The Influence Of Financial Literacy And Lifestyle On The Ability To Pay Spaylater Among Gen Z

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Abstract

Keywords:
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This study aimed to analyze the influence of financial literacy and lifestyle on SPaylater repayment capacity among Generation Z residing in Medan. The research method used was an associative quantitative survey approach, involving 100 participants selected using a purposive sampling technique. The research findings indicate that financial literacy has a significant positive impact on respondents' capacity to fulfill SPaylater payment obligations. Furthermore, lifestyle also makes a significant positive contribution to this payment capacity. These two variables, both individually and collectively, have been shown to significantly contribute to explaining variations in Generation Z's ability to fulfill digital payment obligations. These findings emphasize the importance of improving financial literacy and adopting a better and wiser lifestyle so that the younger generation can better manage their finances in the face of the development of digital financial services such as SPaylater.

INTRODUCTION

In the era of ever-growing globalization, the financial sector has become one of the most affected areas.(Syahputra et al., 2023)Technological advancements in Indonesia have driven innovations across various sectors of life. One manifestation of this development is evident in the information and communication sector. Online interactions previously considered impossible are now easily possible through smartphones. Smartphones not only enable long-distance communication but also open access to a variety of other conveniences. With the availability of various smartphone applications and digital-based trading platforms, businesses are now able to reach global markets. Meanwhile, consumers no longer need to carry cash or physical wallets everywhere because of the availability of practical and secure digital wallets (e-wallets). Furthermore, when funds are limited during transactions, users can also utilize digital lending features such as paylater, which allows purchases with a deferred payment system.

*SPaylater*SPayLater is a popular digital credit platform, offering users the flexibility to make purchases immediately with a deferred payment system. This development reflects the significant transformation digital technology has brought about in changing shopping habits and transaction practices in society. SPayLater users have the option to request a one-time credit limit increase. Through SPayLater, consumers can experience various benefits and aspects projected to provide added value in the future.(Siregar et al., 2023). Based on data from the Fintech Report (2021), SpayLater is the most frequently used SpayLater system by the Indonesian people, followed by GoPayLater which is in second place, and Kredivo which is in third place.The SPaylater service has a relatively simple activation process. Users simply need to upload a photo of their National Identity Card (KTP) and a selfie through the app to access this feature. This convenience makes SPaylater highly suitable for Generation Z, who generally possess advanced technological skills. Furthermore, various attractive offers, such as large cashback amounts and a zero percent interest rate, also attract consumers.

A survey by the Katadata Insight Center (2022) shows that the paylater payment method, or buy now pay later system, is becoming a popular choice among Generation Z. Over time, the

number of users of this service continues to increase. In general, a payment system is a mechanism used to transfer funds from buyers to sellers, fulfilling obligations for economic transactions.(Ardhia Prameswari et al., 2021).

One e-commerce company that has adopted a paylater payment system is Shopee. This platform offers a feature called SPaylater, which was introduced in early 2019 as an innovative payment method for online shopping transactions. This feature is designed to make it easier for users to make purchases without having to pay in full immediately. SPaylater is only available to certain eligible users, who are given the option to pay in installments over a selected period.(Silvialorensa et al., 2024).
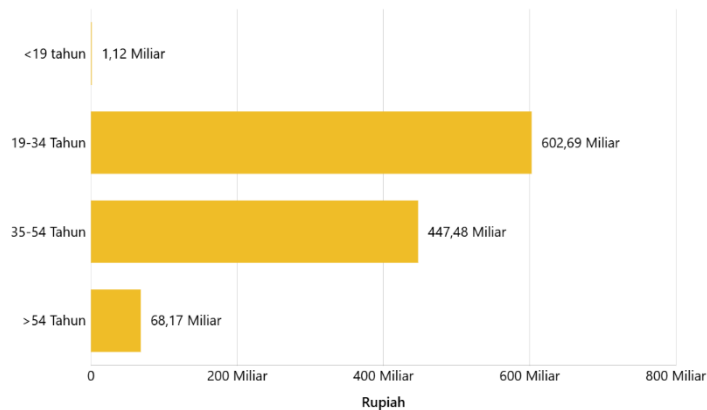
Source: KataData.co.id

The data in the graph shows the amount of SPayLater debt by age group. The 19–34 age group has the largest amount of SPayLater debt, amounting to 602.69 billion rupiah. This is followed by the 35–54 age group with debt of 447.48 billion rupiah. Meanwhile, the under-19 age group only has debt of 1.12 billion rupiah, and the over-54 age group has 68.17 billion rupiah. This data indicates that young adults (19–34), including Generation Z and millennials, are the primary users of SPayLater services and have the largest portion of debt compared to other age groups.

According to the OJK report in KataData.co. In July 2023, the 19-34 age group was recorded as the largest recipient of online loans (pinjol), accounting for more than half of the total, amounting to tens of trillions of rupiah. This age group is dominated by millennials and Generation Z. Furthermore, the Financial Services Authority (OJK) also noted that this age group contributed significantly to the increasing number of non-performing loans or defaults in online lending services, with a fairly high percentage during the same period.During the first half of 2023, this group, comprising students and young workers, continued to be a major contributor to the non-performing loan (NPL) value. As of August 2023, the number of active accounts in default reached hundreds of thousands, indicating that financial risk among the productive age group remains a key concern in the digital lending industry. In detail, the number of male borrowers was recorded at 257,479 entities, while the number of female borrowers was 228,209 entities.

Financial literacy plays a role in influencing individual decisions regarding SPayLater services. Financial literacy refers to an individual's ability to process, analyze, manage, and communicate data related to their personal financial situation. Personality characteristics also influence their level of economic well-being. According to information released by the Financial Services Authority (OJK), the financial literacy rate among Indonesians reached 49.68%. This achievement represents

significant progress compared to the 2019 figure of 38.03%. This data indicates that out of every 100 Indonesians, approximately 49 individuals have adequate knowledge of financial institutions and the variety of financial products and facilities available. Furthermore, the financial inclusion rate also increased to 85.10%, up from 76.19% in 2019. This achievement demonstrates progress in public knowledge and accessibility to formal financial facilities.

On the other hand, individual lifestyles, particularly among Generation Z, vary widely and influence their habits when using digital financial services like SPaylater. A simpler lifestyle tends to make someone less dependent on this deferred payment system. Conversely, individuals with a consumptive or luxurious lifestyle are more likely to use SPaylater, especially when their financial situation is inadequate. In such situations, Paylater services become an alternative that is considered capable of meeting their consumption needs even though their financial situation is not yet sufficient.(Restike et al., 2024).

According to Fromm (1995), in modern life, people's urge to consume is often no longer based on real needs. A consumerist lifestyle, particularly among adolescents, tends to be characterized by excessive buying behavior. This action is often carried out in an effort to achieve pleasure or happiness, even though the happiness felt is temporary and not entirely real. Fromm proposed the concept of excessive consumption as a general search for false pleasure in modern society, but this theory does not explain in detail how specific psychological and social mechanisms influence the consumer behavior of today's adolescents. Kartodiharjo (1995) suggests that consumer behavior is a socioeconomic condition whose growth is influenced by cultural factors. In this case, trends or fashions play an important role because they are easily spread and encourage people to consume certain products that are popular.(Ananda et al., 2023).

Observations show that the majority of Generation Z individuals utilize SPayLater when making purchases through the Shopee app. These purchases aren't solely for basic needs, but rather driven by a desire to follow current trends, one of which is buying items simply because they're cute.

Many studies focus on the influence of financial literacy and lifestyle on consumer behavior (Shiega et al., 2024), financial management (Holly et al., 2024), or e-wallet usage among Gen Z (Lestari et al., 2023). However, few have specifically examined the ability to pay pay later as a form of financial obligation related to digital loans.

Generation Z's use of SPaylater services is often influenced by a lifestyle that tends to follow trends without carefully considering financial capabilities. In this context, financial literacy plays a crucial role in enabling individuals to make wise financial decisions that align with their financial circumstances. Lack of financial literacy can be detrimental. This aligns with research.Rahmawati & Mirati (2022)Financial literacy can reduce consumer behavior, while a high-quality lifestyle can increase consumer behavior among SPaylater users. And researchHaiqal et al. (2024)which states that good financial literacy tends to reduce the risk of excessive use of SPaylater, while a high lifestyle and consumptive behavior can increase the tendency to use SPaylater as a means of fulfilling needs and desires, even though financial capabilities are limited. Therefore, this research was conducted because the author was interested in conducting research.

2. LITERATURE REVIEW
Financial Literacy
Financial literacy is now seen as an essential life skill that every individual needs to master to face long-term life challenges. This literacy encompasses a range of financial knowledge and

skills that enable individuals to manage and utilize money wisely, thereby improving their quality of life and standard of living.(Oktaviani et al., 2023).

An adequate level of financial literacy can provide various benefits to society, including helping individuals choose and utilize financial products and services according to their needs, developing more effective financial planning, and understanding the advantages and limitations of each available financial product and service.(Nasution et al., 2023).

Financial planning for the future and other financial decisions require a variety of skills. The importance of financial literacy education in people's daily lives cannot be overstated. Numerous examples demonstrate how wise choices influence one's future fortunes. This means that effective and strategic financial literacy is something every community should know or understand.(Sulhan & Choiruddin, 2021)Several factors are known to contribute to financial literacy levels among college students. These include the application of financial discipline within the family, financial learning experiences in college, peer influence, and individual habits and behaviors in managing daily finances.(Andriyani et al., 2022)

Chen and Volpe in researchSafitri & Dewa, (2022)There are several dimensions that shape a person's financial literacy. These dimensions include:

1. general understanding of basic financial concepts and principles,
2. knowledge of effective financial management,
3. the ability to assess the value or price of an item,
4. skills in planning finances for current and future needs, as well as
5. understanding of the various forms of risk associated with financial decisions.

Lifestyle

According to Heru Suprihadi (2017), lifestyle can be broadly understood as a pattern of living reflected in how a person allocates their time, which is seen through various activities such as work, hobbies, shopping habits, sports activities, and social activities. In addition, lifestyle also includes an individual's interests in various things such as food, fashion, family, and recreation, as well as their views or opinions about themselves, social issues, the business world, and various products. Thus, lifestyle reflects more than just social status or personality traits, because it encompasses the overall pattern of behavior and preferences of a person in living life.(Sanjaya, 2021).

Lifestyle (*lifestyle theory*) refers to an approach or view of how a person's lifestyle can affect their health and well-being. This theory covers various aspects, including eating habits, sleep patterns, physical activity, social activities, and psychological factors that influence a person's lifestyle. Lifestyle encompasses a set of habits, choices, and actions that a person performs on a daily basis. It encompasses all physical, mental, social, and emotional activities that shape an individual's lifestyle.(Harianto et al., 2024).

According to Mowen and Minor (2008) in Pulungan and Febriaty (2018), lifestyle refers to a person's way of living, as reflected in how they manage their time and spend their money. In other words, lifestyle is an individual's behavioral pattern characterized by activities, interests, habits, and how they allocate time and expenses. When associated with student life on campus, this creates a distinctive lifestyle pattern and reflects unique characteristics. This phenomenon also indicates a significant social and cultural shift and demonstrates a tendency towards increasing consumer behavior among students.

Lifestyle is also defined as the demands and habits of modern society which increasingly lead to the use of technology in various aspects of life, including financial transactions.(Saragih et al., 2023). Lifestyle Aspects of Paylater Users according toLestari et al (2023):

1. Consumptive:

   Paylater can stimulate consumer behavior due to the convenience of transactions without having to pay directly. This can encourage users to purchase items they don't actually need or don't have enough funds for.

2. Hedonist:

   The use of paylater is often associated with a hedonistic lifestyle, where consumers tend to seek instant gratification and prioritize wants over needs. They may be tempted to purchase luxury items or trendy products, even if they don't fit their financial means.

3. Dependence:

   Uncontrolled use of PayLater can lead to dependency. Users may struggle to control their spending and tend to rely on PayLater to meet daily needs or fleeting desires.

4. Psychological Impact:

   Excessive use of PayLater can cause anxiety and stress if users have difficulty paying their bills on time. This can impact their mental health.

5. Wasteful Behavior:

   Poorly managed PayLater can encourage wasteful behavior. Users may be inclined to purchase items they don't actually need simply because of the convenience of payment.

6. Peer Influence:

   Peer pressure or a desire to follow trends can also drive excessive PayLater use. Users may feel the need to purchase certain items to gain acceptance or social status within their group.

7. Financial Literacy:

   Low levels of financial literacy can exacerbate the negative impacts of PayLater. Users may not understand the risks associated with using PayLater, such as interest, late fees, or a drop in credit score.

Ability to Pay

Ability to pay refers to an individual's capacity to fulfill payment obligations for the exchange of goods or services. Before applying for a loan, an individual should consider their ability to repay the obligation to ensure they can cover the costs incurred. Optimal ability to pay requires managing financial behavior, particularly in distinguishing between needs and consumer desires.(Farizqi et al., 2022).

According to Firdausi et al. (2020),*Ability to Pay*(ATP) or ability to pay is a measure used to assess the extent to which a community is able to pay for a service or product, which is calculated based on the proportion of monthly income to the costs that must be borne. In the context of modern financial services, the ATP concept becomes very relevant when associated with the Spaylater payment system, namely a payment method that allows consumers to postpone payments and pay in installments at a later date.(Affandi et al., 2024).

Big and small*Ability to Pay*(ATP) The use of SPaylater services by individuals and the public is certainly influenced by various factors. Some of these include education level, knowledge, type of employment, income and expenditure, and personal motivation. Furthermore, the availability of information about SPaylater services and consideration of the price of goods or services also play a role in influencing a person's decision to use the service.(Hildayanti et al., 2021).

According to Arora et al. (2015), the ability to pay indicators include the following aspects:

1. There is an allocation of costs for payment of obligations

   The greater the proportion of expenses allocated by a family to meet its obligations, the greater their ability to pay contributions. Conversely, if the allocation is small, their ability to pay will tend to decrease.

2. The magnitude of the current need

   Household expenditure is an important indicator of a community's well-being. As income increases, household consumption patterns tend to shift from food to non-food spending.

3. Income sufficiency

   Income adequacy reflects the maximum amount of income a person can allocate to pay for services they receive. It measures how much income is sufficient to cover needs, including paying financial obligations.

4. The perception that the price paid is ideal

   Price perception is often the focus of this study, rather than objective pricing, given that buyers generally don't calculate the exact price of an item in detail when contemplating a transaction. They prefer to evaluate prices based on internal price benchmarks, which determine whether a value is considered affordable, fair, or high. This perception of price is a key element in the purchasing decision process. If the price is supported by attractive product characteristics, the probability of a transaction increases.(Murpratiwi et al., 2022).

METHODS

This study implemented a quantitative method based on an associative model, which serves to examine the relationship between several variables and to assess possible causal relationships. Unlike correlational research, which only observes statistical associations, associative research seeks to determine whether one variable can directly influence another variable. This study focused on individuals from Generation Z living in Medan City. Data collection began in March 2025. The study population consisted of all Gen Z residents in Medan, totaling 198,259 people, according to data published by the Central Statistics Agency (BPS). The sample was determined using a non-probability sampling method, where the sample size was calculated using the Slovin formula.

Translated with DeepL.com (free version)
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$$n = \frac{N}{1+Ne2} = = 99.94 = 100 \quad n = \frac{198.256}{1+198.259 \times (0,10)^2} = \frac{198.256}{1.983,59}$$

Information:
n = Number of samples
N = Population size
e= 10% margin of error

Using calculations with a 10% margin of error, the total sample size was 100 participants. The respondents in this study were Generation Z who utilize Spaylater.

Multiple linear regression techniques were applied to assess the significance level of the influence of independent variables on changes in the dependent variable. This analytical approach integrates various predictor variables to interpret variations in the primary outcome variable. Through this method, the research team was able to identify the direction and magnitude of the influence of each independent variable on the dependent variable. In the context of this study, an

associative-oriented quantitative methodology was implemented, while data processing was carried out using the Statistical Package for the Social Sciences (SPSS) version 25. Overall, the standard formula for the multiple linear regression equation can be described as follows:

$$KM = a + b1LK + b2GH + e$$

Description =
KM = Ability to Pay
a = Constant
b1b2 = Multiple regression coefficient
LK = Financial Literacy
GH = Lifestyle
e = Standard error

Hypothesis

Ha1: Financial Literacy (X1) has a partial effect on Ability to Pay (Y).

Ha2: Lifestyle (X2) has a partial effect on Ability to Pay (Y)

Ha3: Financial Literacy (X1) and Lifestyle (X2) have a simultaneous influence on Ability to Pay (Y)

A hypothesis is a temporary statement put forward as an answer to the formulation of a problem in a study, the truth of which still needs to be proven through the process of data collection and analysis.

RESULTS AND DISCUSSION

The data obtained in a study serves as a source of information that needs to be carefully processed for accurate interpretation. Therefore, further data processing is necessary to produce valid conclusions. In this study, the analytical methods applied include descriptive data analysis, classical assumption testing, and multiple linear regression analysis to detect the existence of an influential relationship between the studied variables. Given the quantitative nature of the data, the analytical approach implemented was statistical analysis. The research team utilized the support of the SPSS version 25 application to systematically process and analyze the research data.

Descriptive Data Test

Table 2 Descriptive Test of Data

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
JMLLK	96	14	25	21.20	2.532
JMLGH	96	5	25	17.90	4.624
JMLKM	96	7	15	10.98	1.897
Valid N (listwise)	96				

Source: Research Data, 2025 (Processed Data)

Through the results of descriptive testing, the distribution of data obtained by the research team can be described as follows:

1. The analysis findings show that the Financial Literacy variable recorded the highest mean score, namely 21.20 with a standard deviation of 2.532. The lowest score recorded was 14, while the highest score reached 25. This condition indicates that the research participants

have a relatively good level of financial understanding with a relatively consistent data distribution.

2. The average value of the Lifestyle variable is 17.90 with a standard deviation of 4.624. The minimum value recorded is 5 and the maximum value is 25. These results indicate that the respondents' lifestyles are quite diverse, with a wide distribution of data, reflecting differences in lifestyle patterns among respondents.

3. The Ability to Pay variable recorded the lowest average, at 10.98 with a standard deviation of 1.897. The minimum value was 7 and the maximum value was 15. This finding illustrates that respondents have a relatively limited ability to pay, but the data shows a fairly consistent distribution.

Overall, these findings indicate that while respondents' financial literacy levels are high, this is not fully reflected in their actual ability to pay. This discrepancy indicates that good financial understanding does not always translate directly to financial behavior or the ability to meet payment obligations. Furthermore, the respondents' diverse lifestyles are also a factor worth considering, as they can influence individual spending patterns and financial priorities.

Validity Test

The response scores of each participant and the total score of each variable were calculated with critical thresholds at the 0.05 and 0.01 significance levels. If the significance value is below 0.05, the item is categorized as valid or correlated. Validity was also confirmed by comparing the calculated r with the table r; if the calculated r is greater than the table r, the data is considered valid or correlated.

Validity Test Table

Question	R-calculated value	Significant Value
LK1	0.718	0,000
LK2	0.834	0,000
LK3	0.538	0,000
LK4	0.682	0,000
LK5	0.657	0,000
GH1	0.878	0,000
GH2	0.941	0,000
GH3	0.882	0,000
GH4	0.878	0,000
GH5	0.857	0,000

KM1	0.578	0,000
KM2	0.629	0,000
KM3	0.601	0,000
Significance	0.05	
Rtable value	0.2006	

Source: Research Data, 2025 (Processed Data)

The question shows a significance value below 0.05 and a calculated r value greater than the table r. Therefore, the data is categorized as valid or correlated, thus qualifying for the next testing phase.

Reliability Test

Reliability testing also measures the consistency of a measurement tool in measuring the symptoms under study. In this investigation, robustness is measured through Cronbach's Alpha. Instruments exceeding 0.6 on the alpha scale are classified as reliable. The evaluation criteria are straightforward. If Cronbach's Alpha exceeds the tabulated r value, the questionnaire items demonstrate satisfactory consistency. If the alpha metric falls below the tabulated r value, the items are considered inconsistent. Consequently, any variable is labeled "reliable" when its Alpha exceeds 0.6, while scores below this benchmark indicate inadequate reliability.

Cronbach Alpha Table

Reliability Statistics	
Cronbach's Alpha	N of Items
.821	13

Source: Research Data, 2025 (Processed Data)

The calculation results show that the Cronbach's Alpha reliability coefficient is 0.821, which is higher than the minimum threshold of 0.6. Therefore, the data is considered reliable and worthy of proceeding to the next testing stage.

Normality Test

According to Ghozali, the normality test aims to determine whether the residuals or disturbances in a regression model have a normal distribution. One graphical method used in this test is the PP Plot (Probability-Probability Plot), which is used to observe whether the residuals in a regression model are distributed according to a normal distribution.
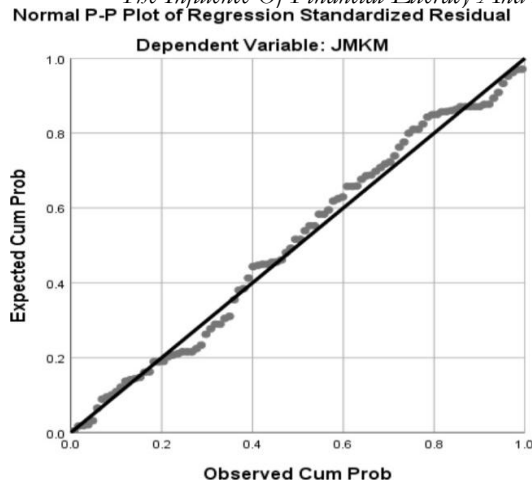
Normality Figure (P-plot)

Source: Research Data, 2025 (Processed Data)

The displayed figure illustrates that the regression model meets the assumptions described previously. This indicates that the data distribution in the regression model tends to follow a normal distribution pattern.

Multicollinearity Test

Multicollinearity testing is performed to assess the relationship between independent variables in a regression model. A regression model is considered adequate if there is no correlation between the independent variables. Evaluation is based on the Variance Inflation Factor (VIF) score, which must be below 10, or the Tolerance value, which must exceed 0.1. The findings of the multicollinearity test in this study are presented below.

Multicollinearity Table

Model	Collinearity Statistics	
	Tolerance	VIF
1 (constant)		
Financial Literacy	,957	1,045
Lifestyle	,957	1,045

Source: Research Data, 2025 (Processed Data)

From the table above, it can be concluded that there is no multicollinearity.

Heteroscedasticity Test

A scatterplot is a type of graph used to display the relationship between two variables in the form of points on a coordinate plane (the X and Y axes). In the context of regression analysis, scatterplots are often used to see whether residuals (prediction errors) have a certain pattern relative to the predicted values (fitted values).
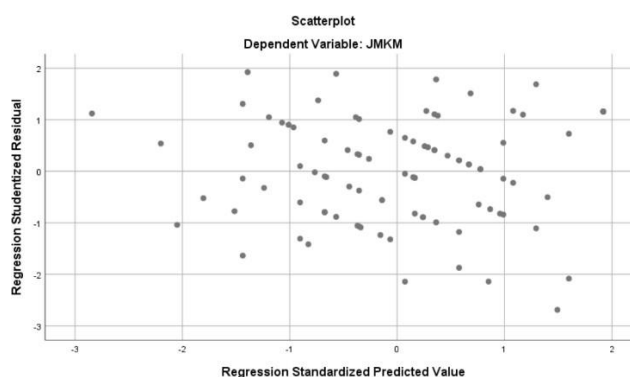
Heteroscedasticity Test Image
Source: Research Data, 2025 (Processed Data)

The random distribution of points and the absence of a particular pattern indicates that there is no violation of the assumptions in the heteroscedasticity (homoscedasticity) regression model.

Multiple Linear Analysis Test

The purpose of the hypothesis testing process is to assess whether the tentative assumptions formulated can be accepted or rejected based on the results of the data analysis. In this study, the proposed hypothesis focuses on the influence of financial literacy and lifestyle on Gen Z's ability to make Spaylater payments. The test was conducted using multiple linear regression methods, analyzed with the help of SPSS version 25 software to facilitate the process of data processing and interpretation by the researcher. The results of the data analysis using SPSS are presented as follows:

Table 1
Multiple Linear Regression Test
Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	1,166	1,277	
Financial Literacy	,328	,059	,342
Lifestyle	,593	,055	,660

Dependent Variable: Ability to Pay

Source: Research Data, 2025 (Processed Data)

Thus, the multiple regression equation can be known as follows:

$$KM = 1.166 + 0.328LK + 0.593GH$$

Information:

1. The constant value is 1.166 and is positive. This means that even though financial literacy and lifestyle are at the most basic level (unit value), Gen Z still has basic ability to pay SPaylater. This indicates that even though both variables are at their most basic values, other factors still influence ability to pay.
2. The regression coefficient for financial literacy is 0.328, positive and significant (>0.05). This means that every increase in Gen Z's understanding of financial literacy (e.g., better

understanding how to budget, prioritize spending, and avoid consumer debt) will increase their ability to pay SPaylater by 0.328 points.
3. The regression coefficient for lifestyle is 0.593, also positive and significant (>0.05). This means that every improvement in a healthier and more affordable lifestyle (such as being less consumptive, being wise in online shopping, and being more selective in spending) will increase SPaylater's ability to pay by 0.593 points.

Hypothesis Testing
t-test

The t-test serves as a statistical tool to evaluate the individual ability of each independent variable to explain the observed variance in the dependent variable. This test examines the isolated impact of the predictors by assessing the following hypotheses:

1. If the p-value of the t-statistic is greater than 0.05, the null hypothesis (H_0) is retained.
2. On the other hand, if the p-value is below the threshold of 0.05, the alternative hypothesis (H_a) is accepted, which indicates that the independent variable in question significantly affects the outcome variable.

The calculated t-value is determined by first calculating the degrees of freedom (df) using the formula df = n - k, which yields 93 (96 - 3). According to the statistical reference table, the appropriate t-critical value is found to be 1.985.

Table 2 t-test
Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1,166	1,277		,913	,364
Financial Literacy	,328	,059	,342	5,541	,000
Lifestyle	,593	,055	,660	10,703	,000

Dependent Variable: Ability to Pay
Source: Research Data, 2025 (Processed Data)

Based on the analysis findings, the Ha_1 hypothesis is categorized as accepted. This condition is proven by the calculated t-value of 5.541 which exceeds the t-table of 1.985, as well as a significance value of 0.000 which is below 0.05. The regression coefficient obtained also shows a positive value, namely 0.342. In other words, Financial Literacy has a positive and significant influence on the Ability to Pay. Then, the Ha_2 hypothesis is also accepted. The calculated t-value for the Lifestyle variable is 10.703 which exceeds the t-table of 1.985, with a significance value of 0.000 <0.05 and a positive regression coefficient of 0.660. Therefore, Lifestyle has a positive and significant impact on the Ability to Pay.

F test

In order to determine the F table value, the initial step is to calculate the degrees of freedom using the following formula: the degrees of freedom for the denominator are k − 1, namely 4 − 1 = 3, while the degrees of freedom for the numerator are n − k, namely 96 − 3 = 93. With a significance level of 5% (0.05), the F table value is 3.10.

Table 3 F Test

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	393,543	2	196,771	88,851	,000b
Residual	214,817	97	2,215		
Total	608,360	99			

a. Predictors: (Constant), Financial Literacy, Lifestyle
b. Dependent Variable: Ability to Pay
Source: Research Data, 2025 (Processed Data)

Based on the analysis findings in the table above, the calculated F value was 88.851 with a significance level of 0.000. Considering that the calculated F value exceeds the F table value of 3.10 (88.851 > 3.10), and the significance value is below the significance level of 0.05 (0.000 < 0.05), it can be stated that the hypothesis H₃ is accepted. Therefore, it can be stated that Financial Literacy and Lifestyle simultaneously have a significant influence on

Coefficient of Determination (R2)

The coefficient of determination is used to determine the Adjusted R square value, which has the function of analyzing how far the model's capacity is in interpreting fluctuations that occur in the dependent variable.

Table 4 Test of Determination Coefficient

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	,804a	,647	,640	1,488

a. Predictors (Constant),
b. Dependent Variable: Ability to Pay
Source: Research Data, 2025 (Processed Data)

Based on the analysis findings in the table, the Adjusted R Square value reached 0.640. This condition indicates that the Financial Literacy and Lifestyle variables contribute 64% to the Ability to Pay Spaylater in Generation Z, while the remaining 36% is influenced by other factors not included in this regression model.

Discussion

The Influence of Financial Literacy (X1) on the Ability to Pay Spaylater in Gen Z

These results indicate that financial literacy has a significant and positive impact on Generation Z's capacity to repay Spaylater. The t-statistic test obtained a p-value of 0.000, which is well below the critical limit of 0.05 (0.000 < 0.05), accompanied by a positive regression coefficient of 0.328. Furthermore, the recorded t-statistic of 5.541 exceeds the critical value of

1.985 (5.541 > 1.985). These findings emphasize that increased financial literacy significantly drives increased payment capabilities through Spaylater.

The results of this study are in accordance with the opinionLusardi & Mitchell (2023)which states that financial literacy reflects an individual's ability to make intelligent financial decisions, including managing debt and understanding credit risk. In the context of digital lending services like SPaylater, financial literacy is a key factor in enabling individuals to plan timely payments and avoid the risk of default.

StudyFrederica et al., (2023)explains that the more adequate a person's financial literacy, the more confident they are in using online loan facilities. This is because mature financial literacy is used to inform decisions about taking out online loans.

Low levels of financial literacy can lead individuals to high-risk financial products like conventional online loans. Therefore, educational activities related to financial literacy play a crucial role in improving the ability to understand and be aware of financial literacy.(Riduwan et al., 2024).

The Influence of Lifestyle (X2) on the Ability to Pay Spaylater in Gen Z

Lifestyle factors significantly and positively influence Generation Z's ability to meet Spaylater payment commitments. The statistical t-test for this variable yielded a p-value of 0.000, which is below the 0.05 threshold (0.000 < 0.05), with a good regression coefficient of 0.593. Furthermore, the observed t-score of 10.703 exceeded the critical value of 1.985 (10.703 > 1.985), reinforcing the conclusion that lifestyle plays a significant role in improving payment ability.

Lifestyle is an individual's patterns of behavior, habits, and preferences in daily life, reflecting their values, interests, and perspectives. Lifestyle influences consumption decisions, including the use of digital credit facilities like Spaylater.

StudySaputra & Sudarwanto (2023)supports this finding by stating that lifestyle has a positive and significant influence on purchasing behavior using Shopee Paylater, due to the flexibility that suits consumers' styles, interests, and views.

In addition, a high lifestyle often encourages consumer behavior, such as shopping following the latest fashion trends, buying imported products, and paying for certain services to maintain one's appearance.(Hidayah et al., 2023)This situation encourages individuals, especially Gen Z, to use online loans as a way to fulfill their desires and lifestyle needs.

The Simultaneous Influence of Financial Literacy and Lifestyle on the Ability to Pay Spaylater in Gen Z

Financial literacy and lifestyle simultaneously produce a statistically significant influence on Generation Z's capability in completing transactions via SPayLater. The F-test yielded a calculated figure of 88.851 with a p-value of 0.000. Considering that this F-statistic figure exceeds the critical threshold of 3.10 (88.851 > 3.10) and the significance level is positioned below 0.05 (0.000 < 0.05), it can be determined that these two predictive factors collectively contribute a substantial impact on the fluctuation of the outcome variable.

The Adjusted R Square figure of 0.640 shows that 64% of the change in Spaylater repayment capacity in Generation Z can be explained by financial education and consumer preferences, while the remaining 36% is influenced by external elements that are not integrated in this research framework.

These findings validate the synergy between adequate financial competence and consumption trends aligned with personal economic circumstances in strengthening Generation Z's ability to manage Spaylater payments. When Generation Z attains an optimal level of financial education, they are able to execute more strategic economic choices, including utilizing Spaylater facilities. Similarly, a lifestyle aligned with financial capacity can minimize the risk of late or failed payments.

CONCLUSION

Based on the research findings and previous discussions, it can be concluded that financial literacy significantly and positively contributes to Generation Z's ability to meet SPaylater payment obligations. A strong understanding of personal finance empowers individuals to manage money wisely, which in turn facilitates timely digital credit payments. Likewise, lifestyle choices demonstrate a meaningful and beneficial impact on repayment ability. When tailored to financial conditions and needs, lifestyle becomes a supporting factor in fostering responsible financial behavior among Gen Z. Combined, financial literacy and lifestyle are crucial determinants of repayment ability. However, it is important to recognize that other variables not covered in this study can also influence this financial behavior. Given these findings, it is crucial for various parties to continue promoting education on financial literacy and raising awareness of the importance of living a financially healthy lifestyle. This is expected to help Generation Z utilize digital credit services more optimally and reduce the potential for default. Furthermore, digital credit service providers are also expected to consider these aspects in designing education and service strategies, in order to create more responsible and sustainable online lending practices.

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