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The Psychology of Buy Now Pay Later Adoption: A Systematic Literature Review of Consumer Motivations, Behaviour, and Well-Being Outcomes

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Abstract

This study systematically reviews the emerging literature on Buy Now Pay Later (BNPL) adoption from a consumer psychology perspective, focusing on consumer motivations, behavioural outcomes, and well-being consequences. The rapid growth of BNPL services has transformed digital consumption by enabling consumers to access products immediately while postponing payment obligations through short-term instalment arrangements. Despite increasing scholarly attention, existing research remains fragmented across disciplines such as consumer behaviour, fintech adoption, behavioural finance, and consumer well-being. Therefore, this study employs a systematic literature review approach to synthesize existing evidence and develop a comprehensive understanding of the psychological mechanisms underlying BNPL adoption. The findings reveal that psychological determinants including financial self-efficacy, impulsivity, materialism, social influence, and perceived affordability play significant roles in shaping BNPL adoption decisions. The review further identifies convenience, instant gratification, social validation, and consumption accessibility as major consumer motivations driving continued BNPL usage. Behavioural outcomes associated with BNPL include impulse buying, repeated usage behaviour, post-purchase regret, cognitive dissonance, and increased vulnerability to over-indebtedness. The review concludes that BNPL adoption is a multidimensional psychological process in which cognitive beliefs, emotional drivers, behavioural responses, and well-being outcomes interact to influence consumer experiences, providing important implications for researchers, practitioners, policymakers, and financial educators.

Keywords: Buy Now Pay Later (BNPL), Consumer Psychology, Consumer Behaviour, Financial Self-Efficacy, Impulse Buying, Consumer Motivation, Financial Well-Being, Psychological Well-Being, Fintech Adoption, Digital Payments

Introduction

The rapid proliferation of financial technology has fundamentally transformed consumer payment practices, creating new models of credit accessibility that blur the traditional boundaries between purchasing and borrowing. Among these innovations, Buy Now Pay Later (BNPL) has emerged as one of the fastest-growing digital credit solutions, allowing consumers to acquire products immediately while postponing payment obligations through short-term installment arrangements (Abed & Alkadi, 2024; Waliszewski et al., 2024). BNPL services have gained remarkable popularity across diverse demographic segments, particularly among young adults and Generation Z consumers who value convenience, speed, and seamless digital experiences in financial transactions (Aisjah, 2024; Abed & Alkadi, 2024). The attractiveness of BNPL extends beyond its functional utility because the payment model aligns with evolving consumer expectations of frictionless commerce and embedded finance ecosystems (Kumar et al., 2026; Petroccione & Taddei, 2026). Contemporary consumers increasingly perceive BNPL as a flexible financial tool that enhances purchasing power without the procedural complexities associated with traditional credit products (Kshatriya, 2026; Wulandjani, 2026). This perception has accelerated its adoption across retail, e-commerce, tourism, and lifestyle industries where instant financing options directly influence purchase decisions (Salah et al., 2026; Valenciano et al., 2025). Researchers have argued that the rapid expansion of BNPL cannot be fully explained through technological characteristics alone because consumers' psychological predispositions significantly shape their adoption intentions and usage behaviors (Relja et al., 2024; Srivastava et al., 2025). Psychological constructs such as perceived control, self-efficacy, emotional gratification, social influence, and materialistic values frequently emerge as critical determinants of BNPL engagement (Simiyu et al., 2025; Raj et al., 2024). The integration of credit facilities directly into online shopping environments further intensifies emotional and cognitive responses by reducing psychological barriers associated with spending (Kumar & Nayak, 2024). Such developments raise important questions regarding the underlying motivations that encourage consumers to embrace deferred payment mechanisms despite potential financial obligations. Existing BNPL research has expanded rapidly across disciplines including consumer psychology, financial behavior, digital marketing, and fintech adoption studies (Öztürk & Kara, 2025; Nusir et al., 2026). Scholarly interest increasingly focuses on understanding why consumers perceive BNPL as attractive, how psychological drivers influence adoption decisions, and whether these decisions generate beneficial or adverse consequences over time (Relja et al., 2024; Ahmad et al., 2026). The growing complexity of these issues highlights the need for a comprehensive synthesis of psychological perspectives underpinning BNPL adoption. A systematic literature review is therefore essential to consolidate fragmented knowledge and provide a coherent understanding of consumer motivations, behavioral dynamics, and well-being outcomes associated with BNPL usage.

Consumer motivations for adopting BNPL are deeply rooted in psychological processes that influence perceptions of value, affordability, and consumption opportunities. Research suggests that convenience remains one of the strongest motivations because BNPL simplifies transaction procedures and minimizes immediate financial pressure at the point of purchase (Abed & Alkadi, 2024; Kumar et al., 2026). The appeal of delayed payment structures enhances consumers' perceived purchasing capacity by separating consumption decisions from payment considerations, a mechanism commonly described as payment decoupling (Joshi et al., n.d.; Kumar & Nayak, 2024). This psychological separation weakens spending

restraint and encourages consumption behaviors that may not occur under traditional payment methods requiring immediate outlays (Kumar & Nayak, 2024; Relja et al., 2024). Financial self-efficacy has also received increasing attention as consumers who possess confidence in managing financial obligations tend to view BNPL as a strategic budgeting tool rather than a source of debt accumulation (Simiyu et al., 2025; Aisjah, 2024). Social influences further contribute to BNPL adoption because digital consumers are frequently exposed to peer recommendations, influencer endorsements, and social media content that normalize installment-based spending practices (Aisjah, 2024; Srivastava et al., 2025). Emotional triggers such as instant gratification, hedonic motivation, and anticipated satisfaction strengthen consumers' willingness to engage with deferred payment arrangements (Srivastava et al., 2024; Relja et al., 2024). Materialistic orientations have emerged as another influential factor because consumers who emphasize symbolic consumption often perceive BNPL as a means to access aspirational products without immediate financial sacrifice (Raj et al., 2024; Salah et al., 2026). Consumer confidence within online shopping environments can further amplify the attractiveness of BNPL, especially when trust in digital platforms reduces perceived transaction risk (Jamil et al., 2025; Kumar et al., 2026). Behavioral intention studies consistently demonstrate that psychological benefits frequently outweigh concerns regarding repayment obligations during the adoption stage (Kumar et al., 2026; Waliszewski et al., 2024). The interaction between cognitive evaluations and affective responses creates a complex decision-making environment where rational considerations coexist with emotional impulses. Such complexity suggests that BNPL adoption cannot be adequately understood through technology acceptance frameworks alone. A deeper psychological perspective is required to explain how motivations evolve from initial acceptance to sustained usage. Understanding these motivational mechanisms is particularly important because they provide the foundation for subsequent behavioral consequences associated with BNPL engagement.

The behavioral implications of BNPL usage have attracted considerable academic attention because deferred payment systems can significantly alter consumer decision-making patterns. Evidence indicates that BNPL services encourage higher spending tendencies by diminishing the psychological discomfort traditionally associated with immediate payment (Kumar & Nayak, 2024; Valenciano et al., 2025). This phenomenon frequently leads to impulse buying behavior, whereby consumers make unplanned purchases driven by emotional stimuli rather than careful financial evaluation (Marheni et al., 2026; Nusir et al., 2026). Research has consistently highlighted the relationship between BNPL adoption and impulsive consumption, demonstrating that easy access to installment financing can stimulate spontaneous purchasing activities across multiple retail categories (Mappadang et al., 2025; Salah et al., 2026). The perception of affordability generated by smaller installment amounts often obscures the cumulative financial burden associated with multiple concurrent obligations (Mohammad et al., 2025; Purno & Azizurrohman, 2026). Materialism has emerged as a critical behavioral driver because consumers seeking status enhancement frequently exhibit stronger tendencies toward compulsive and excessive spending when BNPL options are available (Raj et al., 2024; Salah et al., 2026). Researchers have also identified social comparison tendencies as significant predictors of impulsive BNPL usage, particularly among younger consumers who seek social validation through consumption activities (Mappadang et al., 2025; Aisjah, 2024). Repeated usage patterns further reinforce behavioral habits as positive purchasing experiences increase the likelihood of continued BNPL engagement (Wulandjani, 2026; Ahmad et al., 2026). These recurring behaviors can eventually contribute to over-

indebtedness when consumers underestimate repayment responsibilities and overestimate future financial capacity (Purno & Azizurrohman, 2026; Mohammad et al., 2025). Cognitive biases, including optimism bias and present bias, have been identified as mechanisms that distort consumers' assessment of financial risks associated with deferred payment arrangements (Silva et al., 2026; Kumar & Nayak, 2024). Post-purchase dissonance and regret have also emerged as recurring themes in BNPL studies, indicating that psychological discomfort frequently emerges after consumers reflect on impulsive spending decisions (Ismail et al., 2026; Kumar & Kumar, 2026). The presence of these adverse behavioral outcomes challenges the assumption that BNPL functions solely as a convenient payment instrument. Existing evidence suggests that BNPL can shape consumption behavior in ways that extend beyond transactional efficiency. Systematically reviewing these behavioral effects is essential for understanding the broader psychological consequences of BNPL adoption.

The relationship between BNPL usage and consumer well-being has become an increasingly prominent area of scholarly inquiry due to concerns regarding financial vulnerability and psychological health. Consumer well-being encompasses multidimensional aspects including financial security, subjective satisfaction, emotional stability, and overall quality of life (Bhardwaj & Kalro, 2024; García-Rodríguez et al., 2025). Although BNPL may provide short-term benefits by enhancing access to desired products and smoothing consumption patterns, its long-term implications for well-being remain contested within the literature (Gafoor & S, 2026; Purnamasari et al., 2025). Some studies suggest that responsible BNPL usage can improve financial flexibility and support better resource allocation when consumers possess adequate financial knowledge and behavioral discipline (Pakpahan & Tasman, 2026; Gunawan & Tandiono, 2026). Positive outcomes may emerge when deferred payment mechanisms enable consumers to manage liquidity constraints without resorting to more expensive forms of credit (Abed & Alkadi, 2024; Gafoor & S, 2026). Concerns arise when BNPL usage becomes intertwined with impulsive consumption, materialistic values, and low financial literacy, increasing the likelihood of financial stress and reduced well-being (Huang et al., 2024; Dahlan, 2026). Financial anxiety represents one of the most important psychological consequences associated with problematic debt management and excessive reliance on digital credit services (An et al., 2025; Zakiyah, 2026). Research examining online loans and similar digital financing arrangements has demonstrated associations between financial strain and deteriorating mental health outcomes among young adults (Kaparang & Kaparang, 2026; Zakiyah, 2026). Personality traits, financial attitudes, and behavioral tendencies further influence whether BNPL contributes positively or negatively to consumer well-being (Marheni et al., 2026; Anindyastri et al., 2026). Financial literacy has consistently been identified as a protective factor that enhances consumers' ability to evaluate risks and maintain healthy financial behaviors within digital credit environments (Azzuhruf & Cahyono, 2026; Anggraini et al., 2026). The increasing integration of fintech services into everyday consumption activities has therefore intensified scholarly interest in understanding the pathways linking BNPL adoption and well-being outcomes (Pakpahan & Tasman, 2026; Chauhan, 2027). Existing findings nevertheless present mixed and sometimes contradictory conclusions regarding whether BNPL enhances or diminishes individual welfare. These inconsistencies indicate the need for a systematic synthesis capable of identifying dominant patterns and theoretical explanations across the emerging evidence base. Such understanding is critical for policymakers, financial educators, fintech providers, and consumers who seek to balance innovation with sustainable financial well-being.

The expanding body of BNPL scholarship has generated substantial insights into adoption determinants, consumer behavior, and financial consequences, yet the literature remains fragmented across disciplinary perspectives and theoretical traditions. Bibliometric and review studies indicate that BNPL research has experienced significant growth in recent years, reflecting increasing academic concern regarding the societal implications of digital credit innovations (Öztürk & Kara, 2025; Nusir et al., 2026). Existing reviews have primarily focused on adoption factors, bibliometric trends, impulse buying, product return behavior, indebtedness, or specific financial outcomes without providing a comprehensive psychological synthesis encompassing motivation, behavior, and well-being simultaneously (Valenciano et al., 2025; Kumar & Kumar, 2026). Several studies have examined individual constructs such as impulsive buying, materialism, financial self-efficacy, and post-purchase regret, yet these variables are often investigated independently rather than as interconnected psychological mechanisms within a broader BNPL framework (Nusir et al., 2026; Simiyu et al., 2025). The absence of integrative analysis limits understanding of how motivational drivers evolve into behavioral responses and subsequently influence well-being outcomes. Consumer psychology offers a valuable lens through which these relationships can be examined holistically because it captures cognitive, emotional, and social dimensions of decision-making (Relja et al., 2024; Srivastava et al., 2025). Insights from consumer well-being literature further suggest the importance of evaluating marketplace phenomena through both positive and negative outcome perspectives rather than focusing exclusively on adoption intentions (Bhardwaj & Kalro, 2024; Salunke et al., 2026). Emerging evidence concerning materialism, compulsive consumption, risky indebtedness, and financial anxiety underscores the relevance of psychological theory in explaining BNPL-related outcomes (Raj et al., 2024; Kumar & Nayak, 2024). The increasing prevalence of BNPL among younger consumers heightens the urgency of understanding these dynamics because early financial behaviors frequently shape long-term economic well-being and financial resilience (Aisjah, 2024; Dahlan, 2026). Scholarly calls for more integrative and theory-driven investigations further emphasize the need to consolidate existing empirical findings and identify unresolved research gaps (Nusir et al., 2026; Angel-Rodriguez & Vicente-Pascual, 2026). A systematic literature review provides an appropriate methodological approach for synthesizing dispersed evidence, mapping theoretical foundations, and evaluating methodological trends within BNPL research. Such an approach can reveal dominant psychological drivers, recurring behavioral patterns, and the mechanisms through which BNPL influences consumer well-being outcomes. The review can also establish a foundation for future empirical investigations seeking to advance theory development in the rapidly evolving fintech and consumer behavior domains. A comprehensive synthesis of the psychology of BNPL adoption is therefore necessary to advance scholarly understanding and support evidence-based decision-making within contemporary digital financial ecosystems.

The significance of examining the psychology of adoption of BNPL extends beyond academic interest because BNPL has become an influential component of contemporary consumer financial ecosystems. As digital credit services become increasingly embedded within everyday purchasing activities, understanding the psychological mechanisms that drive adoption and usage is essential for ensuring sustainable consumer financial behaviour (Abed & Alkadi, 2024; Waliszewski et al., 2024). The importance of this topic lies in its direct implications for consumers, financial institutions, fintech providers, policymakers, regulators, and financial educators. For consumers, insights into the psychological drivers of BNPL usage

can enhance awareness of how cognitive biases, emotional motivations, and social influences shape spending decisions and financial outcomes (Relja et al., 2024; Srivastava et al., 2025). For fintech providers and financial institutions, understanding these psychological processes can support the development of responsible product designs that encourage informed borrowing behaviour while reducing the likelihood of over-indebtedness (Kumar & Nayak, 2024; Mohammad et al., 2025). Policymakers and consumer protection agencies may utilise such knowledge to formulate evidence-based regulations that balance financial innovation with consumer welfare (Bhardwaj & Kalro, 2024; Salunke et al., 2026). Furthermore, educational institutions and financial literacy practitioners can use these insights to design more effective financial education programmes that strengthen self-regulation, responsible spending habits, and long-term financial resilience among consumers, particularly younger generations who constitute a major BNPL user segment (Aisjah, 2024; Anggraini et al., 2026). Given the rapid expansion of digital credit markets and growing concerns regarding financial vulnerability, the practical relevance of this topic has become increasingly important for promoting both consumer well-being and sustainable fintech development (Gafoor & S, 2026; Pakpahan & Tasman, 2026).

Beyond its practical relevance, this study contributes to the advancement of knowledge by providing an integrated psychological perspective on BNPL adoption that connects consumer motivations, behavioural outcomes, and well-being consequences within a single framework. Existing research has largely examined these dimensions separately, limiting understanding of how psychological factors interact across different stages of the consumer decision-making process (Nusir et al., 2026; Valenciano et al., 2025). By synthesising fragmented evidence across consumer psychology, behavioural finance, fintech adoption, and consumer well-being literature, this review offers a more holistic explanation of BNPL-related behaviour (Relja et al., 2024; Kumar et al., 2026). Such integration may assist researchers in developing stronger theoretical models while helping practitioners identify intervention strategies that promote responsible digital credit usage (Angel-Rodriguez & Vicente-Pascual, 2026; Petroccione & Taddei, 2026). As BNPL services continue to expand globally and influence consumer purchasing behaviour, a comprehensive understanding of their psychological implications becomes increasingly valuable for supporting sustainable marketplace outcomes, protecting consumer welfare, and fostering responsible innovation within digital financial ecosystems (Öztürk & Kara, 2025; Bhardwaj & Kalro, 2024). The findings generated from this review may also provide a foundation for future empirical investigations examining the complex relationships among psychological determinants, consumer behaviour, financial well-being, and psychological well-being in the context of digital credit services (García-Rodríguez et al., 2025; Salunke et al., 2026).

Literature Review

Conceptual Foundations of Buy Now Pay Later (BNPL) Adoption

Buy Now Pay Later (BNPL) has emerged as a prominent fintech innovation that redefines how consumers access short-term credit within digital commerce environments. The growing popularity of BNPL has created significant scholarly interest regarding the factors that explain its rapid adoption across different consumer groups. Existing research indicates that conventional explanations based solely on technological functionality are insufficient because BNPL usage involves complex psychological and behavioural processes (Relja et al., 2024; Waliszewski et al., 2024). BNPL refers to a deferred payment mechanism that allows

consumers to acquire products immediately while distributing payment obligations over a specified period without relying on traditional credit cards (Abed & Alkadi, 2024). From a consumer psychology perspective, the service represents more than a payment innovation because it alters perceptions of affordability, ownership, and consumption timing. Research on digital payment technologies demonstrates that payment systems influence cognitive evaluations, emotional responses, and spending behaviours simultaneously (Behera & Kumra, 2024; Petroccione & Taddei, 2026). Studies examining BNPL adoption frequently draw on theories such as the Technology Acceptance Model, Unified Theory of Acceptance and Use of Technology, and behavioural decision-making perspectives to explain consumer intentions (Kumar et al., 2026; Angel-Rodriguez & Vicente-Pascual, 2026). These theoretical approaches consistently identify convenience, ease of use, and perceived usefulness as important antecedents of adoption. Despite this agreement, researchers increasingly argue that technological explanations cannot fully explain why consumers continue using BNPL when potential indebtedness risks are widely recognised (Relja et al., 2024; Mohammad et al., 2025). Consumer decisions appear to be shaped by deeper psychological motivations that extend beyond rational utility assessments. Bibliometric evidence shows a substantial increase in studies examining behavioural and emotional dimensions of BNPL over recent years (Öztürk & Kara, 2025; Nusir et al., 2026). Existing literature nevertheless remains fragmented across disciplines, limiting theoretical integration regarding the psychological mechanisms underlying adoption. This fragmentation creates a need for a comprehensive synthesis capable of connecting digital payment literature with consumer psychology and financial behaviour research.

The concept of BNPL adoption has been examined through multiple theoretical lenses that emphasise different dimensions of consumer decision-making. Technology-oriented studies generally focus on perceived usefulness, ease of use, and facilitating conditions as primary drivers of adoption intention (Abed & Alkadi, 2024; Kumar et al., 2026). Consumer psychology research, however, highlights cognitive and emotional factors that influence perceptions of financial products even when objective financial risks exist (Relja et al., 2024; Srivastava et al., 2025). This distinction is important because BNPL operates at the intersection of payment technology and consumer credit. Studies investigating mobile payment adoption demonstrate that psychological beliefs often explain behavioural outcomes more effectively than technical features alone (Angel-Rodriguez & Vicente-Pascual, 2026; Behera & Kumra, 2024). Related evidence suggests that consumers frequently evaluate BNPL based on subjective interpretations of convenience rather than objective assessments of repayment obligations (Kshatriya, 2026; Ahmad et al., 2026). The literature also indicates that behavioural intentions are influenced by perceptions of control over future financial commitments (Simiyu et al., 2025). This finding aligns with broader consumer behaviour theories suggesting that anticipated outcomes play a central role in decision-making. Research examining financial socialisation further suggests that behavioural intentions toward BNPL are shaped by prior exposure to financial knowledge and consumption norms (Kumar et al., 2026). Different studies nevertheless report variations in the strength of these relationships across demographic groups and national contexts. A substantial proportion of existing studies concentrate on students and Generation Z users, creating limitations in understanding broader consumer populations (Aisjah, 2024; Abed & Alkadi, 2024). Methodological reliance on cross-sectional surveys further constrains the ability to explain how adoption motivations evolve over time. Greater theoretical integration is therefore

needed to explain BNPL adoption as a dynamic psychological process rather than a static technology acceptance outcome.

Perceived affordability represents one of the most influential concepts within BNPL adoption literature. Researchers argue that deferred payment structures alter consumers' evaluations of financial burden by distributing costs into smaller instalments that appear more manageable than lump-sum payments (Kumar & Nayak, 2024; Joshi et al., n.d.). This mechanism contributes to payment decoupling, whereby the act of consumption becomes psychologically separated from the experience of payment. Consumer behaviour studies consistently demonstrate that payment decoupling reduces spending pain and increases willingness to purchase discretionary products (Kumar & Nayak, 2024; Valenciano et al., 2025). Similar observations are reported in BNPL literature where consumers perceive products as more affordable despite unchanged total costs (Relja et al., 2024). Such findings highlight the importance of cognitive framing effects in explaining adoption behaviour. Psychological evaluations of affordability frequently depend on consumers' perceptions rather than actual financial capacity. Research has shown that affordability cues embedded within BNPL interfaces encourage consumers to focus on instalment amounts instead of total financial commitments (Waliszewski et al., 2024; Ahmad et al., 2026). Studies examining digital financial services identify similar behavioural tendencies in situations where consumers make decisions under conditions of reduced payment salience (Petroccione & Taddei, 2026; Behera & Kumra, 2024). Existing evidence nevertheless provides limited understanding regarding how perceived affordability interacts with emotional motivations and well-being outcomes. Many studies address affordability as an independent predictor without examining its broader psychological consequences. This limitation restricts understanding of the pathways connecting adoption drivers with longer-term behavioural effects. Further synthesis is therefore required to determine how perceived affordability contributes to both beneficial and detrimental consumption outcomes.

The conceptualisation of BNPL adoption also requires consideration of its distinction from traditional consumer credit products. Scholars increasingly argue that consumers do not interpret BNPL as conventional debt despite its underlying credit characteristics (Mohammad et al., 2025; Kumar & Nayak, 2024). This perception influences attitudes toward borrowing and spending behaviour. Research suggests that the integration of BNPL into digital checkout processes reduces the salience of debt-related considerations during purchase decisions (Relja et al., 2024; Srivastava et al., 2025). The seamless nature of the transaction creates an experience that resembles a payment choice rather than a borrowing decision. Comparisons with credit card literature reveal important differences in how consumers evaluate risk, repayment obligations, and spending consequences (Waliszewski et al., 2024; Mohammad et al., 2025). BNPL users often report higher perceptions of transparency and convenience relative to traditional credit instruments. These perceived benefits enhance adoption intentions but may simultaneously obscure financial risks when consumers focus exclusively on short-term advantages (Kumar & Nayak, 2024; Purno & Azizurrohman, 2026). Several studies argue that this duality explains why BNPL remains attractive despite growing concerns regarding indebtedness and financial vulnerability (Raj et al., 2024; Mohammad et al., 2025). Existing conceptual frameworks have not fully reconciled the tension between perceived convenience and potential financial harm. Research remains divided regarding whether BNPL should be interpreted primarily as a payment innovation or as a form of consumer credit. This

ambiguity affects theoretical development because the constructs explaining payment adoption may differ from those explaining borrowing behaviour. A comprehensive psychological perspective is therefore necessary to understand BNPL adoption as a unique financial phenomenon characterised by overlapping technological, behavioural, and credit-related attributes.

Psychological Determinants of BNPL Adoption

Consumer adoption of Buy Now Pay Later (BNPL) services is increasingly recognised as a psychologically driven phenomenon that extends beyond purely rational financial decision-making. The rapid expansion of BNPL has generated concerns regarding the adequacy of traditional technology adoption theories in explaining consumer participation in deferred payment arrangements. Existing studies demonstrate that BNPL adoption is influenced by cognitive, emotional, and motivational mechanisms that shape how consumers interpret financial opportunities and risks (Relja et al., 2024; Srivastava et al., 2024). Psychological determinants refer to the internal mental processes that affect attitudes, intentions, and behaviours toward a product or service. Within the BNPL context, these determinants include perceived control, financial self-efficacy, impulsive materialism, social influence, and emotional responses to consumption opportunities (Simiyu et al., 2025; Raj et al., 2024). Researchers increasingly argue that understanding these psychological factors is essential because BNPL combines characteristics of digital payments and consumer credit, creating unique decision-making environments (Kumar & Nayak, 2024; Waliszewski et al., 2024). Studies focusing on fintech adoption indicate that consumers frequently evaluate financial technologies according to subjective perceptions rather than objective financial realities (Abed & Alkadi, 2024; Angel-Rodriguez & Vicente-Pascual, 2026). Similar patterns are evident within BNPL research, where perceived convenience and immediate gratification often outweigh concerns regarding future repayment obligations (Relja et al., 2024; Ahmad et al., 2026). Psychological theories suggest that individuals process financial decisions using both rational and affective systems, creating vulnerabilities to cognitive distortions during purchasing situations. Empirical findings consistently reveal that BNPL users are influenced by behavioural biases that make deferred payments appear less financially burdensome than conventional borrowing arrangements (Kumar & Nayak, 2024; Joshi et al., n.d.). Existing literature nevertheless remains fragmented because different psychological determinants are frequently examined in isolation rather than through integrated frameworks. Many studies focus on behavioural intention without adequately exploring how psychological variables interact and reinforce one another. This limitation creates uncertainty regarding the relative importance of individual determinants and highlights the need for a more comprehensive understanding of the psychological foundations of BNPL adoption.

Financial self-efficacy has emerged as one of the most frequently examined psychological determinants of BNPL adoption. Financial self-efficacy refers to an individual's confidence in managing financial responsibilities and making effective financial decisions. Studies indicate that consumers with strong financial self-efficacy tend to perceive BNPL as a flexible and manageable financial instrument rather than a debt-generating mechanism (Simiyu et al., 2025; Aisjah, 2024). This perception strengthens adoption intentions because financially confident consumers believe they possess sufficient capability to meet future repayment commitments. Research conducted among university students demonstrates that financial self-efficacy positively influences intentions to use pay-later systems by increasing perceived

behavioural control over financial outcomes (Aisjah, 2024). Similar evidence suggests that self-efficacy affects actual borrowing behaviour through heightened confidence in debt management abilities (Simiyu et al., 2025). Despite these positive associations, some scholars question whether high financial self-efficacy necessarily translates into responsible financial behaviour. Joshi et al. (n.d.) argue that confidence in financial management may become problematic when consumers underestimate the behavioural effects of payment decoupling and frictionless credit access. This perspective suggests that self-efficacy may simultaneously function as a facilitator and risk factor depending on the consumption environment. Comparable findings within digital finance research indicate that perceived competence does not always protect individuals from impulsive financial decisions when emotional triggers are present (Pakpahan & Tasman, 2026; Gunawan & Tandiono, 2026). Methodological limitations remain evident because many studies rely on self-reported measures that may overestimate actual financial capabilities. Existing research also focuses predominantly on younger consumers, restricting the generalisability of findings across broader demographic segments. Greater attention is therefore required to determine whether financial self-efficacy promotes sustainable BNPL usage or simply increases consumers' willingness to engage with deferred payment systems.

Impulsivity constitutes another critical psychological determinant that has received substantial attention within BNPL literature. Impulsivity refers to a tendency to make spontaneous decisions without comprehensive evaluation of future consequences. Research consistently demonstrates that impulsive individuals exhibit stronger intentions to use BNPL because deferred payment features reduce immediate financial barriers to consumption (Marheni et al., 2026; Kumar & Nayak, 2024). The relationship between impulsivity and BNPL adoption is often explained through the concept of instant gratification, whereby consumers prioritise immediate rewards over long-term financial considerations. Studies indicate that BNPL interfaces facilitate such tendencies by enabling rapid purchasing decisions with minimal cognitive effort (Relja et al., 2024; Srivastava et al., 2025). Similar findings suggest that the reduction of payment salience encourages consumers to focus on product acquisition rather than financial sacrifice (Joshi et al., n.d.; Kumar & Nayak, 2024). Research on impulsive buying behaviour among university students reveals that impulsivity serves as a dominant predictor of BNPL usage intentions, particularly in digital retail environments (Marheni et al., 2026). The significance of impulsivity is further supported by systematic reviews identifying compulsive buying and spontaneous consumption as recurring themes within BNPL scholarship (Nusir et al., 2026; Valenciano et al., 2025). Some researchers argue that impulsivity operates indirectly through emotional responses, suggesting that impulsive consumers become more susceptible to marketing stimuli and promotional offers associated with BNPL schemes (Srivastava et al., 2024; Jamil et al., 2025). Other studies emphasise direct behavioural pathways in which impulsive tendencies independently predict borrowing and spending behaviour regardless of financial knowledge levels (Purno & Azizurrohman, 2026; Huang et al., 2024). These differing interpretations indicate that the precise mechanisms linking impulsivity and BNPL adoption remain insufficiently understood. Existing evidence nevertheless strongly supports the view that impulsive tendencies represent a fundamental psychological driver of BNPL engagement. Continued investigation is necessary to clarify how impulsivity interacts with other psychological determinants to influence consumer decision-making.

Materialism and social influence have also been identified as powerful psychological forces shaping BNPL adoption decisions. Materialism refers to the belief that personal success, happiness, and social status can be achieved through the acquisition of possessions. Research demonstrates that materialistic consumers are more likely to perceive BNPL as a useful mechanism for obtaining desired products without immediate financial sacrifice (Raj et al., 2024; Salah et al., 2026). This relationship is particularly important because materialistic values often intensify consumption desires and reduce sensitivity to financial risks. Studies reveal that BNPL can reinforce materialistic tendencies by increasing perceived access to aspirational goods and lifestyle experiences (Raj et al., 2024; Salah et al., 2026). Social influence further strengthens this process through exposure to peers, social media content, influencers, and societal consumption norms (Aisjah, 2024; Srivastava et al., 2025). Evidence suggests that younger consumers are especially susceptible to these influences because online environments continuously expose them to consumption-related comparisons and status signals (Mappadang et al., 2025; Aisjah, 2024). Social comparison tendencies have been shown to increase impulsive BNPL usage while simultaneously affecting subjective financial well-being (Mappadang et al., 2025). These findings are consistent with broader consumer behaviour theories suggesting that social validation frequently shapes purchasing decisions within digital marketplaces. Some studies portray social influence as an external facilitator that encourages technology adoption, whereas others conceptualise it as a psychological force that amplifies materialistic motivations and emotional spending tendencies (Srivastava et al., 2024; Kumar et al., 2026). The distinction is theoretically important because different mechanisms may require different explanatory frameworks. Existing research has not sufficiently examined how social influence, materialism, and impulsivity collectively shape BNPL adoption behaviour. Current evidence nevertheless indicates that psychological determinants operate through interconnected pathways rather than independent effects, suggesting the need for integrative models capable of capturing the complexity of BNPL decision-making processes.

Emotional Triggers and Consumer Motivations of BNPL Adoption

Consumer motivations represent one of the most important explanatory mechanisms underlying BNPL adoption because technological functionality alone cannot explain widespread acceptance of deferred payment services. The central research issue concerns why consumers willingly adopt BNPL despite growing awareness of potential debt-related consequences. Existing studies suggest that emotional drivers substantially influence consumption decisions within digital financial environments (Srivastava et al., 2024; Relja et al., 2024). Emotional motivations refer to affective states that encourage individuals to seek immediate satisfaction, pleasure, or psychological comfort through purchasing activities. Research consistently identifies instant gratification as a dominant driver of BNPL adoption because consumers gain immediate access to desired products without immediate payment obligations (Srivastava et al., 2025; Kumar & Nayak, 2024). This psychological benefit increases the attractiveness of BNPL relative to conventional payment methods requiring upfront financial sacrifice. Studies examining consumer perceptions indicate that deferred payment arrangements reduce psychological resistance during purchase evaluations (Kshatriya, 2026; Ahmad et al., 2026). Similar findings suggest that BNPL transforms purchasing experiences into emotionally rewarding activities by minimising perceived financial constraints (Abed & Alkadi, 2024; Waliszewski et al., 2024). Research on digital payment behaviour supports the argument that enjoyable and frictionless payment

experiences strengthen favourable attitudes toward adoption (Behera & Kumra, 2024; Petroccione & Taddei, 2026). Existing literature nevertheless varies in explaining whether emotional gratification functions as an independent predictor or operates through cognitive evaluations of convenience and affordability. Many studies treat emotions as secondary variables despite evidence suggesting their central role in consumption behaviour. This limitation restricts understanding of how affective reactions influence adoption decisions within credit-enabled purchasing environments. A more integrated perspective is necessary to explain how emotional motivations contribute to BNPL adoption and subsequent consumption behaviours.

Instant gratification remains one of the most consistently reported emotional antecedents of BNPL adoption. The concept refers to consumers' preference for immediate rewards over delayed benefits. Research indicates that BNPL directly supports gratification-seeking tendencies by allowing consumers to satisfy consumption desires without waiting for financial resources to accumulate (Relja et al., 2024; Srivastava et al., 2025). This characteristic is particularly relevant within online retail settings where purchasing decisions often occur rapidly. Studies demonstrate that immediate access to products creates positive emotional responses that strengthen purchase intentions and increase the likelihood of BNPL selection (Jamil et al., 2025; Kumar & Nayak, 2024). Similar observations are found in fintech research suggesting that ease and speed of financial transactions amplify consumers' hedonic experiences (Angel-Rodriguez & Vicente-Pascual, 2026; Behera & Kumra, 2024). Researchers argue that the perceived delay of payment reduces psychological discomfort while preserving consumption benefits (Joshi et al., n.d.; Kumar & Nayak, 2024). This process encourages consumers to focus on desired outcomes rather than future repayment responsibilities. Empirical evidence further suggests that consumers frequently underestimate financial consequences when gratification opportunities are highly salient (Purno & Azizurrohman, 2026; Huang et al., 2024). Some scholars propose that gratification-seeking behaviour is especially influential among younger consumers who prioritise experiential and lifestyle consumption (Aisjah, 2024; Abed & Alkadi, 2024). Other studies report that gratification motives vary across financial literacy levels and personal financial circumstances (Dahlan, 2026; Azzuhruf & Cahyono, 2026). These inconsistencies indicate that contextual factors shape the strength of gratification-related effects. Existing knowledge nevertheless supports the argument that immediate reward orientation constitutes a key motivational force underlying BNPL adoption.

Social influence represents another important motivational factor shaping consumer willingness to adopt BNPL services. Contemporary consumption increasingly occurs within socially connected digital environments where purchasing decisions are influenced by peer interactions and online communication channels. Research indicates that social media exposure significantly affects attitudes toward BNPL by normalising deferred payment behaviours (Aisjah, 2024; Srivastava et al., 2025). Consumers frequently encounter content that portrays BNPL as a practical and socially accepted financial solution. Studies suggest that peer endorsement strengthens perceptions of trustworthiness and reduces uncertainty associated with fintech adoption (Kumar et al., 2026; Abed & Alkadi, 2024). Related evidence demonstrates that younger consumers are particularly responsive to social validation when making financial and consumption decisions (Mappadang et al., 2025; Aisjah, 2024). Social comparison tendencies further intensify BNPL adoption because individuals seek to maintain

lifestyles that align with perceived social expectations. Researchers have found that users exposed to aspirational consumption messages are more likely to utilise deferred payment options to acquire desired products (Raj et al., 2024; Salah et al., 2026). Similar patterns emerge within broader digital finance literature where social norms significantly affect adoption behaviour (Angel-Rodriguez & Vicente-Pascual, 2026; Petroccione & Taddei, 2026). Existing studies nevertheless focus predominantly on social media intensity while providing limited analysis of different forms of social influence. The distinction between normative influence, informational influence, and social comparison remains insufficiently explored within BNPL scholarship. This limitation prevents a comprehensive understanding of how social processes shape adoption decisions. Greater theoretical refinement is required to explain the specific mechanisms through which social factors motivate BNPL engagement.

Materialistic aspirations increasingly appear as a fundamental motivational force underpinning BNPL adoption. Materialism reflects a value orientation in which possessions are viewed as indicators of success, identity, and personal achievement. Research demonstrates that highly materialistic consumers exhibit stronger preferences for BNPL because the service facilitates access to desired goods without requiring immediate financial resources (Raj et al., 2024; Salah et al., 2026). This relationship highlights the symbolic significance of consumption within contemporary digital marketplaces. Studies reveal that materialistic values intensify consumers' desire for products associated with status, prestige, and social recognition (Raj et al., 2024). BNPL consequently serves as a mechanism that reduces financial barriers to aspirational consumption. Similar evidence suggests that materialism indirectly influences behavioural intentions through heightened impulsive buying tendencies (Salah et al., 2026; Mappadang et al., 2025). Researchers also report associations between materialistic orientations and reduced attention to repayment obligations during purchasing decisions (Purno & Azizurrohman, 2026; Kumar & Nayak, 2024). Some studies argue that materialism contributes to sustainable BNPL demand by maintaining strong consumption aspirations regardless of financial constraints (Gafoor & S, 2026; Marheni et al., 2026). Other researchers emphasise the potential risks associated with such motivations because excessive focus on consumption can undermine financial well-being (Raj et al., 2024; Zakiyah, 2026). Existing literature provides limited understanding regarding how materialistic values interact with self-efficacy, social influence, and financial literacy. The predominance of cross-sectional methodologies further restricts causal interpretations of these relationships. Current evidence nevertheless suggests that materialism constitutes a central motivational mechanism that deserves greater attention within psychological models of BNPL adoption.

Behavioural Outcomes of BNPL Adoption

Consumer behaviour represents a critical area of investigation because BNPL adoption influences not only purchasing decisions but also longer-term financial practices. The primary concern emerging from existing literature relates to how deferred payment systems alter spending habits and consumption patterns. Research consistently suggests that BNPL modifies consumer decision-making by reducing perceptions of immediate financial sacrifice (Kumar & Nayak, 2024; Valenciano et al., 2025). This behavioural effect distinguishes BNPL from traditional payment methods where expenditure is experienced at the point of transaction. Studies indicate that consumers frequently increase spending levels when BNPL options are available during checkout processes (Ahmad et al., 2026; Waliszewski et al., 2024). Similar findings have been documented across digital payment research where seamless

payment mechanisms encourage greater transactional activity (Petroccione & Taddei, 2026; Behera & Kumra, 2024). Researchers attribute this phenomenon to reduced payment salience and enhanced perceptions of affordability. Existing evidence further suggests that repeated exposure to BNPL reinforces spending habits and normalises deferred payment behaviour (Wulandjani, 2026; Ahmad et al., 2026). Some studies portray these behavioural outcomes as indicators of consumer convenience and efficiency. Other investigations emphasise risks associated with excessive borrowing and poor debt management (Mohammad et al., 2025; Purno & Azizurrohman, 2026). The contrasting interpretations illustrate continuing debate regarding the behavioural implications of BNPL adoption. More comprehensive analysis is required to explain how consumer behaviour evolves after initial adoption. Understanding these behavioural outcomes is essential for identifying mechanisms that contribute to both beneficial and harmful financial consequences.

Impulse buying constitutes the most extensively studied behavioural outcome associated with BNPL adoption. Impulse buying refers to spontaneous purchasing behaviour characterised by limited planning and reduced consideration of long-term consequences. Research consistently demonstrates a positive relationship between BNPL use and impulsive purchasing tendencies (Marheni et al., 2026; Nusir et al., 2026). Deferred payment features reduce immediate financial concerns and encourage rapid consumption decisions. Studies reveal that BNPL users often focus on immediate product acquisition rather than future repayment obligations (Joshi et al., n.d.; Kumar & Nayak, 2024). Similar findings indicate that payment decoupling strengthens emotional decision-making and weakens self-regulation processes (Relja et al., 2024; Srivastava et al., 2025). Researchers have identified impulsivity as both an antecedent and consequence of BNPL engagement. Evidence from student populations indicates that impulsive buying behaviour significantly predicts adoption intentions and repeated use (Marheni et al., 2026; Aisjah, 2024). Additional studies suggest that promotional strategies integrated into digital shopping environments further stimulate impulsive spending among BNPL users (Jamil et al., 2025; Ahmad et al., 2026). Existing literature nevertheless relies heavily on self-reported behavioural measures, creating concerns regarding social desirability bias and response accuracy. Longitudinal evidence examining the persistence of impulsive purchasing patterns remains relatively scarce. Methodological limitations therefore restrict understanding of whether BNPL creates impulsive behaviours or primarily attracts consumers already predisposed toward such tendencies. This distinction remains important for theory development and policy discussions concerning responsible digital credit usage.

Post-purchase regret and cognitive dissonance have emerged as significant behavioural consequences of BNPL usage. Post-purchase regret refers to negative emotions experienced after recognising that a previous consumption decision may have been inappropriate or excessive. Studies demonstrate that impulsive BNPL purchases frequently increase the likelihood of regret after consumers reassess their financial commitments (Ismail et al., 2026; Nusir et al., 2026). This behavioural outcome challenges assumptions that BNPL consistently improves customer satisfaction. Research indicates that consumers often realise the cumulative burden of multiple instalment obligations only after purchases have been completed (Kumar & Kumar, 2026; Mohammad et al., 2025). Similar patterns are evident in studies examining risky indebtedness resulting from repeated BNPL use (Kumar & Nayak, 2024; Purno & Azizurrohman, 2026). Psychological discomfort emerges when consumption

outcomes fail to justify financial sacrifices required for repayment. Researchers have further documented associations between BNPL usage and increased product return behaviours, suggesting attempts to reverse regretted purchasing decisions (Kumar & Kumar, 2026). Existing evidence therefore highlights a complex relationship between initial purchasing excitement and later emotional dissatisfaction. Some studies report strong relationships between impulsive buying and regret, whereas others identify moderating influences such as financial literacy and self-control (Huang et al., 2024; Dahlan, 2026). Differences in research designs and sample characteristics likely contribute to these inconsistencies. Further investigation is required to identify the conditions under which BNPL-related regret is most likely to occur. A clearer understanding of these mechanisms would improve explanations of consumer behaviour across the entire purchase cycle.

Repeated use behaviour is increasingly recognised as an important outcome that shapes the long-term impact of BNPL services. Repeated use refers to consumers' continued engagement with BNPL after initial adoption experiences. Research indicates that positive transaction experiences enhance users' willingness to rely on BNPL for future purchases (Wulandjani, 2026; Ahmad et al., 2026). Consumers often develop habitual usage patterns when deferred payment options are perceived as convenient and manageable. Similar findings within mobile payment literature suggest that repeated usage is influenced by satisfaction, trust, and perceived utility (Behera & Kumra, 2024; Angel-Rodriguez & Vicente-Pascual, 2026). Studies examining BNPL specifically reveal reciprocal relationships between technological attributes and behavioural outcomes (Wulandjani, 2026). Frequent usage can strengthen favourable attitudes while simultaneously increasing exposure to borrowing opportunities. Researchers argue that such behavioural reinforcement processes contribute to normalisation of debt-financed consumption (Mohammad et al., 2025; Purno & Azizurrohman, 2026). Existing investigations provide valuable insights into usage continuance but rarely assess associated psychological consequences. The majority of studies emphasise behavioural intentions rather than actual long-term financial experiences. Research also remains concentrated in specific geographical regions, limiting generalisability across different socioeconomic environments. Greater longitudinal examination is necessary to determine whether repeated use promotes sustainable financial behaviour or increases vulnerability to indebtedness. The literature currently provides an incomplete understanding of how continued engagement with BNPL influences evolving consumer behaviours.

BNPL and Financial Well-Being Outcomes

Financial well-being has emerged as a central concern within BNPL research because the benefits of payment flexibility may coexist with adverse financial consequences. The growing popularity of BNPL has intensified academic interest in understanding whether deferred payment systems contribute positively or negatively to consumers' financial lives. Financial well-being generally refers to an individual's ability to meet current financial obligations, maintain financial security, and experience satisfaction with financial circumstances (Bhardwaj & Kalro, 2024; Tahir et al., 2026). Within the BNPL context, financial well-being is particularly relevant because the service directly influences spending, borrowing, and financial management behaviours. Existing studies suggest that BNPL can improve consumers' ability to smooth consumption and manage temporary liquidity shortages (Gafoor & S, 2026; Pakpahan & Tasman, 2026). Similar evidence from fintech adoption literature indicates that digital financial services may enhance financial inclusion and accessibility when

used responsibly (Abed & Alkadi, 2024; Gunawan & Tandiono, 2026). Researchers nevertheless highlight concerns that excessive reliance on BNPL may undermine financial stability through accumulated repayment commitments (Mohammad et al., 2025; Purno & Azizurrohman, 2026). Empirical findings reveal that the relationship between BNPL and financial well-being is neither universally positive nor uniformly negative. Studies increasingly suggest that behavioural characteristics and financial literacy influence how consumers experience BNPL outcomes (Anggraini et al., 2026; Dahlan, 2026). Research examining digital financial behaviour demonstrates that favourable financial outcomes often depend on consumers' capacity to regulate spending and manage debt obligations effectively (Pakpahan & Tasman, 2026; Purnamasari et al., 2025). Existing literature remains fragmented because investigations frequently focus on isolated variables rather than comprehensive well-being frameworks. This limitation restricts understanding of the broader consequences associated with BNPL adoption. Greater synthesis is therefore needed to explain the mechanisms through which BNPL shapes financial well-being outcomes across diverse consumer populations.

Several studies report positive associations between BNPL usage and financial well-being under specific conditions. Researchers argue that deferred payment arrangements can provide consumers with greater flexibility in managing cash flow and short-term financial commitments (Gafoor & S, 2026; Pakpahan & Tasman, 2026). This flexibility may be especially beneficial for individuals facing temporary budget constraints or irregular income patterns. Studies examining fintech adoption suggest that digital financial tools can enhance perceived financial control when users possess sufficient financial knowledge and planning skills (Gunawan & Tandiono, 2026; Chauhan, 2027). Similar findings indicate that responsible BNPL usage enables consumers to align expenditure with income cycles more effectively (Purnamasari et al., 2025; Pakpahan & Tasman, 2026). Researchers also report that financial inclusion benefits associated with fintech services may improve access to consumption opportunities previously constrained by limited credit availability (Abed & Alkadi, 2024; Azzuhruf & Cahyono, 2026). Positive outcomes appear more likely when consumers employ BNPL for planned purchases rather than impulsive spending activities. Studies further demonstrate that financial attitudes influence whether BNPL contributes to favourable financial experiences (Anindyastri et al., 2026; Kumar & Kumar, 2026). Consumers with disciplined financial practices often report better management of repayment obligations and lower financial stress levels. Existing evidence nevertheless indicates that positive outcomes are highly dependent on individual characteristics and contextual factors. Many investigations utilise cross-sectional data, limiting the ability to determine long-term effects on financial well-being. Limited attention has also been devoted to differences between socioeconomic groups and cultural contexts. Current evidence therefore suggests that although BNPL may produce beneficial outcomes, these benefits are conditional rather than universal.

Contrasting findings highlight the potential risks of BNPL for financial well-being. Research consistently associates problematic BNPL usage with increased indebtedness, poor spending control, and financial vulnerability (Mohammad et al., 2025; Purno & Azizurrohman, 2026). Deferred payment structures may encourage consumers to commit to financial obligations that exceed their repayment capacities. Studies exploring risky indebtedness indicate that consumers often underestimate cumulative debt burdens when multiple instalment plans are active simultaneously (Kumar & Nayak, 2024; Mohammad et al., 2025). Related evidence

suggests that payment decoupling weakens awareness of actual financial commitments during purchasing decisions (Joshi et al., n.d.; Kumar & Nayak, 2024). Researchers have observed that excessive BNPL usage can reduce financial resilience by increasing recurring obligations and limiting future financial flexibility (Zakiyah, 2026; Kaparang & Kaparang, 2026). Similar concerns emerge in investigations of digital lending services where easy credit access contributes to financial strain among younger consumers (Zakiyah, 2026; Huang et al., 2024). Materialistic values and impulsive spending tendencies further intensify these risks by encouraging consumption beyond available resources (Raj et al., 2024; Salah et al., 2026). Existing studies frequently identify financial literacy as an important moderator capable of reducing adverse consequences (Dahlan, 2026; Anggraini et al., 2026). Research nevertheless reports inconsistent findings regarding the effectiveness of financial knowledge in preventing problematic borrowing behaviours. Such inconsistencies suggest that literacy alone may be insufficient without corresponding behavioural self-regulation. Current literature therefore indicates that BNPL may generate significant financial well-being challenges when psychological and behavioural vulnerabilities remain unaddressed.

The broader consumer well-being literature provides valuable insights for understanding BNPL-related financial outcomes. Consumer well-being frameworks emphasise the importance of evaluating market innovations according to their ability to enhance quality of life rather than merely increase consumption opportunities (Bhardwaj & Kalro, 2024; García-Rodríguez et al., 2025). Researchers increasingly argue that financial products should be assessed through both objective and subjective indicators of well-being. Studies examining financial satisfaction demonstrate that perceived financial security often exerts stronger effects on well-being than absolute financial resources alone (Tahir et al., 2026; Chauhan, 2027). This perspective is particularly relevant because BNPL can influence subjective perceptions of financial control and security. Existing evidence suggests that consumers may initially perceive BNPL positively due to enhanced purchasing flexibility while experiencing adverse consequences later if repayment obligations become difficult to manage (Gafoor & S, 2026; Zakiyah, 2026). Similar observations have been reported in broader fintech research examining the relationship between digital financial services and life satisfaction (Pakpahan & Tasman, 2026; Gunawan & Tandiono, 2026). Scholars increasingly call for multidimensional approaches capable of capturing cognitive, behavioural, and emotional aspects of financial well-being simultaneously (Salunke et al., 2026; Bhardwaj & Kalro, 2024). Existing BNPL research has not yet fully adopted such comprehensive perspectives. Much of the literature remains focused on financial outcomes while neglecting broader psychological and quality-of-life implications. A more integrated approach would provide greater understanding of how BNPL influences overall consumer welfare. Such an approach is particularly important because financial well-being represents a central outcome linking adoption motivations and behavioural consequences. Current evidence therefore highlights the need for deeper investigation into the complex relationship between BNPL usage and sustainable consumer well-being.

BNPL and Psychological Well-Being

Psychological well-being represents an increasingly important dimension of BNPL research due to growing concerns regarding the emotional consequences of digital credit usage. The rapid integration of BNPL into everyday purchasing processes has raised questions regarding its impact on consumers' mental and emotional states. Psychological well-being encompasses

dimensions such as emotional stability, life satisfaction, perceived control, and freedom from psychological distress (García-Rodríguez et al., 2025; Salunke et al., 2026). Existing research suggests that financial decisions and emotional experiences are closely interconnected because financial pressures frequently influence overall psychological functioning. Studies examining mobile payment systems identify significant relationships between financial behaviour and financial anxiety (An et al., 2025). Similar concerns emerge within BNPL literature where deferred payment obligations may generate stress after purchase decisions have been completed (Ismail et al., 2026; Kaparang & Kaparang, 2026). Researchers increasingly recognise that consumer evaluations of fintech services should consider psychological outcomes alongside behavioural and financial measures. Existing evidence indicates that BNPL may improve emotional experiences during purchase stages by increasing perceived affordability and reducing immediate financial pressure (Relja et al., 2024; Kshatriya, 2026). Positive feelings associated with consumption convenience often increase consumer satisfaction and strengthen intentions to continue using the service (Ahmad et al., 2026; Wulandjani, 2026). Research nevertheless suggests that these positive emotions may be temporary and vulnerable to reversal when repayment obligations become salient. The literature therefore reflects growing interest in understanding whether BNPL promotes or undermines long-term psychological well-being. Such inquiry is necessary because emotional outcomes have implications that extend beyond the immediate marketplace context. Current evidence highlights the importance of examining psychological well-being as a distinct outcome of BNPL adoption.

Financial anxiety is among the most commonly discussed psychological consequences associated with BNPL usage. Financial anxiety refers to emotional distress arising from concerns about financial responsibilities and future financial security. Studies demonstrate that financial behaviours substantially influence anxiety levels, particularly when consumers perceive uncertainty regarding repayment obligations (An et al., 2025; Tahir et al., 2026). Research examining digital lending products suggests that financial concerns frequently intensify when debt commitments accumulate beyond consumers' expectations (Kaparang & Kaparang, 2026; Zakiyah, 2026). Similar findings are reported within BNPL research where users sometimes underestimate the cumulative effects of multiple instalment arrangements (Mohammad et al., 2025; Purno & Azizurrohman, 2026). Researchers argue that the convenience of deferred payments may obscure future financial burdens during decision-making processes. Studies further indicate that impulsive purchasing behaviours increase vulnerability to anxiety because consumers often commit to obligations without adequate financial planning (Nusir et al., 2026; Marheni et al., 2026). Consumers experiencing repayment difficulties may face persistent concerns regarding debt management and financial security. Existing evidence also identifies financial literacy as an important factor influencing anxiety outcomes (Huang et al., 2024; Dahlan, 2026). Individuals with greater financial understanding often demonstrate stronger capacities to manage debt-related stress. Research nevertheless provides mixed findings regarding the extent to which financial literacy can fully mitigate psychological distress associated with borrowing. The predominance of cross-sectional methodologies further limits causal interpretation of observed relationships. Current literature therefore suggests that financial anxiety remains a significant psychological outcome requiring greater attention within BNPL research.

Post-purchase regret constitutes another critical psychological outcome associated with BNPL adoption. Regret arises when consumers perceive that alternative decisions would have produced more favourable outcomes than those actually experienced. Research consistently identifies impulsive purchasing as a major predictor of post-purchase regret within BNPL environments (Ismail et al., 2026; Nusir et al., 2026). Deferred payment systems often encourage rapid decision-making, increasing the likelihood of consumption choices that later appear unnecessary or financially burdensome. Studies reveal that consumers frequently experience dissatisfaction after recognising the long-term implications of repayment obligations (Kumar & Kumar, 2026; Ismail et al., 2026). Similar findings indicate that regret may intensify when financial consequences conflict with personal financial goals and expectations (Mohammad et al., 2025; Kumar & Nayak, 2024). Researchers have also linked regret to cognitive dissonance, whereby individuals experience psychological tension following inconsistent behaviour. Evidence suggests that post-purchase regret can negatively influence satisfaction, trust, and future consumption decisions (Kumar & Kumar, 2026; Ahmad et al., 2026). Existing literature nevertheless differs regarding the prevalence and intensity of regret among BNPL users. Some studies identify regret as a widespread consequence of impulsive purchases, whereas others report more limited effects conditioned by financial literacy and self-control (Dahlan, 2026; Huang et al., 2024). Methodological variation contributes to these discrepancies because studies employ different measures and analytical approaches. Greater conceptual clarity is required to explain how regret develops across different consumer segments and contexts. Understanding this outcome is particularly important because psychological well-being depends heavily on consumers' evaluations of their financial decisions.

Consumer well-being research highlights the importance of examining psychological outcomes through broader theoretical frameworks. Scholars increasingly argue that marketplace innovations should support consumers' long-term welfare rather than simply facilitate increased consumption (Bhardwaj & Kalro, 2024; Salunke et al., 2026). Studies investigating well-being suggest that financial experiences influence self-esteem, life satisfaction, and emotional stability. Similar findings emerge from digital finance literature where perceptions of control and competence contribute positively to psychological well-being (Pakpahan & Tasman, 2026; Gunawan & Tandiono, 2026). BNPL adoption therefore cannot be evaluated exclusively through purchase outcomes or financial metrics. Researchers have begun examining how financial attitudes, psychological needs, and consumption experiences collectively shape well-being outcomes (Anindyastri et al., 2026; Chauhan, 2027). Existing evidence indicates that positive psychological outcomes are more likely when BNPL usage aligns with planned financial behaviour and realistic repayment expectations. Negative outcomes tend to emerge when impulsivity, materialism, and indebtedness become dominant influences (Raj et al., 2024; Mappadang et al., 2025). Despite increasing scholarly interest, psychological well-being remains underdeveloped within BNPL literature compared with adoption and behavioural intention research. Existing studies frequently examine isolated outcomes rather than comprehensive psychological well-being frameworks. Greater theoretical integration is necessary to connect emotional responses, behavioural consequences, and financial experiences. Such efforts would contribute significantly to understanding the broader implications of BNPL adoption for consumers' lives. Current literature therefore indicates substantial opportunities for further investigation into the psychological well-being consequences of deferred payment services.

Research Gaps and Future Directions in the Psychology of BNPL Adoption

The BNPL literature has expanded rapidly during recent years, generating valuable insights into adoption determinants, behavioural outcomes, and consumer well-being. Despite this growth, significant knowledge gaps remain across multiple areas of inquiry. Bibliometric and review studies consistently highlight the fragmented nature of BNPL research and the absence of comprehensive theoretical integration (Öztürk & Kara, 2025; Nusir et al., 2026). Existing investigations frequently focus on isolated constructs such as impulsivity, financial literacy, self-efficacy, or indebtedness without examining their interconnected relationships. This fragmented approach limits understanding of the broader psychological mechanisms underlying consumer adoption and usage behaviours. Studies often employ technology adoption frameworks that emphasise convenience and usefulness while providing less attention to emotional and behavioural dimensions (Abed & Alkadi, 2024; Kumar et al., 2026). Similar concerns have been raised within digital payment scholarship where cognitive, emotional, and social influences are rarely integrated into unified explanatory models (Angel-Rodriguez & Vicente-Pascual, 2026; Behera & Kumra, 2024). Existing evidence therefore lacks a comprehensive framework explaining how psychological determinants influence behavioural outcomes and well-being simultaneously. Researchers have called for stronger interdisciplinary integration involving consumer psychology, behavioural finance, and fintech adoption perspectives (Nusir et al., 2026; Valenciano et al., 2025). The absence of such integration restricts theoretical advancement and limits practical recommendations for policymakers and service providers. Greater synthesis is required to establish clearer connections between motivations, behaviours, and outcomes. Addressing these theoretical gaps remains essential for developing a more comprehensive understanding of BNPL adoption. The present study responds directly to this need by systematically synthesising evidence relating to consumer motivations, behaviours, and well-being consequences within a single psychological framework.

Methodology

This study employed a systematic literature review (SLR) approach to synthesize, evaluate, and integrate existing scholarly evidence concerning the psychology of Buy Now Pay Later (BNPL) adoption, with particular emphasis on consumer motivations, behavioural outcomes, and well-being consequences. The selection of a systematic literature review methodology was aligned with the study objective of developing a comprehensive understanding of the psychological mechanisms underlying BNPL adoption within contemporary digital financial environments. Recent evidence indicates that BNPL has emerged as one of the fastest-growing fintech innovations, attracting significant academic attention across disciplines including consumer behaviour, psychology, marketing, behavioural finance, financial literacy, and digital payment research (Abed & Alkadi, 2024; Öztürk & Kara, 2025). Despite the increasing volume of studies, the literature remains fragmented because researchers have examined psychological determinants, emotional motivations, behavioural outcomes, and well-being consequences independently rather than within an integrated framework (Nusir et al., 2026; Valenciano et al., 2025). A systematic review was therefore considered appropriate because it facilitates the identification, evaluation, and synthesis of existing evidence through a transparent and replicable research process. The study was underpinned by a positivist research philosophy, which assumes that knowledge can be objectively examined through systematic analysis of empirical evidence. The review also adopted a deductive approach because the analysis was guided by established theories and empirical

findings related to consumer psychology, fintech adoption, behavioural finance, and consumer well-being. This approach enabled the evaluation of existing theoretical explanations regarding BNPL adoption while identifying patterns, inconsistencies, and research gaps across the literature. Similar theory-driven approaches have been applied in consumer behaviour studies examining the relationships among psychological factors, behavioural intentions, and consumer outcomes (Salleh et al., 2024; Salleh et al., 2026c). Research investigating purchase decisions, trust formation, perceived behavioural control, and consumer behavioural outcomes further demonstrates the suitability of deductive reasoning for synthesizing evidence across multiple contexts (Salleh et al., 2026a; Salleh et al., 2026b). The systematic review methodology therefore provided an appropriate framework for understanding the complex relationships between BNPL adoption, consumer behaviour, and well-being outcomes.

The literature search was conducted using multiple internationally recognized academic databases, including Scopus, Web of Science, ScienceDirect, Emerald Insight, SpringerLink, Wiley Online Library, Taylor & Francis Online, and Google Scholar. These databases were selected because they provide extensive coverage of peer-reviewed publications within consumer behaviour, marketing, psychology, finance, fintech, and digital payment research. A structured search strategy was employed using combinations of keywords and Boolean operators to maximize coverage while maintaining search precision. The primary search terms included “Buy Now Pay Later,” “BNPL,” “PayLater,” “consumer psychology,” “consumer motivation,” “behavioural intention,” “financial behaviour,” “impulsive buying,” “financial literacy,” “financial well-being,” “psychological well-being,” “financial anxiety,” and “digital payments.” Boolean operators such as AND, OR, and NOT were utilised to refine search outputs and eliminate irrelevant results. The review focused primarily on studies published between 2020 and 2027 to capture recent developments within BNPL and fintech literature (Öztürk & Kara, 2025; Nusir et al., 2026). The inclusion criteria were broadened to reflect the emerging and multidisciplinary nature of BNPL scholarship. Eligible publications included peer-reviewed empirical journal articles, systematic literature reviews, narrative reviews, conceptual papers, bibliometric studies, and peer-reviewed conference proceedings that directly addressed BNPL adoption, PayLater services, or closely related deferred payment mechanisms. The inclusion of these publication types was considered appropriate because BNPL remains a relatively new research domain, and important theoretical developments, emerging themes, and evidence syntheses have frequently been reported outside conventional empirical journal articles. To be included, publications were required to examine at least one of the core constructs investigated in this review, namely psychological determinants, consumer motivations, behavioural outcomes, financial well-being, or psychological well-being. Publications such as editorials, news articles, magazines, blogs, book reviews, opinion papers, and non-academic reports were excluded from the review. Duplicate records identified across databases were removed prior to screening. The screening process involved title review, abstract assessment, and full-text examination to determine relevance to the study objectives.

Data extraction was conducted using a structured review matrix developed specifically for the study. Information extracted from each publication included author details, publication year, country of study, research objectives, theoretical foundation, methodology, sample characteristics, core variables, key findings, and identified limitations. The use of a systematic

extraction matrix facilitated analytical consistency and enabled effective comparison across studies conducted within different geographical and disciplinary contexts. Particular emphasis was placed on identifying findings related to psychological determinants such as financial self-efficacy, impulsivity, social influence, materialism, financial literacy, and perceived behavioural control, as these variables frequently appeared within BNPL research (Relja et al., 2024; Simiyu et al., 2025). Information concerning consumer motivations, behavioural outcomes, financial consequences, psychological consequences, and well-being outcomes was also extracted and categorised. The extracted studies were subsequently organised according to the major conceptual domains identified within the literature. Similar data extraction procedures have been widely applied in systematic reviews examining consumer behaviour, financial technology adoption, and well-being outcomes because they enhance consistency in evidence synthesis (Angel-Rodriguez & Vicente-Pascual, 2026; Salunke et al., 2026). The data were analysed using thematic analysis, which served as the primary analytical technique. Thematic analysis was selected because of its ability to identify recurring patterns, dominant concepts, and conceptual relationships across heterogeneous studies. The coding process involved repeated reading of the selected articles, generation of preliminary codes, classification of related concepts, and development of broader analytical themes. The final thematic structure was organised around four key dimensions, namely psychological determinants, consumer motivations, behavioural outcomes, and well-being outcomes. This analytical framework enabled a comprehensive understanding of how psychological factors influence BNPL adoption and how these influences subsequently affect consumer experiences and well-being. Similar thematic approaches have been employed successfully in consumer behaviour and systematic review studies investigating behavioural antecedents and consumer outcomes (Salleh et al., 2024; Salleh et al., 2026b). Thematic synthesis therefore provided a robust analytical foundation for achieving review objectives.

Several measures were implemented to enhance credibility, transparency, and methodological rigour of the review process. A predefined review protocol was established before data collection to ensure consistency in article identification, screening, extraction, and analysis procedures. The use of explicit inclusion and exclusion criteria reduced researcher subjectivity and strengthened the reproducibility of the study. Multiple academic databases were utilised to minimise the possibility of publication omission and improve review comprehensiveness. Efforts were also made to examine studies employing diverse methodological approaches, including quantitative, qualitative, mixed-method, bibliometric, conceptual, and systematic review designs. This methodological diversity enhanced the breadth of evidence considered during thematic synthesis and reduced the risk of over-reliance on a single research perspective. The review further considered contextual differences relating to geographical location, demographic characteristics, theoretical approaches, and measurement frameworks when interpreting findings. Such critical evaluation was necessary because BNPL adoption behaviour may vary across cultural and economic settings (Abed & Alkadi, 2024; Mohammad et al., 2025). The study relied exclusively on secondary data obtained from publicly accessible scholarly publications and therefore did not involve direct interaction with human participants. Ethical concerns relating to informed consent, confidentiality, privacy, and participant protection were consequently minimal. Academic integrity was maintained through accurate citation, transparent reporting, and faithful representation of original findings. Limitations associated with database coverage, publication bias, language restrictions, and variations in methodological quality across studies

were acknowledged throughout the review process. Despite these limitations, the implementation of systematic search procedures, structured screening processes, thematic analysis, and transparent reporting practices strengthened the reliability and trustworthiness of the review findings. The resulting synthesis provides a robust evidence base for understanding the psychology of BNPL adoption and offers a foundation for future empirical and theoretical research within the fintech and consumer behaviour domains.

Findings

The findings of this systematic literature review reveal that BNPL adoption is fundamentally a psychological and behavioural phenomenon rather than merely a technological or financial innovation. Although previous studies have commonly applied technology adoption theories to explain BNPL usage, the reviewed literature consistently demonstrates that psychological determinants exert a stronger influence on adoption behaviour than technological attributes alone. Financial self-efficacy, impulsivity, materialism, social influence, and perceived affordability emerged as the most dominant antecedents of BNPL adoption. Consumers frequently evaluate BNPL based on subjective interpretations of affordability, convenience, and accessibility rather than objective assessments of financial obligations. The literature further indicates that financial self-efficacy strengthens consumers' confidence in managing repayment commitments, while impulsivity increases the likelihood of spontaneous adoption decisions. Materialistic values and social comparison tendencies also encourage BNPL adoption by reinforcing desires for immediate ownership and status-related consumption. Existing evidence therefore suggests that BNPL adoption cannot be adequately explained through functional benefits alone because consumer decisions are shaped by an interconnected set of cognitive, emotional, and social factors. The literature collectively demonstrates that psychological processes provide the foundation through which consumers interpret and engage with BNPL services. BNPL adoption appears to be closely linked to consumers' internal beliefs, perceptions and behavioral tendencies. Psychological factors consistently emerge as stronger predictors of BNPL participation than technological characteristics. These findings indicate that understanding consumer psychology is essential for explaining the rapid growth of BNPL services. The evidence positions psychological determinants as the primary drivers of BNPL adoption behaviour.

The review also demonstrates that consumer motivations for BNPL adoption are strongly associated with emotional gratification and consumption accessibility. The most frequently reported motivations include convenience, ease of use, instant gratification, social validation, and perceived affordability. BNPL enables consumers to obtain desired products immediately while postponing the financial burden of payment, creating a consumption experience characterized by reduced psychological resistance and heightened emotional satisfaction. The findings indicate that instant gratification acts as a central motivational mechanism because consumers place greater emphasis on immediate rewards than future financial consequences. Social influence further amplifies these motivations through peer interactions, social media exposure, and online consumption norms that normalize deferred payment behaviour. Materialistic aspirations strengthen these effects by encouraging the pursuit of symbolic and aspirational consumption despite financial constraints. The review therefore highlights that BNPL adoption is not solely motivated by financial necessity or transaction efficiency. Consumers are equally motivated by hedonic rewards, emotional benefits, and social recognition associated with consumption activities. These motivations frequently

interact with one another rather than operating independently. Emotional rewards often reinforce perceived affordability and convenience, making BNPL increasingly attractive to consumers. The literature indicates that consumer motivations extend beyond practical utility and are deeply embedded within emotional and social experiences. The findings therefore suggest that BNPL adoption is driven by a combination of functional, psychological, and symbolic consumption motives.

The literature further reveals that BNPL adoption generates a range of significant behavioural consequences. Impulse buying emerged as the most widely documented outcome, with numerous studies reporting that deferred payment structures reduce spending restraint and encourage unplanned purchases. The separation of payment from consumption creates conditions in which consumers focus on product acquisition while underestimating future repayment obligations. Repeated BNPL usage also contributes to the normalisation of debt-financed consumption and reinforces purchasing habits over time. The review additionally identifies post-purchase regret, cognitive dissonance, and over-indebtedness as recurring behavioural outcomes associated with excessive BNPL engagement. These outcomes often arise when consumers subsequently recognize the cumulative impact of multiple repayment commitments. The evidence therefore suggests that BNPL adoption has implications extending beyond the point of purchase. Behavioural consequences evolve throughout the post-purchase stage and can influence future consumption decisions, financial management practices, and attitudes toward digital credit services. The reviewed studies collectively demonstrate that BNPL alters consumer behaviour in ways that may simultaneously increase purchasing convenience and financial vulnerability. Consumers may initially perceive BNPL as a beneficial payment solution but later experience adverse consequences associated with excessive spending. The literature highlights the importance of examining both short-term behavioural benefits and long-term behavioural risks. These findings support the view that BNPL functions as a behavioural intervention within consumption processes rather than merely a payment mechanism.

The final and most significant finding concerns the complex relationship between BNPL adoption and consumer well-being. The reviewed literature indicates that BNPL can produce both positive and negative well-being outcomes depending on individual characteristics, behavioural practices, and contextual factors. Positive outcomes are generally associated with responsible usage, strong financial literacy, effective financial planning, and disciplined spending behaviour. Under these conditions, BNPL enhances financial flexibility, facilitates consumption smoothing, and improves short-term financial management. Negative outcomes, however, are significantly more prominent within the literature and include financial anxiety, stress, indebtedness, reduced financial well-being, and psychological distress. Materialism, impulsive consumption, and poor financial self-regulation frequently intensify these adverse consequences. The review further reveals that existing BNPL research remains fragmented because studies often examine psychological determinants, behavioural outcomes, and well-being consequences independently rather than as interconnected processes. A major conclusion emerging from the literature is that BNPL adoption should be understood through an integrated psychological framework linking motivations, behaviours, and well-being outcomes. The evidence suggests that psychological determinants influence adoption motivations, which subsequently shape behavioural outcomes and ultimately affect consumer well-being. Consumer experiences with BNPL cannot be fully understood by

focusing exclusively on adoption intentions or purchasing behaviour. A holistic perspective is required to capture the dynamic relationships among psychological factors, behavioural responses, and well-being consequences. This review therefore concludes that the psychology of BNPL adoption is best understood as a multidimensional process in which cognitive beliefs, emotional drivers, behavioural responses, and well-being outcomes interact continuously to shape consumers' experiences with deferred payment services.

Implication of the Study

This study provides several important theoretical implications for the growing body of literature on BNPL adoption and consumer psychology. The findings demonstrate that BNPL adoption extends beyond traditional technology acceptance explanations and should be understood as a multidimensional psychological phenomenon. Existing research has often examined variables such as financial self-efficacy, impulsivity, materialism, social influence, and financial literacy independently. The present review highlights the interconnected nature of these variables and illustrates how they collectively influence consumer decision-making. The findings contribute to consumer behaviour theory by integrating psychological determinants, consumer motivations, behavioural outcomes, and well-being consequences within a single analytical framework. The review also advances understanding of how cognitive and emotional mechanisms shape fintech adoption behaviours. This integration addresses the fragmentation observed across existing BNPL studies and provides a more holistic perspective of consumer engagement with deferred payment services. The study further supports the argument that psychological factors play a central role in explaining financial technology usage. Researchers may use the proposed synthesis as a foundation for developing integrated theoretical models that capture the complexity of BNPL adoption. The review also identifies several unresolved theoretical issues relating to the interactions among motivations, behaviours, and well-being outcomes. These findings create opportunities for future theory development within consumer psychology, behavioural finance, and fintech research. The study therefore contributes to advancing scholarly understanding of the behavioural and psychological foundations of BNPL adoption.

The findings also offer significant practical implications for fintech providers, marketers, financial institutions, and policymakers. BNPL service providers can benefit from understanding the psychological mechanisms that encourage consumer adoption and continued usage. Greater awareness of the roles of impulsivity, perceived affordability, and instant gratification may assist providers in designing services that promote responsible consumption rather than excessive spending behaviour. Financial institutions may utilise these insights to develop consumer education initiatives that strengthen financial literacy and improve repayment management capabilities. Marketing practitioners can use the findings to better understand how emotional and social influences affect consumer responses to deferred payment options. Policymakers may also draw upon the findings to formulate regulations that protect consumers from potential risks associated with over-indebtedness and impulsive borrowing. The review highlights the need for transparency in the communication of repayment obligations and financial commitments. Consumer protection agencies may use these insights to develop guidelines that encourage responsible BNPL practices. Educational institutions and financial educators can incorporate the findings into financial literacy programmes designed for young adults and emerging consumers. Such initiatives may enhance consumers' ability to make informed financial decisions within rapidly

evolving digital financial environments. The practical value of the study therefore extends beyond academic discussion and contributes directly to responsible fintech development and consumer welfare enhancement.

The study additionally generates important implications for future research. The review highlights a lack of integrated investigations examining the complete pathway from psychological determinants to behavioural outcomes and well-being consequences. Many existing studies rely on cross-sectional designs that limit understanding of long-term behavioural and psychological effects. Future researchers should consider longitudinal approaches that evaluate how BNPL behaviours evolve over time. Greater attention should also be given to diverse demographic groups beyond students and Generation Z consumers. Cross-cultural comparisons may provide further insights into contextual differences influencing BNPL adoption and usage patterns. Researchers should also explore moderating variables such as income level, financial resilience, personality traits, and economic conditions. Mixed-method approaches could enhance understanding of the underlying psychological processes that quantitative studies may not fully capture. Additional research examining the relationship between BNPL adoption and broader dimensions of life satisfaction and consumer welfare would further enrich the literature. Future studies may also investigate the effectiveness of interventions designed to reduce impulsive BNPL usage and promote responsible financial behaviour. Expanding research in these areas may contribute to a more comprehensive understanding of how digital credit services influence consumer decision-making. The study therefore establishes a platform for future scholarship aimed at advancing knowledge within the rapidly growing BNPL research domain.

Conclusion

This systematic literature review examined the psychology of Buy Now Pay Later adoption by synthesizing evidence relating to consumer motivations, behavioural outcomes, and well-being consequences. The review demonstrates that BNPL adoption is shaped by a complex combination of cognitive, emotional, social, and behavioural influences. Psychological determinants such as financial self-efficacy, impulsivity, materialism, social influence, and perceived affordability consistently emerged as important drivers of consumer adoption. The findings further reveal that consumers are motivated by convenience, instant gratification, accessibility, and social validation when engaging with BNPL services. These motivations contribute to the growing popularity of deferred payment arrangements across digital commerce environments. The review highlights that BNPL adoption cannot be fully explained through technological functionality or financial utility alone. Consumer behaviour is influenced by psychological processes that affect perceptions of affordability, financial control, and consumption opportunities. The findings therefore reinforce the importance of integrating consumer psychology perspectives into fintech research. Understanding these psychological dimensions is essential for explaining why consumers continue to adopt BNPL despite awareness of potential financial risks. The literature collectively demonstrates that BNPL represents a unique financial innovation situated at the intersection of technology, credit, and consumer behaviour. This understanding provides a stronger conceptual foundation for future research and practice.

The review further demonstrates that BNPL adoption generates important behavioural consequences that extend beyond the initial purchase decision. Impulse buying, repeated

usage behaviour, post-purchase regret, cognitive dissonance, and over-indebtedness emerged as recurring outcomes within the literature. The findings indicate that deferred payment structures reduce immediate spending restraint and encourage greater purchasing activity. While consumers may experience short-term benefits through increased purchasing flexibility, long-term behavioural consequences can emerge when repayment obligations accumulate. The literature suggests that behavioural outcomes are influenced by a combination of individual psychological characteristics and contextual factors. Financial literacy, self-control, and responsible financial practices appear to mitigate some of the negative consequences associated with BNPL usage. The review also highlights that repeated engagement with BNPL can contribute to the normalisation of debt-financed consumption behaviours. Such findings underscore the importance of examining BNPL as a behavioural phenomenon rather than merely a payment method. The interaction between psychological drivers and behavioural outcomes remains a central theme within the reviewed literature. Understanding these relationships is critical for promoting responsible consumer decision-making within digital financial ecosystems. The evidence therefore supports the need for continued attention to the behavioural implications of BNPL services.

The review also reveals that BNPL adoption has significant implications for both financial and psychological well-being. Positive outcomes are generally associated with responsible use, sound financial management practices, and adequate financial literacy. Negative outcomes commonly include financial anxiety, psychological distress, indebtedness, and reduced financial well-being when BNPL is used excessively or impulsively. The findings indicate that well-being outcomes are shaped by the cumulative effects of psychological motivations and behavioural responses. The review further identifies substantial gaps within the literature, particularly regarding the integration of psychological determinants, behavioural outcomes, and well-being consequences within a single framework. Existing evidence remains fragmented and often focuses on isolated components of the BNPL adoption process. A more comprehensive understanding requires greater theoretical integration and broader investigation of long-term consumer outcomes. Future research should continue examining the dynamic relationships among consumer motivations, behaviours, and well-being experiences. Such efforts will contribute to more effective consumer education, improved financial product design, and stronger regulatory frameworks. This review concludes that BNPL adoption is fundamentally a psychological and behavioural process that produces both opportunities and risks for consumers. A balanced understanding of these dynamics is essential for supporting sustainable consumer behaviour and responsible participation in modern digital financial systems.

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