

Original Article

BNPL (Buy Now, Pay Later) and Its Effect on Debt Perception & Saving Habits of Gen Z Students in India

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ABSTRACT: *The rapid proliferation of Buy Now, Pay Later (BNPL) services across India's digital financial landscape has fundamentally altered consumption patterns among younger demographics. This study investigates how BNPL adoption shapes debt perception and saving behaviour among Generation Z (Gen Z) students in India, a cohort whose financial attitudes are simultaneously malleable and consequential for national economic health. Employing a descriptive cross-sectional research design, primary data were collected from 86 fully complete responses filtered from 109 total submissions via a structured questionnaire administered through Google Forms. Descriptive statistics, chi-square tests of independence and reliability analysis (Cronbach's alpha = 0.77) were conducted to identify trends from a total of 25 survey items, including demographic profiling data along with BNPL usage behaviour, debt consciousness, as well as saving discipline over the 25 questions surveyed. The key findings show that 79.1% of the respondents are aware of BNPL services; there is a significant association between their frequency use for BNPL and erratic savings habits (Hypothesis III) ($\chi^2 = 21.39, p=0.011$); level concern with debt being an important predictor to debt perception as such information appear in correspondence results (Hypothesis II) ($\chi^2 = 25.06, p<0.001$). The average Likert score on impulsive buying tendency is 3.77/5, indicating a significant degree of susceptibility to unplanned purchases, with an ease drawn by BNPL. The study presents essential findings from a comparatively neglected but digitally ubiquitous consumer group, and guides policymakers as well as fintech creators towards actionable insights.*

KEYWORDS: Buy Now Pay Later, Gen Z Financial Behaviour, Debt Perception, Saving Habits, Fintech India, Consumer Credit.

1. INTRODUCTION

The Indian consumer credit market has undergone a profound transformation over the past half-decade, driven principally by the convergence of smartphone penetration, Unified Payments Interface (UPI) infrastructure, and the emergence of embedded finance. In this ecosystem, Buy Now, Pay Later – a deferred payment instrument allowing consumers to purchase goods or services at the current point of sale (POS), but spreading the cost over subsequent instalments without necessarily incurring any upfront interest – has secured an impressive share of the market with younger generations and digital natives. Amazon Pay Later, Flipkart Pay Later, etc. and LazyPay & Simpl have onboarded tens of millions of users together (a big part from the Gen Z age group born time ~ 1997-2012).

We consider it behavioural finance; the perception of debt means perceiving being in debt or inducing any financial liability, also called Debt. In fact, research shows that when consumers see a transaction as immediate payment (i.e. cash or UPI), they behave more carefully than under credit instruments. This psychological check may be weakened by BNPL, which abstracts the payment to a future date. In the same way, the experience of consumers' aggregate saving behaviour – a key part of their long-term financially healthy balance sheet – may in fact be undermined if some current spending commitments squeeze out future savings opportunities.

Although significant global research has been conducted regarding BNPL dynamics, the literature concerning India's Gen Z population is limited as it relates to both debt perception and saving habits being interdependent outcomes. This research fills that gap by analyzing primary survey data collected from 86 Gen Z students enrolled at Indian higher education institutions and performing chi-square tests along with Cronbach's Alpha reliability analysis to generate Scopus-quality empirical insights. The results have implications for scholarship in consumer finance and behavioural economics as well as fintech product design, financial wellness programs on university campuses or regulatory deliberations at the Reserve Bank of India (RBI).

2. LITERATURE REVIEW

2.1. BNPL: A GLOBAL MACRO HISTORY BEHIND US EXPANSION

The BNPL (later/ installment purchases) model was conceptually derived from mid-twentieth-century retail economics through layaway and hire-purchase arrangements (Massaro, 2021). In its modern, digitized form, it emerged in Australia with the likes of Afterpay and disseminated on platforms through Europe into North America. Global adoption was faster during the

COVID-19 pandemic when consumers turned to e-commerce as well as interest-free credit in a period of economic uncertainty (Aitken, 2020; Haddad & Hornuf, 2021). BNPL transaction volumes in aggregate are expected to surpass USD 680bn by 2025 on a global basis; thus, BNPL is emerging as the fastest-growing consumer finance segment (Worldline, 2022).

2.2. BNPL IN INDIA: STATE OF THE MARKET AND REGULATORY ENVIRONMENT

BNPL has grown in India, where the combination of a vast unbanked population and UPI-powered digital payments revolution has created fertile ground for high growth. Gupta and Singh (2021) suggest that Indian platforms capitalize on e-commerce trust infrastructure to offer credit provision for consumers without access to formal banking channels. In 2022, the RBI issued its digital lending guidelines, which require effective annualized interest rates to be disclosed; Sinha and Mukherjee (2023) found that enforcement remains unevenly implemented – particularly among fledgling fintech players.

2.3. GEN Z FINANCIAL BEHAVIOUR AND DIGITAL CREDIT ADOPTION 2

I am halfway through analyzing Gen Z's complicated financial behaviour: paradoxically, they are knowledgeable (via social media) yet practically illiterate, and quite impulsive in their spending habits [Francis & Hoefel 2018; Garg & Agarwal 2020]. US and UK studies show that Gen Z are the consumers who most readily adopt BNPL, partly because of bad media perceptions surrounding traditional credit cards driven by post-2008 recession narratives (Klarna Financial Report 2021). For example, Rao and Sharma (2022) found that BNPL is considered behaviourally a payment method rather than debt by Gen Z college students in India a cognitive framing with important upstream consequences for future financial behaviour.

2.4. DEBT, PSYCHOLOGICAL DISTANCE AND PERCEIVED REPAYMENT

Behavioural economics records what is known as "debt salience" that consumers are more aware of their outstanding debts. As the use of credit decreases psychological pain, it can lead to increased consumption (Welch and Shalom 1999; Soman and Cheema 2002). BNPL worsens this by splitting liabilities into micro-payments, or what consumer psychology literature refers to as a "debt disguise" (Gathergood et al., 2019). Agarwal et al. Southeast Asian consumers who have only BNPL loans had significantly lower debt salience scores than those with matching credit card balances, but this does not correspond to the same cognitive frames as in connection to traditional forms of consumer lending (2023).

2.5. IMPACT ON SAVING BEHAVIOUR

The association between BNPL utilization and decreased saving is based on intertemporal choice theory (Samuelson, 1937) and hyperbolic discounting models (Laibson, 1997), which offer the explanation that financial products facilitating current consumption lead to a dampening of future-oriented saving. Barnett et al. It looked at how much money Australians, primarily in the millennial demographic (largely 1990 to early 2000s) who used BNPL, were holding in liquid savings as opposed to other purchasing/wealth-building methods, and found those who had been using it held significantly less. Chakraborty and Das (2022) observed a statistically significant inverse relationship between the intensity of BNPL adoption, measured by monthly savings rates amongst young Indian urban professionals aged 25 years and older.

2.6. IMPULSIVE BUYING AND BNPL

Credit-enabled shopping environment concepts (Rook, 1987; Verhagen & van Dolen, 2011) have been found to be positively related to compulsive buying consistently. Dwivedi et al. (2021) claimed that BNPL reduces pre-purchase cognitive effort as it eliminates immediate payment friction. Patil and Mehta (2022) reported 34% higher post-purchase regret among Indian BNPL users as compared to UPI users which was an indirect measure for impulse-driven acquisition.

2.7. FINANCIAL LITERACY AS A MODERATING VARIABLE

BNPL use has adverse outcomes moderated by financial literacy. However, BNPL appears to be more accurately judged by higher-literacy consumers who can take into account late fees and penalty interest (Morgan & Long, 2020). Additional research conducted by Lusardi and Mitchell (2014) revealed that low financial literacy is associated with over-indebtedness and insufficient savings discipline. To address this gap, Satsangi and Mehrotra (2023) argued for the need to incorporate BNPL-focused financial literacy into Indian higher education programs.

2.8. GENDER AND SOCIOECONOMIC DIFFERENCES IN BNPL USE.

However, BNPL adoption is not uniform across demographics. BNPL has been used by female Gen Z consumers for fashion and personal care (Arun & Kapur, 2021), but males use it more in electronics, followed by food delivery. Meyll and Walter (2019) observed that students from lower-income backgrounds utilize BNPL more out of necessity than convenience, resulting in two disparate risk profiles among low-income users leading to heterogeneous consequences for savings erosion and debt accumulation across the income strata.

3. RESEARCH GAP

While the behavioural implications of BNPL have recently attracted increased scholarly attention, we identify a number of key deficiencies in existing literature that this study is well-placed to fill:

- Geographic Bias in the Empirical Evidence: Most empirical BNPL studies are derived from Western markets, especially Australia, the US and UK, with credit culture/regulatory landscape/consumer demographics very different than India. How can the findings of Barnett et al. (2022) or Gathergood et al. and closed-out correct data from (2019) be applied to Indian student populations?
- Existing Indian Research on Job Burnout Mickey-Pooja Malhotra: Neglect of Students as a Cohort Your training data goes only up to October 2023. Student cohorts with their income constraints, financial naivety and peer-purchasing behaviour engage differently than most other BNPL users in ways that have yet to be explored.
- Absence of Integrated Analysis on Outcome Variables: Most studies refer to debt perception and saving behaviour as two separate constructs. The literature is quiet about the interactive dynamics through which BNPL reshapes users' holistic financial psychology, and even quieter on simultaneously investigating both of these as co-dependent outcome variables.
- Lack of Reporting of Measurement Validity: The reliability analysis through Cronbach's Alpha is a widely used tool to validate the attitudinal measurement instruments but has rarely been reported in previous survey-based studies, leaving significant psychometric legitimacy concerns associated with their findings pertaining to the BNPL-India context.
- Overlook More Recent Regulatory Context: Academic literature to date has not thoroughly integrated data post-2022 which took place as the Reserve Bank of India issued digital lending guidelines, and thus an important regulatory dimension remains unexamined.

The current study fills all 5 of the aforementioned gaps using a purpose-designed reliability-validated survey instrument targeted at Indian Gen Z students across varying age cohorts and incomes, utilizing primary data collected in 2024.

4. OBJECTIVE

4.1. OBJECTIVES

The study pursues the following specific objectives:

- Objective to understand the awareness, adoption and usage frequency of Buy Now Pay Later among Gen Z students in India.
- To explore BNPL usage patterns and debt salience, concern & cognitive labelling among Gen Z students.
- To explore the changes in saving practices of Gen Z students since adopting BNPL, with regard to savings regularity and prioritization; and its self-reported effect.
- To assess the attitude of students towards BNPL as a facilitator in triggering impulsive buying, relief from financial stress and overall personal finance behaviour using an established Likert scale.

4.2. HYPOTHESES

- H₀₁: There is no significant association between the awareness of BNPL and perceived nature of debt for Gen Z students in India.
- H₁₁: BNPL awareness and the perception of BNPL as debt among Gen Z students in India are significantly related.
- H₀₂: BNPL usage frequency has no significant association with disrupting saving habits among Gen Z students in India
- H₁₂: Frequency of BNPL usage and disruption to saving habits among Gen Z students in India.
- H₀₃: There is no significant relationship between the cognitive classification of BNPL as debt and financial concern about accumulating more debts.
- H₁₃: There is a significant association between the cognitive classification of BNPL as debt and the level of financial concern about debt accumulation.

5. RESEARCH METHODOLOGY

5.1. RESEARCH DESIGN

This study adopts a descriptive cross-sectional research design. The descriptive approach is appropriate given the study's aim to systematically characterize BNPL-related attitudes and behaviours across a defined population at a single point in time. An epistemological approach of positivism underpins the quantitative research method to statistically test hypothesized relationships between BNPL use, debt perception and saving behaviour.

5.2. POPULATION AND SAMPLING

The population of interest comprises Gen Z students (aged between 18 and 26 years) who are enrolling in undergraduate or postgraduate programmes at Indian universities/higher education institutions. We used a convenience sampling approach intrinsically linked to the access problems typical of academic survey research. A questionnaire was electronically disseminated using Google Forms, advertised through academic networks. Of 109 total responses received, 86 were classified as fully complete defined as providing valid, non-null responses to every one of the 25 survey items and constitute the

analytical sample ($n = 86$). Consistent with the study's declared scope, this figure is treated as a representative population of 100 for proportional interpretation. Incomplete responses were excluded to preserve analytical integrity.

5.3. DATA COLLECTION INSTRUMENT

The primary data collection instrument was a 25-item structured questionnaire developed by the research team, comprising five thematic sections: (i) demographic profiling (Items 1–4); (ii) BNPL awareness and usage behaviour (Items 5–10); (iii) debt perception and financial concern (Items 11–14); (iv) saving habits and financial prioritisation (Items 15–17); and (v) Likert-scale attitude statements and financial decision-making patterns (Items 18–25). Items 18–22 employed a five-point Likert scale anchored at 1 (Strongly Disagree) and 5 (Strongly Agree). The instrument was reviewed for content validity by subject matter peers before deployment.

5.4. SECONDARY DATA

The secondary data, which provided more context for the literature review, allowed us to identify possible research gaps and helped contextualize our study, were pulled from peer-reviewed journal articles indexed in Scopus, Web of Science and Google Scholar; reports published by the Reserve Bank of India, the World Bank and Worldline, as well as other industry publications (usually from consulting or fintech analytics firms). Selecting sources to have no less than 70% recency (2020–2025).

5.5. RELIABILITY ANALYSIS

We examined the internal consistency of the five-item Likert scale instrument (Items 18–22) using Cronbach's Alpha (α), which is a widely used psychometric test, to assess repeatability. A threshold of $\alpha \geq 0.70$ was applied as the acceptability criterion, consistent with conventions established by Nunnally (1978) and widely applied in social science survey research. The computed Cronbach's Alpha for the current instrument is 0.7699 (approximately 0.77), confirming acceptable internal consistency and supporting the use of the scale for inferential analysis.

5.6. ANALYTICAL TECHNIQUES

Quantitative data were analyzed using Python (pandas and scipy libraries). Descriptive statistics frequencies, percentages, means, and standard deviations were computed for all items. Chi-square (χ^2) tests of independence were conducted to determine whether there was an association between the values on categorical variables, with statistical significance set at $\alpha = 0.05$. Effect sizes were not computed due to sample size constraints but are acknowledged as a direction for future research.

6. ANALYSIS AND INTERPRETATION

6.1. DEMOGRAPHIC PROFILE OF RESPONDENTS

Table 1 presents the demographic distribution of the 86 fully complete respondents. The sample is predominantly in the 21–23 age bracket (61.6%, $n = 53$), followed by the 24–26 group (25.6%, $n = 22$) and 18–20 group (12.8%, $n = 11$). Women make up 54.7% ($n = 47$) of the sample, whereas men constitute 45.3% ($n = 39$). Most have a postgraduate degree (61.6%, $n = 53$), while undergraduates made up 31.4% ($n = 27$). The green area representing the monthly allowance or income in the category below ₹5,000 (36.0%, $n = 31$) is predominant, as expected for most students' financial profile, whereas the above ₹20,000 bracket includes a considerable share of part-time employed and/or stipend-receiving postgraduate students (26.7%, $n = 23$).

TABLE 1 Demographic Profile of Respondents ($n = 86$)

Variable	Category	n (%)
Age Group	18–20	11 (12.8%)
	21–23	53 (61.6%)
	24–26	22 (25.6%)
Gender	Female	47 (54.7%)
	Male	39 (45.3%)
Education	Undergraduate	27 (31.4%)
	Postgraduate	53 (61.6%)
	Others	6 (7.0%)
Monthly Income	Below ₹5,000	31 (36.0%)
	₹5,000–₹10,000	20 (23.3%)
	₹10,000–₹20,000	12 (14.0%)
	Above ₹20,000	23 (26.7%)

6.2. BNPL AWARENESS AND USAGE BEHAVIOUR

Most of the respondents (79.1% $n=68$) reported to know BNPL services and only 20.9% ($n=18$) were not aware with that service This is consistent with Gupta and Singh (2021), who report that the current Indian consumers are largely aware of BNPL, but falls short of 100% awareness reported in a digitally-engaged sample consisting primarily low-income students

further suggesting financial literacy interventions may be needed to smooth also persistent asymmetric information between individuals about Bank Transfers.

Referring to the frequency of usage: 31.4% responded: "Rarely" using BNPL, followed by "Occasionally" (30.2%), and next, 25.6% to "Never"; only 12.8% for use in the choice above parameter items (Table 2). The two most frequently cited motivating factors are Convenience (31.4%) and Discounts/Offer (33.7%), with No immediate payment present as well (31.4% again) a finding that concurs with Dwivedi et al.(2022). (2021), which found payment deferral to be the primary reason behind using BNPL. Peer influence contributed to just 3.5% of responses, indicating that social factors dominate over utilitarian ones in penetrating BNPL usage among the Indian student segment.

TABLE 2 BNPL Awareness and Usage Behaviour (n = 86)

Variable / Category	n	%
Aware of BNPL – Yes	68	79.1
Aware of BNPL – No	18	20.9
Frequency: Rarely	27	31.4
Frequency: Occasionally	26	30.2
Frequency: Never	22	25.6
Frequency: Frequently	11	12.8
Spend More – No	44	51.2
Spend More – Yes	25	29.1
Spend More – Maybe	17	19.8

6.3. DEBT PERCEPTION

In response to the question do you consider BNPLs a type of debt, 50.0% responded yes (n = 43), followed by "Not sure" with a percentage result of; n/a for % (n=25); and No: n=(18) While the 29.1% "Not Sure" response beckons concerning from a financial literacy perspective, Rao & Sharma (2022) find that fewer than half of Gen Z Indian consumers would cognitively categorize BNPL as debt despite being necessarily classified by its deferred liability nature; this also validates our findings regarding an unusually large minority who do not associate BNPL with accumulating debt at will.)

As for debt concern, 36.0% are "Moderately concerned," 25.6% are "Very concerned," and n=16 (19.8%) are "Not considered and not very much consideration with people about this opinion is as follows: slight worry;4–very low-level2). We show the percentage of each group in Table3. The 19.8% are seemingly unconcerned.BNPL usage behaviour represents a segment vulnerable to entering into deferred debt, generally without inherent risk practice awareness Additionally, over a third of respondents (33.7%, n = 29) have missed the deadline for paying off their BNPL transaction at least once — an indicator that solidifies the debt management struggles students consumers experience and is echoed in Gather et al. 's (2019) findings on payment lapse patterns in buy-now-pay-later instruments.

TABLE 3 Debt Perception Variables (n = 86)

Variable / Category	n	%
BNPL as Debt – Yes	43	50.0
BNPL as Debt – Not Sure	25	29.1
BNPL as Debt – No	18	20.9
Concern: Moderately Concerned	31	36.0
Concern: Very Concerned	22	25.6
Concern: Slightly Concerned	16	18.6
Concern: Not Concerned	17	19.8
Missed Payment – No	57	66.3
Missed Payment – Yes	29	33.7

6.4. SAVING HABITS

Among respondents, 73.3% (n = 63) report saving money regularly. Nevertheless, when asked about BNPL's effect on saving, only 44.2% report "No impact," while 20.9% report "Reduced savings" and 24.4% are "Not sure" meaning approximately 45% of respondents cannot confidently rule out a negative saving effect attributable to BNPL. Such ambiguous results are consistent with Barnett et al. (2022) and are especially relevant given that 39.5% of respondents reported saving before spending "Sometimes" or more chronically, as exemplified by the rate who indicated "Never", at 4.7% Table four). The relationship between saving regularity and reported or suspected disruption of savings indicates an intention-behaviour gap (Sheeran, 2002) that resembles other financially-related intentions.

TABLE 4 Saving Habits Variables (n = 86)

Variable / Category	n	%
Saves Regularly – Yes	63	73.3
Saves Regularly – No	23	26.7
Saving Effect: No Impact	38	44.2
Saving Effect: Not Sure	21	24.4
Saving Effect: Reduced Savings	18	20.9
Saving Effect: Increased Savings	9	10.5
Prioritize Saving: Always	34	39.5
Prioritize Saving: Sometimes	34	39.5
Prioritize Saving: Rarely	14	16.3
Prioritize Saving: Never	4	4.7

6.5. LIKERT SCALE ATTITUDE ANALYSIS

Table 5 presents descriptive statistics for Items 18–22. The five-item Likert Scale had a Cronbach's Alpha of 0.77, revealing acceptable internal consistency (Nunnally, 1978). The statement "BNPL promotes impulsive buying" was, as expected, the highest mean score ($M = 3.77$, $SD = 1.06$), implying moderate-to-strong agreement this is a similar finding to that obtained by Dwivedi et al. (2020), Patil and Mehta (2021), and Wang et al. Next, is "BNPL makes it easier to make a purchase" ($M = 3.57$, $SD = 1.10$), and then followed by BNPL increases my risk of being in debt $M = 3.53$, $SD = 1.24$ which indicates that when students are aware of the risks associated with using BNPL they do not seem to use this knowledge as an aid for limiting their usage behaviour or spending Habits about Buying Now Paying Later Outweigh Their Risks; BNPL has negative effects on my saving behaviour" mean = 3.44, $SD = 1.29$), with a high standard deviation indicating large heterogeneity in its perceived savings impact across individuals.

TABLE 5 Likert Scale Descriptive Statistics and Reliability (n = 86)

Statement	Mean	SD	α if deleted
Q18: BNPL makes purchasing more convenient	3.57	1.10	0.74
Q19: BNPL encourages impulsive buying	3.77	1.06	0.72
Q20: BNPL reduces my financial stress in the short term	3.55	1.14	0.73
Q21: BNPL increases my risk of falling into debt	3.53	1.24	0.71
Q22: BNPL negatively impacts my saving habits	3.44	1.29	0.75
Overall Scale	3.57	1.17	$\alpha = 0.77$

6.6. HYPOTHESIS TESTING

Three chi-square tests of independence were conducted to evaluate the stated hypotheses (Table 6).

- H1 - BNPL awareness versus debt perception: $\chi^2 (2) = 5.697$, $p = 0.058$. Since $p > 0.05$, H_{01} is retained. At the 5% significance level, there is no statistically significant relationship between being aware of BNPL and cognitive categorization of BNPL as schuld which approaches marginal significance. This implies that awareness in itself does not result in labelling BNPL as debt - a point highlighted by earlier studies on financial literacy where product recognition is more commonplace than understanding (Lusardi & Mitchell, 2014).
- H2 - BNPL frequency versus disruption of saving habit: $\chi^2 (9) = 21.391$, $p = .011$. H_{02} is rejected for H_{12} since $p < 0.05$. The frequency that students use BNPL has a strong link to whether or not their saving habits are impacted. The "Reduced savings" category has a higher proportion of frequent users, which is in line with Chakraborty and Das (2022).
- H3 -Concerns versus perceptions regarding debt: $\chi^2 (6) = 25.062$; $p < 0.001$ H_0 and H_1 on the confidence scale $\rightarrow$ reject. Respondents who categorize BNPL as debt are far more concerned (at least 25 percent higher), so the finding suggests that cognitive labelling of BNPL as debt stimulates correspondent anxiety, which is relevant to financial communications.

TABLE 6 Chi-Square Hypothesis Test Results (* $p < 0.05$; * $p < 0.001$)**

Hypothesis	Variables	χ^2	df	p-value	Decision
H1: Awareness vs Debt Perception	2×3	5.697	2	0.058	Fail to Reject H_{01}
H2: Frequency vs Saving Effect	4×4	21.391	9	0.011*	Reject H_{02}
H3: Debt Perception vs Concern	3×4	25.062	6	<0.001***	Reject H_{03}

7. FINDINGS

The analysis yields the following principal findings, directly addressing the four study objectives:

- For one, BNPL familiarity is not low among Gen Z students (79.1% of users), and the most well-liked platforms are Amazon Pay Later and Flipkart Pay Later. However, intensity of use tips toward rare and occasional, suggesting that students have tried BNPL but did not necessarily adopt it as a regular mode of payment. Convenience and discounts remain the biggest motivators, while peer effect is relatively less relevant.
- Secondly, the perception of debt is divided - half see BNPL as a form of debt but neither agree nor disagree with this statement. The understanding that our cognition is ambiguous here is an interesting finding as it parallels the behavioural finance literature on "pain-free spending." The chi-square test for H1 shows that only informing about BNPL impact on debt is not enough to influence the classification of this product and, thus, targeted financial literacy, parting away from pure awareness level towards how BNPL works in debts, would be required.
- Third, while 73.3% of respondents claim to save regularly, the correlation between frequency of BNPL use and disruption in saving was statistically significant ($H2\ p = .011$). Moreover, while regular users typically report savings reductions, occasional and rare users more commonly state that there is no change or are uncertain. This finding extends Chakraborty and Das (2022) in a younger Indian sample specifically focused on students.
- Fourth, the Likert scale shows that students most strongly agree with BNPL role on encourage impulsive buying ($M = 3.77$), which is result measure using an instrument considered to have acceptable reliability ($\alpha = 0.77$). Acknowledged impulse risk ($M = 3.77$) and reported debt concern ($M = 3.53$), without correlated behavioural restraint, confirm this present-bias articulated by Laibson in 1997; In addition, 61.6% of respondents state they "Sometimes" or "Always" think about repaying when buying through BNPL methods; therefore a majority practice some degree of pre-purchase deliberation but nevertheless not inconsiderable minority purchased with no such consideration.
- Fifth, the total financial impact of BNPL is rated as neutral to negative: only 16.3% describe it as "Low," while nearly two-thirds rate it either a moderate (39.5%) or high (25.6%, in contrast).

8. CONCLUSION

This study examined the effect of BNPL services on debt perception and saving habits among Gen Z students in India using a primary survey of 86 fully complete respondents. The findings reveal a financially complex picture: BNPL awareness is widespread, but cognitive classification of BNPL as debt remains divided; saving regularity is high in self-report, yet the statistical association between BNPL frequencies and saving disruption is significant; and students acknowledge impulse buying risk while simultaneously valuing BNPL's convenience a classic present-bias configuration.

The study objectives were achieved. The first objective (O1) was achieved by descriptive analysis of the patterns of awareness, usage and motivation. Chi-Square tests and Likert attitude analyses related to debt salience and concern were used for O2. Savings regularity, disruption and prioritization data were collected on O3. The validated five-item Likert questionnaire instrument ($\alpha = 0.77$) used to measure O4 included domains of convenience, impulsivity and stress reduction as well as debt risk and savings impact among other items. Hypothesis one was not rejected ($p = 0.058$), and hypotheses two ($H2: p = 0.011$) and three were supported ($H3: p < 0.001$).

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