates. The growth of FinTech users also continues to grow from year to year. Coming from the World Bank, FinTech users were initially 7% in 2007, increased to 20% in 2011,

According to DailySocial, various paylater services were integrated in 15 e-commerce sites in Indonesia throughout the 2nd quarter (2020)<https://dailysocial.id/post/studi-paylater-indonesia-2020>. There are 7 paylater services that currently accompany consumers to shop online as follows:

**Table 1.1**

Paylater	E-Commerce Platform used
Kredivo	Bukalapak, Lazada, Tokopedia, Blibi, Elevenia, JD.id, iLotte, Jakmall, Bhinneka, Matahari.com, Fabelio, Sociolla
Akulaku	Bukalapak, Blibli, JD.id, Alfacart
Home Credit	Tokopedia, Bukalapak, Bhinneka,
your credit	Elevenia, JD.id, Bhinneka
Indodana	Blibi, Elevenia
Shopee Paylater	Shopee
Atom	JD.id

This paylater service is a payment option that can be used as a payment option for a certain period of time. So that consumers can easily make purchases with these payment options. And increase people's impulse buying.

### **Literature review**

The payment method is the way that consumers pay for goods and services in accordance with transactions carried out for both routine needs and business needs. Following are the payment methods:

1. Conventional Payment Methods: Cash payment instruments commonly referred to as conventional are payments using currencies such as coins and paper. The cash payment method is a payment process that occurs between one party and another directly. This method is a conventional method that we often do where, face to face and hand over money.
2. Non-Cash Payment Methods: tools used in the payment process without using physical money such as coins and paper, but non-cash money such as checks, demand deposits, credit cards, and electronic money.

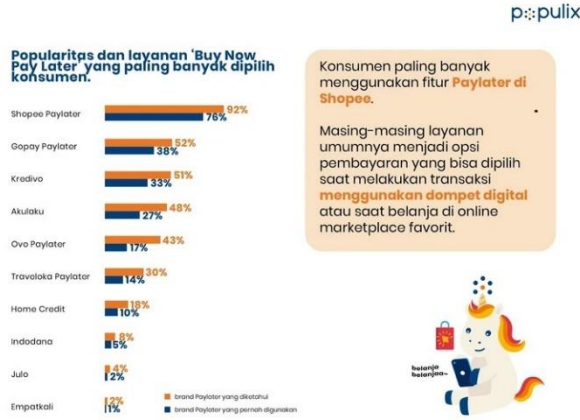
The growth of the e-commerce business ecosystem in Indonesia is taking place significantly. According to data from the Central Statistics Agency (BPS), the increase in the number of e-commerce in Indonesia is 17% or it can be said that it has reached 26.2 million business people in the last 10 years. Indonesian people's shopping habits are starting to shift from offline to online, but this is not accompanied by a significant change in payment methods. It can be said that the presence of online payments is not as popular as the speed of development of e-commerce to adapt to online transaction activities.

Based on a survey conducted by the Association of Indonesian Internet Service Providers (APJII) and Mastel, ATM transfers are the most popular payment method. The COD payment method is the most widely used payment method after ATM transfers. This was followed by internet banking, credit cards, SMS banking and e-money.

### **PAYLATER PAYMENT METHODS**

The term paylater is increasingly popular among people who often shop online. Considered more practical, paylater is a facility that is now starting to replace the position of credit cards. Paylater is a method of deferring or installment payments when buying something through the platform. Usually, paylaters are offered by many digital companies and startups as an alternative payment method. Platforms that provide the following paylater application features: [What is Paylater? List of Apps, Advantages and Disadvantages \(populix.co\)](#)

**Table 2.1**



Source: populix.co

1. **Shopee Paylater (SPayLater)**SPayLater here is a form of credit installment when shopping at Shopee. With this feature, you can buy products without minimum installment purchases during the selected period. Shopee offers instant loans of up to IDR 15 million, which can be increased based on customer consumption with maturities ranging from one to twelve months. Looking at the research data, SPayLater is the paylater service most known and used by respondents. No less than 92% know about the SPayLater service and 76% of them are active users.
2. **GoPay Paylater**GoPay Paylater is a postpaid payment method available for certain Gojek customers. To use this service, you must register as part of GoPay Plus by uploading your ID and taking a photo of yourself with your ID. This service is available for several agencies at Gojek such as GoRide, GoCar, GoFood, GoSend And others.
3. **Kredivo** allows you to get a loan of up to 3 million rupiah without interest with a one month repayment period. You can use this paylater application at several Kredivo partner merchants such as Bukalapak, Lazada, Tokopedia and others.
4. **Akulaku** is also present as a trading platform. The paylater service provided by Akulaku allows you to apply for a cash loan of up to Rs 15 million with different terms of up to 15 months. Akulaku also offers two other paid products, Akulaku for users and Akulaku for merchants.
5. **Ovo Paylater** is a credit-free payment service that you can use when shopping at Tokopedia. This feature is for Ovo Premier users. This means that you must register in advance by showing your KTP and taking a selfie while holding it in your hand.

**Impulsive PURCHASE**

Impulse or spontaneous buying is an unplanned behavior or decision to buy a product or service. This purchase decision occurs suddenly and immediately before the purchase.

An attractive purchase occurs when emotions, feelings, and attitudes play a decisive role in the purchase, triggered by viewing the product or after being exposed to a well-crafted promotional message. For example, when we shop at the mall and you see something interesting but not planned beforehand, you immediately buy the item.

Impulse buying is an English term. In other words, impulse buying is when someone suddenly wants to buy a product in large quantities without going through a long thought and consideration process. In fact, this decision uses emotion rather than logic. Usually, this habit occurs when you are stimulated by something interesting. For example, such as discounts or promotions so that they are interested in making a purchase, because they feel the opportunity will not be available in the future. In fact, impulse buying has a negative effect on the perpetrator. Because this habit tends to buy products according to their wishes, not according to their needs, which can lead to waste, threatening financial health.

According to (Aprilia et al., 2017) Impulse buying is a buying process made by consumers without taking into account the need for the product and without going through the stage of looking for information about the product and has a very strong emotional element.

#### **Factors Affecting Impulsive Buying**

(Moven & M, 2015), Impulse buying has the following factors: price, need for a product or brand, mass distribution, self-service, advertising, store displays, product life cycle, etc.

Based on opinion (Loundon & Bitta, 2012) of the factors that influence impulse buying (impulsive buying), as follows:

1. Product (has the characteristics of cheap, small or marginal need, short-term product, small size, and easy to reach store).
2. Marketing and marketing which includes distribution in a large number of self-service outlets, advertising through mass media which is highly suggestible and sustainable.
3. Consumer categories such as personal, gender, socio-demographic or socioeconomic.

#### **Impulsive Buying Triggers**

This phenomenon occurs due to various factors. More information about triggers for impulse buying is as follows:

1. Marketing Strategy Factor is an impulse buying factor. The first is the influence of the seller's marketing strategy, for example: promotions, discounts, refunds, and influencing sales can encourage impulsive behavior. Because these objects have the ability to attract your interest and attention, there is a desire to buy and own them.
2. Personality factors can lead to impulse buying. This activity can occur because you feel prestige and FOMO if you don't have items that are trending at that time. So to increase image and popularity, people with impulse buying syndrome will be willing to buy anything that supports this goal.
3. Product Type Factors Internal and external characteristics of the product can also encourage impulse buying behavior. With so many variations, packaging forms,

attractive layout designs, product limitations or scarcity, anyone who sees it will be interested and want to buy it even if they don't really need it.

4. Geographical factors and cultural aspects Geographical and cultural factors can clearly affect the appearance of attractive buying activities. People with high autonomy cultures often have more impulsive shopping habits than people with collectivist cultures. One of the reasons people from independent cultures are so prone to impulse buying is that there is less need to relieve stress with the help of others.

### **Impulse buying indicator**

In fact, not all bulk purchases can be classified as impulse buying. There are several interesting buying behavior indicators, including:

1. Instant gratification (When you are bored, bored or stressed and need instant gratification, you impulsively shop to satisfy yourself).
2. Buy without thinking (When you are interested in a product and then immediately buy it without thinking carefully about the benefits and financial possibilities, then you will fall into a rash buying case).
3. Buying excess goods on the basis of self-esteem Working hard to achieve personal goals leads to a desire to value oneself as self-worth.

### **PREVIOUS RESEARCH**

1. (Putri & Iriani, 2020)

The study entitled "The Influence of Trust and Ease of Purchase Decisions Using ONLINE SHOPEE PAYLATER Loans" was conducted for the Management Study Program at the State University of Surabaya and has been published in the Journal of Management Science, Faculty of Economics. This study uses moderating variables such as corporate image as a confidence booster before making a purchase decision.

2. (Kusnawan et al., 2019)

The study entitled "The Effect of Discounts on e-Wallet Applications on the Growth of Millennial Consumers Impulsive Purchase Interest in the Tangerang Area" was conducted for the Management Study Program at Buddhi Dharma University Tangerang and has been published in the Management Science Journal of Serang Raya University (Unsera). In this study using Multiple Regression analysis, the proposed hypothesis is proven where there is a significant effect between discounts and an increase in impulsive purchases, especially for millennial consumers.

### **RESEARCH METHODS**

The research was carried out starting in February 2021 using quantitative research methods (Sugiono, 2018), with a plan to distribute the questionnaire online for 30 (thirty) days from February 25 to March 25 and is estimated to be completed in May 2022.

Respondents who are considered valid are respondents who use paylater more than and the characteristics of the respondents used include: age, education level, paylater transactions, income level and paylater expenditure level.

### **DISCUSSION**

- a. Based on the results of the study, the researcher distributed questionnaires and had a total of 45 respondents. Men ranged from 31.1% and women 68.9%.
- b. For the experience of using a paylater, those who use it frequently are around 23.35% and those who rarely use it are 66.7%.
- c. For the following types of work:
  - Students around 51.1%
  - Private Employees 2.2%.
  - Housewife 2.2%.
  - Private Employees 38%.
  - Entrepreneur 2.2%.
  - Lecturer 2.2%.
  - Others 2.3%
- d. Age :
  - 19 - 30 Years : 93.3%
  - 31 - 40 Years : 4.4%
  - 41 - 50 Years : 2.2%

### Validity

Rtable  $df(N-2,005).N$

Rtable =  $df(45-2, 0.05) = 0.294$

NO	VALIDITY	RTABLE	DESCRIPTION
X1	0.753	0.294	Valid
X2	0.735	0.294	Valid
X3	0.636	0.294	Valid
X4	0.808	0.294	Valid
X5	0.781	0.294	Valid
X6	0.774	0.294	Valid
X7	0.764	0.294	Valid
X8	0.680	0.294	Valid
X9	0.691	0.294	Valid
X10	0.784	0.294	Valid

NO	VALIDITY	RTABLE	DESCRIPTION
Y1	0.789	0.294	Valid
Y2	0.862	0.294	Valid
Y3	0.517	0.294	Valid
Y4	0.832	0.294	Valid

Y5	0.500	0.294	Valid
Y6	0.767	0.294	Valid
Y7	0.717	0.294	Valid
Y8	0.768	0.294	Valid
Y9	0.796	0.294	Valid
Y10	0.691	0.294	Valid

X and Y . Reliability

**Case Processing Summary**

		N	%
Cases	Valid	45	100.0
	Excluded	0	.0
	Total	45	100.0

- a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.774	.929	11

In the processing summary table, it can be seen that the valid cases line states that the number of respondents is 45 and the percentage shows that it is 100%, this indicates that 45 respondents are valid and no respondents fall into the excluded category.

The results of the Cronbach's Alpha reliability test calculation (rcount) can be seen in the Cronbach's Alpha column, which is 0.774 with N of items indicating that the number of items or the number of questions is 0.774. Because the Cronbach Alpha value is 0.774 . 0.60 it can be concluded that the 45 respondents are reliable.

**Variables Entered/Removed**

Model	Variables Entered	Variables Removed	Method



1	Paylater method	.	Enter
---	-----------------	---	-------

- a. Dependent Variable: Increased Impulsive Purchase  
 b. All requested variables entered.

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.523a	.273	.257	5.438

- a. Predictors: (Constant), Paylater Method

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	478,645	1	478,645	16,183	.000b
	Residual	1271,799	43	29,577		
	Total	1750.444	44			

- a. Dependent Variable: Increased Impulsive Purchase  
 b. Predictors: (Constant), Paylater Method  
 b. Dependent Variable: Increased Impulsive Purchase

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	17,869	4,552		3.925	.000
	Paylater Method	.490	.122	.523	4.023	.000

- a. Dependent Variable: Increased Impulsive Purchase

- a. In the table, the paylater method variable is the independent variable and the increase in impulse buying is the dependent method.
- b. The summary table explains that the correlation value / R relationship is 0.523 from the output, the coefficient of determination (RSquare) is 0.273. which implies that the effect of the independent variable (Paylater Method) on the dependent variable (Increase in Impulsive Purchases) is 27.3%.
- c. Table annova, from the output it is known that F count 18,183. with a significance level of  $0.000 < 0.05$ . then the regression model can be used to predict the variable increase in impulsive purchases or in other words there is an effect of the paylater method variable (X) on the variable increase in impulsive purchases (Y).
- d. Table constant (a) is 17,869. while the value (b/regression coefficient) is 0.490. so that the regression equation can be assessed:

$$Y = a + bX$$

$$Y = 17.869 + 0.490$$

The constant of 17,869 means that the value of the variable coefficient of increasing impulsive buying is 17,869.

The regression coefficient X of 0.490 states that every 1% addition of the value of the paylater payment method, then the value of the increase in impulsive purchases increases by 0.490. The regression coefficient is positive, so it can be said that the direction of the influence of the variable X on Y is positive.

- e. The coefficient table obtained a significance value of  $0.000 < 0.05$ , so it can be concluded that the paylater method variable (X) has an effect on the variable to increase impulsive purchases (Y).
- f. Based on the t value, it is known that tcount is  $4,023 > t_{table} 2,017$  so it can be concluded that the paylater method variable (X) has an effect on the purchase increase variable (Y).

## CONCLUSIONS AND SUGGESTIONS

### a. Conclusion

The Paylater method is an option for market place users for various kinds of purchases of goods which are indeed an option, so that frequent convenience can lead to an increase in impulsive purchases beyond the needs of respondents.

### b. Suggestions

With the Paylater Method, it should be used as wisely as possible because it can help the community to become a benchmark for monthly expenses and not become an impulsive buyer.

## REFERENCE

- Aprilia, eka dian, Rasulika, & Septilia. (2017). Impulse Buying Pada Mahasiswa Banda Aceh. *Psikoislamedia*, 2.  
<https://doi.org/http://dx.doi.org/10.22373/psikoislamedia.v2i2.2449>
- Kusnawan, A., Silaswara, D., Andy, & Sefung, Tj. (2019). Pengaruh Diskon pada Aplikasi e-wallet Terhadap Pertumbuhan Minat pembelian Impulsif Konsumen Milenial di Wilayah Tangerang. *Sains Manajemen*, 5(2).  
<https://doi.org/https://doi.org/10.30656/sm.v5i2.1861>
- Loundon, D., & Bitta, D. (2012). *Consumer Behaviour* (3rd ed.).
- Moven, J., & M, M. (2015). *Perilaku Konsumen* (3rd ed.). Erlangga.
- Putri, F. A., & Iriani, S. S. (2020). Pengaruh Kepercayaan dan Kemudahan Terhadap Keputusan Pembelian Menggunakan Pinjaman Online Shopee Paylater. *Jurnal Ilmu Manajemen*, 8(3). <https://doi.org/https://doi.org/10.26740/jim.v8n3.p818-828>
- Sugiono. (2018). *Metode Penelitian Kuantitatif*. Alfabeta.

## INTERNET

- <https://dailysocial.id/post/studi-paylater-indonesia-2020> (diunduh 9 Maret 2022: 10.00)
- [Apa itu Paylater? Daftar Aplikasi, Keuntungan, dan Kerugian \(populix.co\)](#) (diunduh 11 Maret 2022: 11.00)