

## **PAIN OF PAYING AS MEDIATION: AN ANALYSIS OF THE INFLUENCE OF DIGITAL PAYMENTS AND FINANCIAL LITERACY ON STUDENTS' IMPULSE BUYING BEHAVIOR**

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### **Abstract**

This study analyzes the influence of digital payment usage and financial literacy on impulsive buying behavior, with pain of paying as a mediating variable. This topic is important due to the high adoption of digital payments among Generation Z, which potentially reduces psychological control during transactions and encourages consumptive behavior. The research aims to investigate whether digital payment usage and financial literacy influence impulsive buying, as well as the mediating role of the pain of paying in this relationship. Using a quantitative approach, a survey was conducted with 100 students at the Islamic University of Malang. The data were analyzed using PLS-SEM with SmartPLS 4. The results indicate that digital payment usage has a significant positive effect on impulsive buying, while financial literacy has a significant negative effect. Furthermore, the pain of paying partially mediates the effect of digital payment usage on impulsive buying, but does not mediate the relationship between financial literacy and impulsive buying. In conclusion, digital payments encourage impulsive buying by reducing the pain of paying, whereas financial literacy directly strengthens consumption control without involving the pain of paying. These findings contribute to the theory of digital consumer

behavior and highlight the importance of financial literacy programs in the context of digital transactions.

**Keywords:** digital payment, financial literacy, pain of paying, impulsive buying behavior, Generation Z

## INTRODUCTION

### Background

The rapid development of digital technology has changed the way people transact, characterized by the rapid increase in the use of digital payments. Bank Indonesia Governor Perry Warjiyo in his press conference reported that the national digital transaction volume in 2024 reached 34.5 billion, growing 36.1% from the previous year (Untari, 2025). This trend is most dominant among generation Z, including college students, where a survey by Visa Indonesia (2022) shows that 89% of students use digital wallets in their daily activities. Although it offers convenience, this phenomenon also has the potential to encourage consumptive behavior, especially impulse purchases.

One of the factors that explains this phenomenon is the reduction of pain of paying, which is the psychological pain when spending money. Non-cash payments make individuals less likely to feel money losses than cash payments (Shah et al.). This condition is in line with the findings of Bakar et al. (2025) and Fachrudin et al. (2023) that digital transactions reduce the pain of paying thereby increasing impulsive behavior. However, the low financial literacy of students, which according to the OJK (2024) is only 56.42%, has the potential to worsen this trend.

A number of previous studies have shown inconsistent results. Aulia et al. (2023) found that financial literacy plays a role in suppressing impulse purchases, while Andayani (2024) showed that financial literacy did not have a significant effect. In fact, a study by Pratnyawati & Mardiana (2023) found that financial literacy can be positively correlated with student consumptive behavior. This empirical contradiction raises fundamental questions about how financial literacy actually works in the context of impulsive behavior in the digital age.

The research gap arises from two things. First, most studies emphasize the direct influence of digital payment use and financial literacy on impulse purchases, but not many have explored the role of the psychological mechanism of pain of payment as a mediator. Second, it is still rare for research to be conducted on business students who, despite having theoretical knowledge of finance, still show high consumptive behavior. The urgency of this research lies in the importance of understanding these contradictions, both to strengthen the theory of digital consumer behavior and to design strategies to increase financial literacy among generation Z.

Based on this, this study seeks to answer the question: whether the use of digital payments and financial literacy affects students' impulsive behavior, how they affect the pain of paying, and the extent to which pain of paying plays a role in mediating the relationship. In line with that, this study aims to analyze the influence of the use of digital payments and financial literacy on students' impulse purchase behavior, examine the role of pain of paying as a dependent variable and mediator, and test its ability to explain the contradictions of previous empirical findings. Thus, this research is expected to make a theoretical contribution to the literature on digital consumer behavior as well as practical implications for the development of student financial literacy in the digital payment era.

## **LITERATURE REVIEW**

### **Stimulus–Organism–Response (SOR) Theory**

Theory *Stimulus-Organism-Response* (SOR), introduced by Mehrabian and Russell (1974), describes how external stimuli affect individuals through internal psychological processes, which then produce observable responses. This theory consists of three main components: (1) Stimulus: External factors that affect individuals, in this study is the use of digital payments. (2) Organism: Internal processes within the individual, which include the pain of paying (pain

when paying) and financial literacy. (3) Response: The resulting behavior, namely impulse buying.

### **Dual-Process Theory**

The Dual Process Theory, which was introduced by Daniel Kahneman (2011) in his book *Thinking Fast and Slow*, explains that human decision-making involves two different and interacting cognitive systems: System 1 and System 2.

System 1: Operates automatically and quickly, driven by emotions and intuition. These systems work with minimal cognitive effort, often based on heuristics and previous experience. System 2: Works slower, is more analytical, and requires greater cognitive effort. Decisions taken through System 2 are more rational and carefully considered.

### **Mental Accounting**

Mental Accounting Theory (Thaler, 1999) states that individuals tend to divide their financial resources into different "mental accounts". Payment methods affect how individuals process expenses: In cash payments it is more visible and tangible, thus giving rise to the pain of paying higher (Shah et al., 2024). This concept may explain why the use of digital payments can weaken spending awareness and increase impulse buying tendencies.

### **Impulsive Buying Behavior**

Impulse buying is a buying decision made spontaneously without planning (Rook & Fisher, 1995). Factors that trigger this behavior include emotional conditions, environmental stimuli, and ease of access to payments. Impulsive buying is measured through four indicators, namely spontaneity of purchase, rushed purchase, indifference to consequences, and purchases influenced by emotional states (Yulinda et al., 2022).

A number of studies have found that the use of digital payments increases the potential impulsive buying (Aulia et al., 2023), while financial literacy plays a role in suppressing this behavior by increasing self-awareness and control (Cherly & Artadita, 2022) In perspective Stimulus-Organism-Response Theory (Mehrabian & Russell, 1974), the ease of digital payments acts as a stimulus that affects the psychological state of consumers (the pain of paying), which then triggers impulse buying behavior.

### **Digital Payment Usage**

According to Gosal and Lityawati (2008), digital payment is a payment system that is specifically designed to manage electronic purchase transactions through the internet. The use of digital payment can be measured through perceived ease of use, perceived credibility, perceived usefulness, behavior intention and Social Influence (Riska, 2022).

Digital payments are closely related to other variables by lowering the pain of paying due to its fast and invisible nature of transactions, as well as increasing the potential of impulsive buying behavior by making it easier to purchase without planning (Shah et al., 2016; Ramadany & Artadita, 2022; Aulia et al, 2023).

**H1** : Digital Payment Usage has a Positive and Significant Effect on Impulsive Buying Behavior

**H3** : Digital Payment Usage has a negative and significant effect on the Pain of Paying

### **Financial Literacy**

Financial literacy is the ability of individuals to understand and manage financial resources effectively (Lusardi & Mitchell, 2014). According to the OECD (2016), financial literacy is not only limited to theoretical understanding, but also includes the ability to make the right financial decisions

in daily life. Financial literacy is measured through four indicators, namely *General Knowledge of Financial Literacy, Savings and Borrowing, Insurance, and Investment* (Azhari, 2023).

Financial literacy plays an important role in controlling consumptive behavior. Aulia et al. (2023) found that good financial literacy suppresses impulsive buying tendencies, while research by Cherly and Artadita (2022) confirms that financial understanding is able to moderate the negative impact of digital payment use. On the other hand, Andayani's research (2024) shows that low financial literacy makes the younger generation vulnerable to consumptive behavior even though they have access to digital payment technology. Financial literacy acts as a cognitive mechanism that maintains an individual's awareness of the pain of paying. Theoretically, individuals with a high level of financial literacy tend to be better able to account for the financial consequences of a transaction so that the feeling of discomfort when paying is still present even though the payment is made digitally. This awareness allows the activation of rational cognitive processes (System 2) which functions to control impulsive impulses that arise due to the ease of digital transactions. Thus, financial literacy not only serves as a protective factor against consumptive behavior, but also weakens the negative influence of digital payment use on impulse buying behavior through strengthening psychological mechanisms the pain of paying.

**H2** : Financial Literacy has a negative and significant effect on Impulsive Buying Behavior

**H4** : Financial Literacy has a negative and significant effect on the Pain of Paying.

### **Pain of Paying**

According to Bakar et al. (2025), the Pain of Paying refers to the psychological discomfort experienced by

consumers when making payments. In this study, the Pain of Paying is measured using seven indicators: feelings when paying for daily necessities with cash, when paying for hedonic consumption, when paying for health products, when making compulsory charity payments, when making voluntary charity payments, when taking money out of the wallet, and when making non-cash payments (Silalahi et al., 2023).

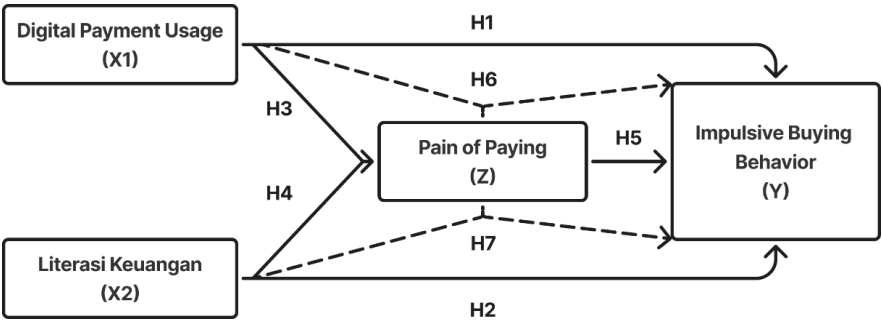
Several studies demonstrate that digital payment instruments consistently reduce the pain of paying (Ma et al., 2023; Bakar et al., 2025), thereby increasing the tendency for impulsive buying. Conversely, individuals with a higher level of financial literacy are more likely to activate cognitive rationality (System 2), enabling them to better control feelings of loss during transactions. As a result, the relationship between digital payment usage and impulsive buying behavior can be weakened.

**H5** : Pain of Paying has a negative and significant effect on Impulsive Buying Behavior

**H6** : Pain of Paying significantly mediates the relationship between Digital Payment Usage and Impulsive Buying Behavior

**H7** : Pain of Paying significantly mediates the relationship between Financial Literacy and Impulsive Buying Behavior

**Conceptual Framework**



**Figure 1. Conceptual Framework**

## RESEARCH METHODS

The population of this study is students who are included in the category of Generation Z, namely individuals born between 1997–2012, with the characteristics of actively using digital payments in daily activities. This generation was chosen because it has a high level of digital technology adoption but on the other hand still shows relatively low financial literacy (OJK, 2024), so it is relevant to the focus of research. The number of research samples was determined based on the Partial Least Squares–Structural Equation Modeling (PLS-SEM) analysis criteria. Hair et al. (2017:26), recommended the need for 41–48 respondents for a model with 2–3 predictors ( $R^2$  at least 0.25;  $\alpha=5\%$ ; power=80%). According to Hair et al. (2017:28), the minimum sample size in PLS-SEM follows the rules *10-times rule*, which is ten times the number of indicators that lead to a construct in the model. In this study, the impulsive buying behavior construct has 10 indicators, so the minimum number of samples required is 100 respondents. Thus, the use of 100 respondents has met the Criteria. Chin (1998) also asserted that PLS-SEM can be estimated with a relatively small sample, as long as the sample size meets the basic rules regarding the number of indicators in the model. Therefore, the use of 100 respondents is considered adequate and in accordance with the PLS-SEM analysis standards.

The sampling techniques used are purposive sampling, with the criteria that respondents are Generation Z students who actively use digital payments at least three times a week. This technique was chosen to ensure that respondents are truly relevant to the phenomenon being studied, so that the data obtained is more valid and can describe the consumptive behavior patterns of students in the era of digital payments. The research instrument was in the form of a questionnaire with a 5-point Likert scale adapted from previous research. Data analysis is carried out using Partial Least Squares–Structural Equation Modeling (PLS-SEM) with the help of SmartPLS 4 software, including outer and inner model tests.

## RESULTS OF DATA ANALYSIS

### Respondent Profile

**Table 1.** Respondents Demographics

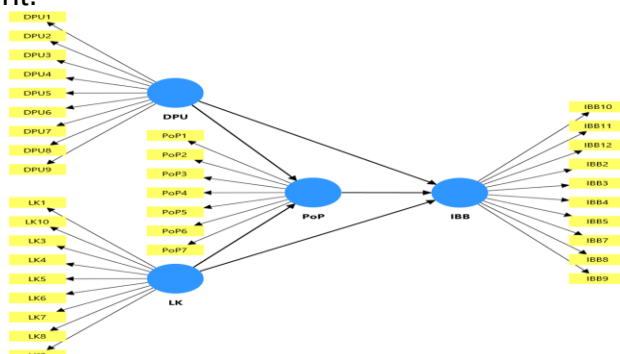
| Description | Demographics            | Frequens | Percentage |
|-------------|-------------------------|----------|------------|
| Gender      | Men                     | 28       | 28%        |
|             | Women                   | 72       | 72%        |
| Age         | 21-22                   | 70       | 70%        |
|             | 23-24                   | 30       | 30%        |
| Courses     | Business Administration | 37       | 33%        |
|             | Management              | 63       | 63%        |

Source : Processed Researcher (2025)

The grand mean of financial literacy of 3.56 indicates that the level of understanding of respondents is in the category of quite good. The pain of paying variable obtained a grand mean of 3.21, indicating that respondents relatively did not feel psychological barriers when making digital transactions. The use of digital payments has a grand mean of 3.78, reflecting a high intensity of use, while impulsive buying with a grand mean of 3.64 shows a fairly strong tendency for consumptive behavior in Gen Z students.

### Test Measurement Model (Outer Model)

The measurement model serves as a tool to test the validity of the construct and the reliability of the instrument. In the evaluation of this model, there are several criteria that are met, namely indicators have a value Loading Factor  $> 0.7$  (Convergent validity), AVE value  $> 0.5$ , Cronbach Alpha and Composite Reliability  $> 0.7$ , which indicates a valid and reliable instrument.



**Figure 2.** Measurement Model

**Table 2.**Outer Loading *Results*

|       | Digital Payment Usage | Impulsive Buying Behavior | Financial Literacy | Pain of Paying |
|-------|-----------------------|---------------------------|--------------------|----------------|
| DPU1  | <b>0,826</b>          | 0,371                     | -0,102             | -0,481         |
| DPU2  | <b>0,886</b>          | 0,428                     | -0,003             | -0,692         |
| DPU3  | <b>0,883</b>          | 0,352                     | 0,252              | -0,669         |
| DPU4  | <b>0,782</b>          | 0,290                     | 0,071              | -0,634         |
| DPU5  | <b>0,826</b>          | 0,591                     | -0,144             | -0,582         |
| DPU6  | <b>0,789</b>          | 0,665                     | -0,168             | -0,665         |
| DPU7  | <b>0,951</b>          | 0,534                     | -0,028             | -0,753         |
| DPU8  | <b>0,836</b>          | 0,372                     | 0,007              | -0,565         |
| DPU9  | <b>0,892</b>          | 0,623                     | -0,075             | -0,756         |
| IBB10 | 0,565                 | <b>0,993</b>              | -0,582             | -0,623         |
| IBB11 | 0,571                 | <b>0,989</b>              | -0,575             | -0,629         |
| IBB12 | 0,528                 | <b>0,989</b>              | -0,607             | -0,626         |
| IBB2  | 0,574                 | <b>0,993</b>              | -0,594             | -0,634         |
| IBB3  | 0,562                 | <b>0,997</b>              | -0,581             | -0,611         |
| IBB4  | 0,545                 | <b>0,990</b>              | -0,616             | -0,623         |
| IBB5  | 0,582                 | <b>0,986</b>              | -0,549             | -0,643         |
| IBB7  | 0,553                 | <b>0,993</b>              | -0,592             | -0,635         |
| IBB8  | 0,587                 | <b>0,985</b>              | -0,528             | -0,612         |
| IBB9  | 0,564                 | <b>0,994</b>              | -0,567             | -0,593         |
| LK1   | -0,110                | -0,552                    | <b>0,833</b>       | 0,195          |
| LK10  | 0,003                 | -0,508                    | <b>0,850</b>       | 0,142          |
| LK2   | 0,010                 | -0,491                    | <b>0,978</b>       | 0,195          |
| LK3   | -0,103                | -0,543                    | <b>0,876</b>       | 0,244          |
| LK5   | 0,019                 | -0,567                    | <b>0,818</b>       | 0,075          |
| LK6   | -0,032                | -0,513                    | <b>0,842</b>       | 0,205          |
| LK7   | 0,010                 | -0,491                    | <b>0,978</b>       | 0,195          |
| LK8   | 0,010                 | -0,491                    | <b>0,978</b>       | 0,195          |
| LK9   | -0,048                | -0,530                    | <b>0,896</b>       | 0,149          |
| PoP1  | -0,380                | -0,442                    | 0,303              | <b>0,710</b>   |
| PoP2  | -0,487                | -0,290                    | -0,129             | <b>0,643</b>   |
| PoP3  | -0,731                | -0,581                    | 0,149              | <b>0,854</b>   |

|      | Digital Payment Usage | Impulsive Buying Behavior | Financial Literacy | Pain of Paying |
|------|-----------------------|---------------------------|--------------------|----------------|
| PoP4 | -0,770                | -0,541                    | 0,024              | <b>0,806</b>   |
| PoP5 | -0,580                | -0,538                    | 0,292              | <b>0,793</b>   |
| PoP6 | -0,544                | -0,482                    | 0,368              | <b>0,792</b>   |
| PoP7 | -0,490                | -0,435                    | 0,045              | <b>0,760</b>   |

Source : SmartPLS 4 (2025)

**Table 3.** Cronbach's alpha, Composite reliability (rho\_c) and Average variance extracted (AVE) values

|            | Cronbach's alpha | Composite reliability (rho_c) | (AVE) |
|------------|------------------|-------------------------------|-------|
| <b>DPU</b> | 0,953            | 0,960                         | 0,729 |
| <b>IBB</b> | 0,998            | 0,998                         | 0,982 |
| <b>LK</b>  | 0,969            | 0,973                         | 0,804 |
| <b>Pop</b> | 0,884            | 0,909                         | 0,590 |

Source : SmartPLS 4 (2025)

From the results of this model evaluation, it shows that all indicators have a value Loading Factor > 0.7, AVE value > 0.5, Cronbach Alpha and Composite Reliability > 0.7, which indicates a valid and reliable instrument.

### Structural Model Test (Inner Model)

**Table 4.** R-Square Value

|                           | R-square | R-square adjusted |
|---------------------------|----------|-------------------|
| Impulsive Buying Behavior | 0,658    | 0,648             |
| The Pain of Paying        | 0,553    | 0,544             |

Source : SmartPLS 4 (2025)

The coefficient of determination ( $r^2$ ) shows 64.8% variation impulsive buying behavior explained by digital payment usage, financial literacy, and The Pain of Paying. while 54.4% variation The Pain of Paying explained by Digital Payment Usage and financial literacy

**Table 5.** Hypothesis testing with direct effect bootstrapping

|            | Original sample (O) | T statistics ( O/STDEV ) | P values | Ket      |
|------------|---------------------|--------------------------|----------|----------|
| DPU -> IBB | 0,169               | 2,137                    | 0,016    | Accepted |
| DPU -> PoP | -0,744              | 18,403                   | 0,000    | Accepted |

|            |        |        |       |          |
|------------|--------|--------|-------|----------|
| LK -> IBB  | -0,578 | 11,624 | 0,000 | Accepted |
| LK -> PoP  | -0,061 | 0,833  | 0,203 | Rejected |
| PoP -> IBB | -0,437 | 5,406  | 0,000 | Accepted |

Source : SmartPLS 4 (2025)

**Table 6.** Indirect effect bootstrapping testing

|                   | Original sample (O) | T statistics ( O/STDEV ) | P values | Ket      |
|-------------------|---------------------|--------------------------|----------|----------|
| DPU -> PoP -> IBB | 0,325               | 4,874                    | 0,000    | Accepted |
| LK -> PoP -> IBB  | 0,027               | 0,781                    | 0,218    | Rejected |

Source : SmartPLS 4 (2025)

## DISCUSSION

### The Effect of Digital Payment Usage on Impulsive Buying Behavior

The results of the study show that this hypothesis is accepted, where the use of digital payments has a significant positive effect on students' impulse buying behavior ( $\beta=0.169$ ;  $p<0.05$ ). These findings indicate that the more often students use digital payments, the higher their tendency to make spontaneous purchases without planning. This can be explained through the S-O-R theory, where the ease of access, transaction speed, and promotions offered by e-wallets reduce psychological barriers and weaken self-control, making consumptive decisions easier. These results are consistent with Aulia et al. (2023) and Ma et al. (2024) who found that the intensity of e-wallet use and the ease of digital transactions increase consumptive behaviors, including impulse purchases.

### The Effect of Financial Literacy on Impulsive Buying Behavior

The results of the study show that this hypothesis is accepted, where financial literacy has a significant negative effect on impulsive buying ( $\beta = -0.578$ ;  $p<0.01$ ). This means that the higher the student's financial understanding, the lower their tendency to make spontaneous purchases. This finding is in line with the Dual Process Theory (Kahneman, 2011), where individuals with high literacy are more likely to use rational thinking processes (System 2) in weighing financial decisions, thus being able to suppress the emotional urge to spend

impulsively. These results are consistent with Oktaviani et al. (2023) and Ramadany & Artadita (2022) who also found that financial literacy plays an important role in controlling students' impulsive spending behavior.

### **The Effect of Digital Payment Usage on the Pain of Paying**

This relationship hypothesis is accepted, where the use of digital payments has a significant negative effect on pain of paying ( $\beta = -0.744$ ;  $p < 0.01$ ). This means that the more intensely students use digital payment methods, the lower the psychological discomfort felt when making transactions. These findings are consistent with the concept of mental accounting and coupling effect (Prelec & Loewenstein, 1998), where decoupled digital payments separate consumption from the payment process so that the sense of loss of money is reduced. These results are in line with Ma et al. (2023) and Fachrudin et al. (2023) who also found that the non-cash method reduces the level of pain of paying compared to cash payments.

### **The Effect of Financial Literacy on the Pain of Paying**

This hypothesis was rejected, because financial literacy had no significant effect on pain of paying ( $\beta = 0.061$ ;  $p > 0.05$ ). This means that students' financial understanding has not been proven to increase or decrease the sense of discomfort when paying. This can be explained by the characteristics of respondents, namely generation Z who are used to digital transactions so that emotional attachment to physical money weakens. In addition, financial literacy in the form of knowledge is not necessarily automatically used in controlling emotions when dealing with digital payments that are fast, practical, and full of promotional offers. In other words, the convenience factor of technology can mask the role of financial knowledge in shaping the psychological experience of paying. These results are in line with Pratnyawati & Mardiana (2023) who show that high financial literacy is not always effective in restraining consumptive behavior when digital convenience is more dominant. These findings imply that further research needs to explore moderation variables such as self-control,

financial attitude, or digital experience, as well as compare across generations to better understand the conditions when financial literacy fails to affect the pain of paying.

### **The Effect of Pain of Paying on Impulsive Buying Behavior**

This hypothesis is accepted, where pain of paying has a significant negative effect on impulsive buying ( $\beta = -0.437$ ;  $p < 0.01$ ). The greater the inconvenience when paying, the lower the tendency of students to buy impulsively. This is in line with the concept of mental accounting and the coupling effect (Prelec & Loewenstein, 1998), that a real sense of loss of money encourages individuals to think more rationally before buying. These results are supported by Massenet (2022) who found that individuals with high levels of pain of paying are more selective in spending, and Shah et al. (2024) who show that a decrease in pain of paying in digital payments encourages consumptive behavior. In the context of college students, those who are more aware of the limitations of monthly money tend to hold back spontaneous purchases, while those who do not feel loss when transacting digitally are more easily encouraged to impulse shopping.

### **The Effect of Digital Payment Usage on Impulsive Buying Behavior Through the Pain of Paying**

This hypothesis is accepted, in which pain of paying is shown to significantly mediate the relationship between digital payment use and impulse buying behavior ( $\beta = 0.325$ ;  $p < 0.01$ ). This means that in addition to having a direct effect, digital payments also increase impulsive buying through psychological mechanisms in the form of reducing pain of paying. These findings are in line with the framework of the Stimulus–Organism–Response (S-O-R) Theory, where the intensity of e-wallet use (stimulus) decreases the perception of discomfort when paying (organism) thereby triggering consumptive behavior (response). Research by Ma et al. (2023) and Shah et al. (2016) supports these findings by showing that the non-cash method weakens the sense of losing money, so consumers are more motivated to make

spontaneous purchases. In the context of Gen Z students, the habit of digital transactions makes the sense of losing money thinner, which ultimately reinforces the tendency to impulsive behavior.

### **The Effect of Financial Literacy on Impulsive Buying Behavior Through the Pain of Paying**

This hypothesis is rejected, because pain of paying does not mediate the relationship between financial literacy and impulsive buying ( $\beta = 0.027$ ;  $p > 0.05$ ). These findings show a difference between direct and indirect effects. Directly, financial literacy suppresses impulsive behavior because financial knowledge encourages rational thinking processes in managing expenses. However, the mediation path through pain of paying is not significant, because financial knowledge is cognitive and does not automatically strengthen the emotional experience when paying. In the context of practical and minimal digital transactions, the sense of losing money is more determined by the characteristics of the payment system, not by the level of literacy. Thus, financial literacy plays a role in resisting impulsive purchases through rational control, but fails to work through the psychological mechanisms of pain of paying. These findings open up opportunities for future research to add other psychological variables, such as self-control or financial attitude, as well as cross-generational comparisons to better understand when financial literacy can play a role through affective mechanisms.

## **CONCLUSIONS and SUGGESTIONS**

### **Conclusion**

Research results shows that the use of digital payments has an important role in encouraging impulse buying behavior in students, either directly or indirectly through a decrease in The Pain of Paying. This indicates that the convenience, speed, and minimal nature of transactions from digital payments can reduce the perception of losing money, thereby encouraging less controlled consumption behavior. Financial literacy has been shown to contribute to suppressing impulse purchases directly, but it has no effect on the level of The Pain

of Being Paid, This means that financial management skills have not fully influenced the psychological perception of paying in the context of digital payments. These findings reinforce the relevance of Stimulus–Organism–Response Theory in mapping the influence of external factors on consumption behavior through psychological mechanisms, supporting Mental Accounting Theory in explaining the role of payment methods on expenditure perception, and emphasizing Dual-System Theory regarding the different roles of rational and emotional processes in financial decision-making.

### **Suggestion**

Practically, digital payment service providers are advised to add a reminder feature or transaction limit to increase spending awareness. Educational institutions need to strengthen practice-based financial literacy programs so that students can apply financial knowledge in digital transaction situations. Further research can expand the object to other demographic groups as well as consider additional psychological variables such as Self-control or Financial Attitude to enrich the analysis model.

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