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Buy Now, Pay Later Adoption Intention among University Students in Malaysia: Extending the Technology Acceptance Model

Jaludin Janteng, Hasputri Nurfaezatul Hasran

Labuan Faculty of International Finance, Universiti Malaysia Sabah

Corresponding Author Email: jaludin@ums.edu.my

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Abstract

This study examines factors related to university students' intention to use Buy Now, Pay Later (BNPL) services in Malaysia. Drawing on an extended Technology Acceptance Model, it evaluates perceived ease of use, perceived usefulness, attitude toward use, trust, and perceived risk. A cross-sectional online survey using convenience sampling yielded 272 responses. Data were analysed using descriptive statistics and partial least squares structural equation modelling in SmartPLS. Indicator loadings ranged from 0.744 to 0.907, composite reliability from 0.889 to 0.954, and average variance extracted from 0.615 to 0.807. All heterotrait–monotrait ratios were below 0.90, although the ratio between perceived usefulness and behavioural intention exceeded the stricter threshold of 0.85. The model explained 69.4% of the variance in intention. Perceived usefulness ($\beta = 0.318$, $p < .001$) and attitude ($\beta = 0.263$, $p < .001$) demonstrated significant positive relationships with intention; perceived ease of use, trust, and perceived risk were nonsignificant. PLSpredict produced positive Q^2predict values for all five intention indicators and lower root mean squared errors than the linear-model benchmark for four indicators. The findings identify usefulness and favourable attitudes as relevant correlates of BNPL intention. Convenience sampling and cross-sectional self-reports limit generalisability and causal interpretation.

Keywords: Buy Now, Pay Later (Bnpl), Behavioural Intention, Technology Acceptance Model, University Students, Malaysia

Introduction

Buy Now, Pay Later (BNPL) services enable consumers to acquire goods or services immediately and defer payment to a later date or spread repayment across instalments. In Malaysia, the Consumer Credit Oversight Board Task Force (2026) describes BNPL as digitally operated credit offered through participating merchants and platforms, covering both online and in-store purchases. Its growing relevance is demonstrated by Bank Negara Malaysia (2026), which reported 140.3 million BNPL transactions worth RM11.9 billion in the second half of 2025, compared with 102.6 million transactions worth RM9.3 billion in the first half. Outstanding BNPL debt reached RM4.9 billion at the end of December 2025, with 3.2% overdue. Although BNPL represented only 0.3% of total household debt, BNM emphasised

that its rapid expansion warranted continued monitoring. For university students, deferred payment may appear attractive when expenditure precedes the receipt of allowances or income; however, this represents a possible explanation requiring empirical examination rather than an established conclusion from national statistics. Malaysian research nevertheless identifies perceived usefulness as a significant correlate of young adults' intention to use BNPL (Soong et al., 2024). Understanding students' intentions therefore requires consideration of both perceived practical benefits and continuing repayment obligations.

University students provide a relevant context for examining BNPL acceptance because their adoption decisions may reflect perceived benefits, social influences, and financial circumstances. In Malaysia, Soong et al. (2024), drawing on responses from 118 young adults, found that perceived usefulness and social influence were significantly associated with BNPL usage intention, whereas perceived trust, facilitating conditions, and financial parenting were not statistically significant. More recently, Tay and Tan (2026), examining 250 respondents in the Klang Valley, identified significant positive relationships between financial literacy, credit attitude, economic vulnerability, and BNPL usage intention, while perceived risk was nonsignificant. These findings suggest that BNPL acceptance involves both technological perceptions and financial considerations, although the relationships identified among young adults and general consumers require further examination within university-student populations. At the national level, Bank Negara Malaysia (2026) reported that outstanding BNPL debt reached RM4.9 billion at the end of December 2025 and emphasised that the segment's rapid expansion warranted continued monitoring. Together, this evidence supports examining whether students' perceptions of BNPL's accessibility and practical benefits coexist with concerns about repayment obligations, while recognising that acceptance of the service does not establish its affordability or financial suitability.

The Technology Acceptance Model (TAM) provides a theoretical foundation for investigating BNPL adoption through perceived usefulness and perceived ease of use (Davis, 1989). In this context, usefulness concerns whether students perceive BNPL as facilitating purchases, offering convenience, and supporting the timing of expenditure, whereas ease of use concerns learning, understanding, navigating, and completing transactions through the platform. However, BNPL also entails reliance on a financial service provider and uncertainty about potential financial consequences. Integrating trust into the acceptance framework is therefore supported by research on electronic transactions (Gefen et al., 2003), while perceived risk captures concerns that may discourage the adoption of electronic services (Featherman & Pavlou, 2003). Recent research by Pertiwi et al. (2025), which examines platform trust, borrowing intention, and actual PayLater use in Indonesia and Malaysia, further supports considering provider-related confidence alongside technological perceptions. An extended TAM framework therefore offers a coherent basis for examining usefulness, ease of use, attitude toward use, trust, and perceived risk together.

For university students, BNPL can make purchases easier to manage when expenses arise before allowances or income are received. Each purchase, however, creates a repayment obligation that must be met alongside other expenses. This tension motivates an examination of whether students' intention to use BNPL is associated with how useful and easy they find the service, how favourably they view it, how much they trust the provider, and how they

perceive the financial risks. Prior studies have examined BNPL intentions among university students through financial parenting, financial self-efficacy, and social media use (Aisjah, 2024), and among Malaysian young adults through factors including perceived usefulness, trust, and social influence (Soong et al., 2024). This study contributes evidence from 272 university students in Malaysia by examining five factors together in an extended Technology Acceptance Model. Perceived usefulness and attitude toward use were the two factors that showed statistically significant direct associations with behavioural intention in this sample. This distinction is relevant to university financial education: discussions of BNPL can start with the practical benefits students perceive and help them assess the repayment commitments that accompany those benefits.

Accordingly, this study examines whether perceived ease of use, perceived usefulness, attitude toward use, trust, and perceived risk are associated with university students' intention to use BNPL services in Malaysia. Drawing on survey responses from 272 students, it assesses the five direct relationships using partial least squares structural equation modelling (PLS-SEM), together with the measurement model, explanatory power, and predictive performance. The dependent variable captures students' stated willingness and plans to use BNPL for future purchases; it does not measure realised expenditure, repayment performance, or financial well-being. This distinction follows contemporary BNPL research that treats intention and actual borrowing as separate outcomes (Simiyu et al., 2025). By examining these relationships within a student context, the study seeks to inform understanding of BNPL acceptance and provide a basis for discussions about service transparency and financial education, without assuming that stronger adoption intentions necessarily produce beneficial financial outcomes.

Literature Review

Technology Acceptance Model

The Technology Acceptance Model (TAM) explains technology acceptance through two central beliefs: perceived usefulness and perceived ease of use (Davis, 1989). Perceived usefulness refers to individuals' belief that using a technology will improve their performance, whereas perceived ease of use concerns the extent to which they expect its operation to require minimal effort. These beliefs contribute to attitudes and behavioural intentions towards technology use (Davis et al., 1989). In the BNPL context, perceived usefulness reflects students' assessments of whether the service facilitates purchases, offers convenience, and supports payment timing, while perceived ease of use concerns learning, understanding, navigating, and completing transactions through BNPL platforms. Recent international evidence reinforces the relevance of usefulness: Simiyu et al. (2025) identified a significant relationship between perceived usefulness and borrowing intention among 388 BNPL participants in India. Malaysian evidence provides complementary support. Soong et al. (2024) found that perceived usefulness was significantly and positively associated with BNPL usage intention among 118 young adults in Malaysia, while Prasetyani et al. (2024) examined usefulness, ease of use, and trust in PayLater acceptance, including a Malaysian sample of 165 respondents. These studies support examining technology-acceptance perceptions within the Malaysian context, although their applicability to university students requires further empirical assessment. Accordingly, the present study adopts TAM as its theoretical foundation and incorporates trust and perceived risk to address confidence in the provider

and concerns about potential adverse consequences. These constructs capture respondents' perceptions rather than objective evidence that BNPL improves financial management.

Behavioural Intention

Behavioural intention refers to an individual's readiness and planned effort to perform a particular action. According to Ajzen (1991), intention captures the motivational factors underlying behaviour, although the performance of the intended action also depends on the individual's behavioural control. Technology-adoption research similarly distinguishes intention to use a service from actual usage behaviour (Venkatesh et al., 2003). This distinction remains relevant in contemporary BNPL research: Aisjah (2024) examines university students' intention to use BNPL, whereas Simiyu et al. (2025) distinguish borrowing intention from actual borrowing. Within Malaysia, Soong et al. (2024) examined BNPL usage intention among young adults, while Tay and Tan (2026) investigated consumers' intention to use BNPL in the Klang Valley. These Malaysian studies support the contextual relevance of intention as an outcome without establishing that stated intentions necessarily translate into actual transactions. In the present study, behavioural intention represents Malaysian university students' willingness and plans to use BNPL for future purchases. It is measured through statements addressing intended use within the next six months, selection at checkout, regular use for online shopping, preference over alternative payment methods, and expected continued use. Behavioural intention therefore serves as the dependent variable, capturing anticipated usage rather than observed transactions. Because purchasing and repayment records were not collected, the findings cannot establish subsequent BNPL usage, changes in spending behaviour, or financial consequences.

Perceived Ease of Use

Perceived ease of use refers to the extent to which individuals consider a technology straightforward to learn and operate, with minimal effort required to perform the intended tasks (Davis, 1989). In the BNPL context, this construct concerns students' perceptions of the clarity of platform instructions, ease of navigation, and simplicity of completing transactions. When these processes are understandable and require little effort, students may perceive fewer practical barriers to selecting BNPL as a payment option. Malaysian evidence supports examining this relationship: Lau and Yusoff (2026), surveying 384 Generation Z respondents in Batu Pahat, reported a positive relationship between effort expectancy and behavioural intention to use BNPL. Although effort expectancy is conceptually related to perceived ease of use, the constructs originate from different technology-acceptance frameworks and should not be treated as identical. Nevertheless, usability does not necessarily demonstrate an equally strong relationship with behavioural outcomes across settings. Waliszewski et al. (2025), for example, found that perceived ease of use had only a marginal effect on BNPL recommendation intention. Because recommendation intention differs from usage intention, this finding highlights the importance of considering the outcome and population examined. Drawing on TAM and the complementary Malaysian evidence, the present study examines whether perceived ease of use is positively associated with BNPL usage intention among university students. Accordingly, the following hypothesis is proposed:

Hypothesis 1 (H1). Perceived ease of use is positively associated with students' intention to use BNPL services.

Perceived Usefulness

Perceived usefulness refers to individuals' belief that using a technology will improve their ability to accomplish relevant tasks or achieve desired outcomes (Davis, 1989). For university students, the perceived usefulness of BNPL may encompass purchasing convenience, access to needed items, and the ability to distribute payments across dates that align with available funds. These anticipated benefits may strengthen usage intentions when students regard BNPL as a practical payment option. Recent empirical evidence supports this relationship: Simiyu et al. (2025) identified a significant association between perceived usefulness and BNPL borrowing intention among participants in India. Within Malaysia, Soong et al. (2024) found that perceived usefulness was significantly and positively associated with young adults' intention to use BNPL for online shopping. Additional evidence comes from Prasetyani et al. (2024), whose Malaysian sample comprised 165 respondents and demonstrated a positive relationship between perceived usefulness and PayLater usage intention. Together, these findings provide international and Malaysian support for examining perceived usefulness as a predictor of intention within the university-student context. Nevertheless, perceived usefulness captures respondents' assessments of expected benefits; it does not establish that BNPL objectively improves budgeting, affordability, or financial well-being. Drawing on TAM and this empirical evidence, the study proposes the following hypothesis:

Hypothesis 2 (H2). Perceived usefulness is positively associated with students' intention to use BNPL services.

Attitude Toward Use

Attitude toward use refers to an individual's overall favourable or unfavourable evaluation of performing a particular behaviour. According to the Theory of Planned Behaviour, individuals who evaluate a behaviour positively are generally more likely to form an intention to perform it (Ajzen, 1991). In the BNPL context, attitude reflects whether students regard using the service as a good idea, beneficial, appealing, or a wise payment choice. This evaluation is conceptually distinct from perceived usefulness, which concerns specific practical benefits, and behavioural intention, which captures plans or willingness to use the service. Recent BNPL research supports the relevance of attitude to adoption intention. Kumar and Nayak (2024) found that impulse buying and attitude sequentially mediated the relationship between risky indebtedness and BNPL adoption intention, while perceived risk moderated the attitude–intention relationship. Subsequently, Kumar and Nayak (2025) identified attitude as a mediating mechanism in BNPL adoption and found that technological anxiety weakened its relationship with adoption intention. Malaysian evidence provides complementary support: Zulkifli et al. (2026), surveying 384 respondents aged 20 and above in Seremban, identified attitude as a significant predictor of consumers' intention to use BNPL. Although this study examined a broader consumer population, its findings support investigating the attitude–intention relationship among Malaysian university students. Together, these studies suggest that favourable evaluations are associated with stronger adoption intentions, although the relationship may vary with consumers' concerns and circumstances. Accordingly, the present study proposes the following hypothesis:

Hypothesis 3 (H3). Attitude toward use is positively associated with students' intention to use BNPL services.

Trust

Trust refers to users' confidence that a service provider will act honestly, fulfil its commitments, and perform transactions reliably. In digital financial services, this confidence includes expectations that the platform will safeguard personal and financial information, communicate its terms accurately, and process payments securely. Gefen et al. (2003) establish the relevance of integrating trust with technology acceptance, particularly in online transactions where users depend on providers without direct interpersonal contact. For BNPL, trust may reduce uncertainty about the provider's conduct and strengthen users' willingness to enter a repayment relationship. Pertiwi et al. (2025) examine platform trust in relation to borrowing intention and actual PayLater use in Indonesia and Malaysia. More specifically, Prasetyani et al. (2024), whose research included 165 Malaysian respondents, reported a significant positive relationship between perceived trust and PayLater usage intention. Recent Malaysian research by Wan Nawang et al. (2026), based on 219 Generation Y and Generation Z respondents, also identified trust as relevant to BNPL continuance intention, although continued usage differs from initial adoption. However, Malaysian findings are not uniform: Soong et al. (2024) found that perceived trust was not significantly associated with BNPL usage intention among young adults. Internationally, Waliszewski et al. (2025) identified provider trust as a significant predictor of BNPL recommendation intention, which represents another distinct behavioural outcome. Together, these findings support examining trust among Malaysian university students while recognising that its relationship with intention may vary across populations and usage contexts. In the present study, trust captures students' confidence in the provider's honesty, reliability, information protection, and fulfilment of stated terms; it does not establish the service's objective security or financial suitability. Accordingly, the following hypothesis is proposed:

Hypothesis 4 (H4). Trust is positively associated with students' intention to use BNPL services.

Perceived Risk

Perceived risk refers to individuals' assessment of the uncertainty and potential adverse consequences associated with using a service. In the BNPL context, it encompasses concerns about financial exposure, undisclosed charges, repayment difficulties, overspending, and possible deterioration in financial circumstances. Recent Malaysian evidence indicates that its relationship with usage intention varies across samples. Lau and Yusoff (2026), using data from 384 Generation Z respondents in Batu Pahat, reported a negative correlation between perceived risk and behavioural intention to use BNPL. Conversely, Tay and Tan (2026), examining 250 respondents in the Klang Valley, found no statistically significant relationship between perceived risk and BNPL usage intention. Complementing these empirical studies, Shariff Abd Kadir et al. (2026) proposed a multidimensional framework for examining perceived risk in BNPL adoption among millennials in Sabah, incorporating financial, performance, psychological, privacy, security, time, social, and delivery risks. Their conceptual study highlights the breadth of risk perceptions but does not provide empirical evidence of a positive relationship with intention. Collectively, these Malaysian studies support investigating perceived risk while offering limited justification for a positive directional hypothesis. The present study therefore examines the positive relationship as an exploratory proposition, considering whether stronger concerns about adverse consequences coexist with stronger usage intentions among university students. Because higher questionnaire scores represent greater perceived risk, a positive association would indicate the coexistence

of risk concerns and intended usage rather than greater confidence in the service's safety. Accordingly, the following exploratory hypothesis is proposed:
Hypothesis 5 (H5). Perceived risk is positively associated with students' intention to use BNPL services.

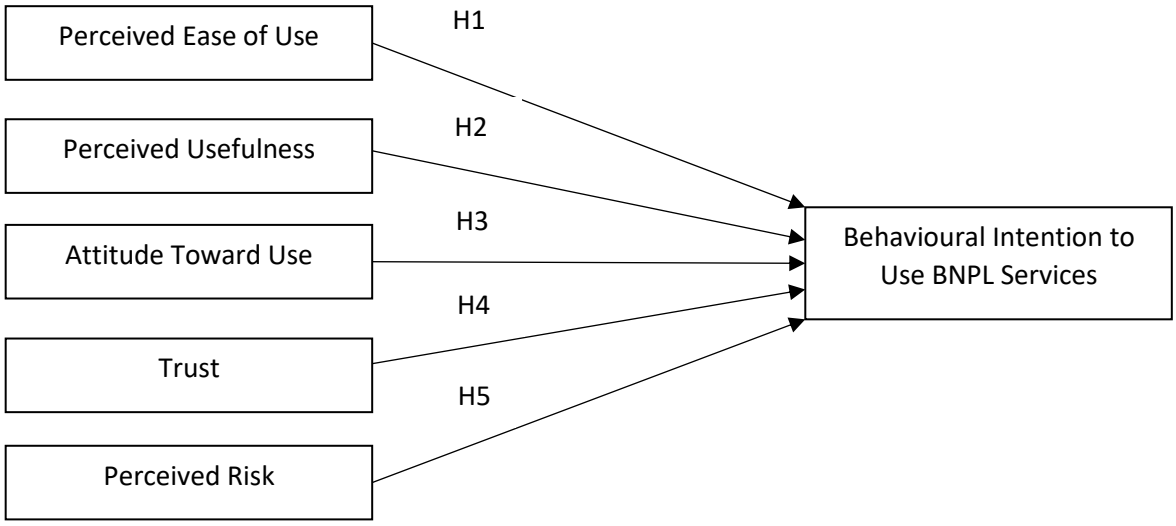


Figure 1 Conceptual Framework

Research Methodology

This study employed a quantitative cross-sectional survey to examine the relationships between perceived ease of use, perceived usefulness, attitude toward use, trust, perceived risk, and university students' intention to use BNPL services in Malaysia. This design permits examination of contemporaneous associations but does not establish temporal ordering or causality (Wang & Cheng, 2020). Survey-based approaches have also been used in Malaysian BNPL research, including studies of young adults' usage intentions (Soong et al., 2024) and consumers' intentions in the Klang Valley (Tay & Tan, 2026). A structured questionnaire was administered through Google Forms and distributed through social media, messaging applications, and university networks using convenience sampling. The target population comprised university students familiar with or exposed to BNPL, and the final dataset contained 272 responses from 13 universities, including diploma, undergraduate, and postgraduate students. Because recruitment involved nonprobability sampling, the findings should not be interpreted as nationally representative. The questionnaire collected demographic information and included 30 substantive items, comprising five reflective indicators for each of the six constructs. Items were presented in English and Malay and measured on a five-point Likert scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*); higher perceived-risk scores indicated greater concern about adverse financial consequences. Respondent characteristics and construct means were summarised using SPSS, while the measurement and structural models were assessed using PLS-SEM in SmartPLS. A recent Malaysian BNPL study similarly employed an online questionnaire, convenience sampling, and PLS-SEM to investigate continuance intention among Generation Y and Generation Z respondents (Wan Nawang et al., 2026), although that study examined a different model and behavioural outcome. Following methodological guidance, model evaluation considered measurement quality alongside explanatory and predictive performance (Guenther et al., 2023; Hair et al., 2024). Reflective measurement assessment included outer loadings,

Cronbach's alpha, rho_A, composite reliability (rho_C), and average variance extracted. Discriminant validity was evaluated using the heterotrait–monotrait ratio (HTMT), with 0.90 as the selected threshold and 0.85 as a more conservative reference point (Henseler et al., 2015). Structural assessment examined the five direct path coefficients, bootstrap standard errors, *t* statistics, and *p* values, together with the coefficient of determination (R^2), effect sizes (f^2), and inner variance inflation factors (VIF). Hypotheses were evaluated at the .05 significance level and according to their proposed directions; values displayed as $p = .000$ were reported as $p < .001$. Predictive performance was assessed using PLSpredict by comparing indicator-level root mean squared error (RMSE) and mean absolute error (MAE) with the linear-model and indicator-average benchmarks, alongside Q^2predict values, thereby distinguishing predictive performance from in-sample explanatory power (Shmueli et al., 2019).

Data collection took place from 5 to 24 April 2026. Questionnaire items were adapted from Davis (1989), Ajzen (1991), Gefen et al. (2003), and Featherman and Pavlou (2003), with wording adjusted to the BNPL and university-student context. These theoretical foundations were contextualised with reference to Malaysian BNPL research examining technology-acceptance perceptions and usage intentions (Prasetyani et al., 2024; Soong et al., 2024). The English questionnaire was translated into Malay and independently back-translated into English, with discrepancies resolved through discussion. Two bilingual academic reviewers assessed both versions for clarity and conceptual equivalence. Responses were screened for missing values, duplicate submissions, and eligibility, yielding a final analytical sample of 272 responses. No missing values were identified in the retained dataset. The analysis was conducted using SmartPLS 4, with 5,000 bootstrap resamples, two-tailed significance testing at the .05 level, and 95% percentile bootstrap confidence intervals. PLSpredict employed 10 folds and 10 repetitions. The use of an online questionnaire and PLS-SEM is consistent with recent Malaysian BNPL research, although the model and sampling procedures differ across studies (Wan Nawang et al., 2026). Before completing the questionnaire, participants viewed an information statement explaining the study's purpose, the voluntary nature of participation, confidentiality, and their right to discontinue participation before submitting their responses. Electronic informed consent was obtained through a mandatory agreement item.

Results

Table 1 presents the demographic characteristics of the 272 respondents. Female students accounted for 54.8% (*n* = 149) of the sample, while male students represented 45.2% (*n* = 123). Most respondents were aged 21–23 years (78.7%, *n* = 214), followed by those aged 18–20 years (11.0%, *n* = 30). Bachelor's degree students constituted the largest group (83.1%, *n* = 226), followed by diploma students (13.6%, *n* = 37), with postgraduate students comprising the remaining 3.3% (*n* = 9). Universiti Malaysia Sabah accounted for the largest proportion of respondents (41.5%, *n* = 113), followed by Universiti Teknologi MARA (16.9%, *n* = 46) and Universiti Malaysia Sarawak (13.6%, *n* = 37); respondents from the other universities collectively represented 27.9% (*n* = 76). Regarding monthly allowance or income, 59.9% (*n* = 163) reported receiving less than RM500, while 26.5% (*n* = 72) received RM500–RM999. Overall, 86.4% (*n* = 235) reported monthly allowances or income below RM1,000. The sample therefore predominantly comprised young undergraduate students with relatively limited monthly financial resources. This profile provides context for examining BNPL intentions

alongside Malaysian research on young adults' acceptance of the service (Soong et al., 2024) and consumers' financial circumstances and usage intentions (Tay & Tan, 2026). It also highlights the relevance of informed repayment decisions, consistent with the emphasis placed by the Organisation for Economic Co-operation and Development (OECD, 2025) on digital financial literacy for the safe use of BNPL. Nevertheless, these descriptive findings do not establish that limited financial resources increase BNPL adoption, and the concentration of respondents within particular institutions limits generalisability.

Table 1
Respondent Profile

Characteristic	Category	Frequency	Percent
Gender	Male	123	45.2
	Female	149	54.8
Age	18–20 years	30	11.0
	21–23 years	214	78.7
	24–26 years	17	6.3
	27–29 years	4	1.5
	30 years and above	7	2.6
Level of study	Diploma	37	13.6
	Bachelor's degree	226	83.1
	Master's degree	6	2.2
	PhD	3	1.1
University	UMS	113	41.5
	UiTM	46	16.9
	UNIMAS	37	13.6
	Other listed universities	76	27.9
Monthly allowance or income	Below RM500	163	59.9
	RM500–RM999	72	26.5
	RM1,000–RM1,499	19	7.0
	RM1,500–RM1,999	10	3.7
	RM2,000 and above	8	2.9

Measurement Model Assessment

The reflective measurement model was assessed for indicator reliability, internal consistency reliability, convergent validity, and discriminant validity, following PLS-SEM evaluation guidance (Hair et al., 2019, 2024). PLS-SEM has also been applied in Malaysian BNPL research examining technological perceptions, trust, attitude, and continuance intention (Wan Nawang et al., 2026). As presented in Table 2, all 30 indicators recorded outer loadings between 0.744 and 0.907, exceeding the recommended threshold of 0.708 and supporting indicator reliability. Cronbach's alpha values ranged from 0.843 to 0.940, while composite reliability (rho_C) values ranged from 0.889 to 0.954, indicating satisfactory internal consistency. Trust recorded the highest composite reliability value (0.954), slightly exceeding 0.95 and warranting examination for possible item redundancy (Hair et al., 2019). Average variance extracted (AVE) values ranged from 0.615 to 0.807, exceeding the minimum threshold of 0.50 and supporting convergent validity across all six constructs. As shown in Table 3, heterotrait–monotrait (HTMT) ratios ranged from 0.625 to 0.877, with all values below the selected threshold of 0.90 (Henseler et al., 2015). The HTMT ratio between attitude and perceived usefulness was 0.845, satisfying the conservative threshold of 0.85. However,

the ratio between perceived usefulness and behavioural intention (0.877) exceeded this stricter threshold. Discriminant validity was therefore supported under the 0.90 criterion but not fully established under the 0.85 criterion. Overall, the findings support proceeding with structural model assessment while retaining caution regarding the distinction between perceived usefulness and behavioural intention.

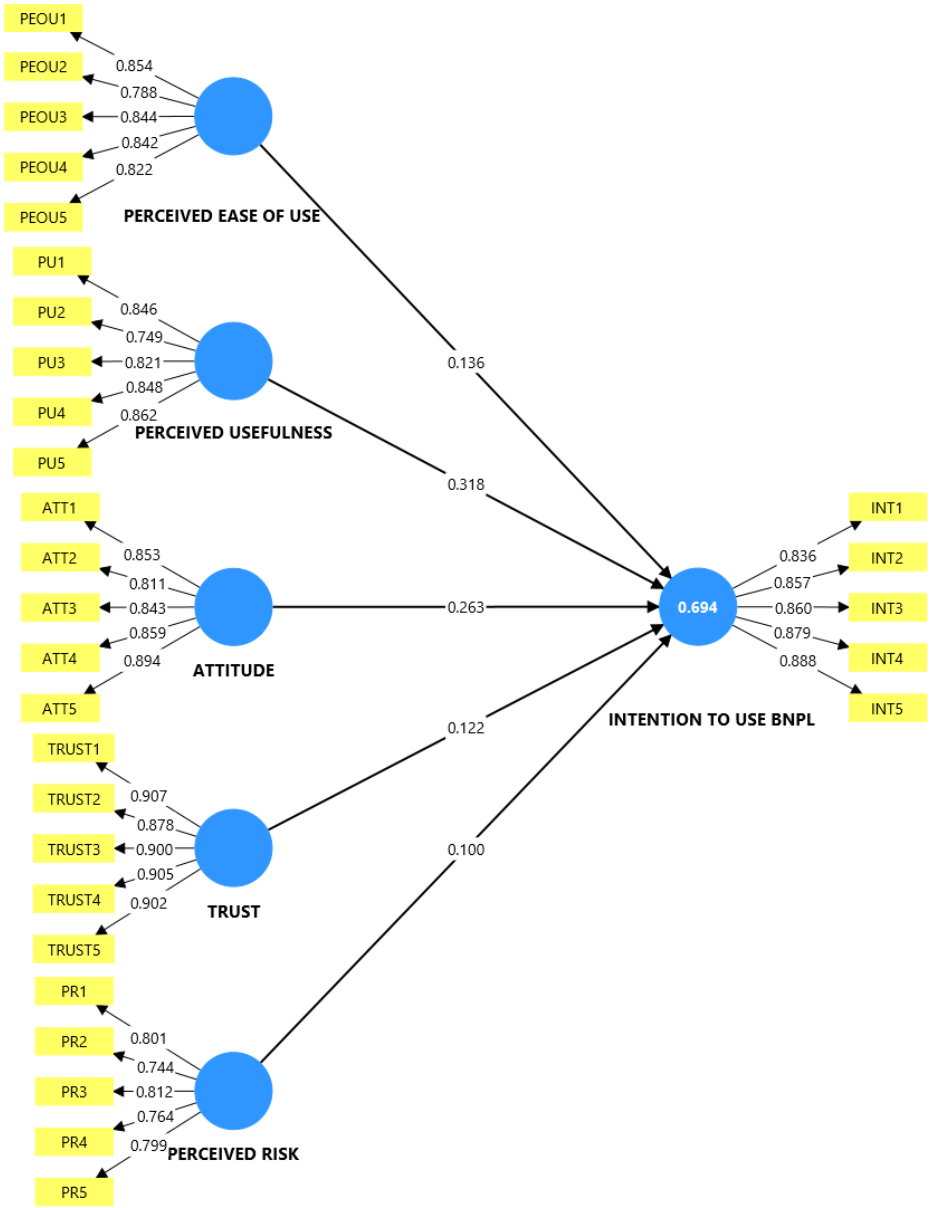


Figure 2 Estimated Measurement and Structural Model

Table 2
Results of the Measurement Model

Model construct	Items	Loadings	CR	AVE	Convergent validity (AVE > .50)
Attitude	ATT1	0.853	0.930	0.727	Yes
	ATT2	0.811			
	ATT3	0.843			
	ATT4	0.859			
	ATT5	0.894			
Intention to use BNPL	INT1	0.836	0.937	0.747	Yes
	INT2	0.857			
	INT3	0.860			
	INT4	0.879			
	INT5	0.888			
Perceived ease of use	PEOU1	0.854	0.917	0.690	Yes
	PEOU2	0.788			
	PEOU3	0.844			
	PEOU4	0.842			
	PEOU5	0.822			
Perceived usefulness	PU1	0.846	0.915	0.683	Yes
	PU2	0.749			
	PU3	0.821			
	PU4	0.848			
	PU5	0.862			
Trust	TRUST1	0.907	0.954	0.807	Yes
	TRUST2	0.878			
	TRUST3	0.900			
	TRUST4	0.905			
	TRUST5	0.902			
Perceived risk	PR1	0.801	0.889	0.615	Yes
	PR2	0.744			
	PR3	0.812			
	PR4	0.764			
	PR5	0.799			

Note. CR = composite reliability (rho_C); AVE = average variance extracted. All 30 indicators were retained, with outer loadings exceeding 0.708. All constructs recorded AVE values above 0.50, supporting convergent validity (Hair et al., 2019).

Table 3
Heterotrait-Monotrait (HTMT) Ratio of Correlations

Construct	**Attitude**	**Behavioural intention**	**Perceived ease of use**	**Perceived usefulness**	**Trust**	**Perceived risk**
Attitude						
Behavioural intention	0.836					
Perceived ease of use	0.749	0.768				
Perceived usefulness	0.845	0.877	0.821			
Trust	0.760	0.761	0.819	0.808		

Perceived risk	0.625	0.677	0.714	0.687	0.734	

Note. HTMT = heterotrait–monotrait ratio. Only the lower triangle is presented; diagonal and upper-triangle cells are intentionally blank. All ratios are below the selected threshold of 0.90. The HTMT ratio between perceived usefulness and behavioural intention (0.877) exceeds the conservative threshold of 0.85, whereas all remaining ratios satisfy this stricter criterion (Henseler et al., 2015).

The HTMT results support discriminant validity under the selected 0.90 criterion. Nevertheless, the ratio between perceived usefulness and behavioural intention (0.877) exceeds the stricter 0.85 threshold, indicating that the distinction between these constructs warrants cautious interpretation.

Structural Model Assessment

The structural model was assessed using standardised path coefficients (β), bootstrap standard errors, *t* statistics, *p* values, the coefficient of determination (R^2), effect sizes (f^2), and inner variance inflation factors (VIF), following established PLS-SEM reporting recommendations (Hair et al., 2019, 2024). As presented in Table 4, perceived usefulness was significantly and positively associated with behavioural intention (β = 0.318, *t* = 3.649, *p* < .001), supporting H2. This finding is consistent with Malaysian evidence identifying perceived usefulness as a significant correlate of young adults' intention to use BNPL (Soong et al., 2024). Attitude also demonstrated a significant positive association with behavioural intention (β = 0.263, *t* = 3.542, *p* < .001), supporting H3 and complementing Malaysian research identifying attitude as a significant predictor of BNPL usage intention (Zulkifli et al., 2026). However, perceived ease of use (β = 0.136, *p* = .105), trust (β = 0.122, *p* = .224), and perceived risk (β = 0.100, *p* = .129) were not significantly associated with behavioural intention; therefore, H1, H4, and H5 were not supported. The nonsignificant perceived-risk relationship is consistent with findings reported among consumers in the Klang Valley (Tay & Tan, 2026). Collectively, the five predictors explained 69.4% of the variance in behavioural intention (R^2 = 0.694). Perceived usefulness (f^2 = 0.070), attitude (f^2 = 0.057), and perceived ease of use (f^2 = 0.022) exhibited small effect sizes, whereas perceived risk (f^2 = 0.017) and trust (f^2 = 0.016) exhibited negligible effects. Inner VIF values ranged from 1.909 to 4.736, remaining below 5, although the comparatively elevated values for perceived usefulness and attitude warrant attention to collinearity (Hair et al., 2019). Predictive assessment using PLSpredict produced positive indicator-level Q^2predict values ranging from 0.440 to 0.537. The PLS model generated lower root mean squared errors than the linear-model benchmark for four of the five behavioural intention indicators, indicating medium predictive power under the indicator-comparison procedure described by Shmueli et al. (2019). Overall, perceived usefulness and attitude were significant correlates of students' intention to use BNPL, although the cross-sectional design precludes causal conclusions.

Table 4
Results of the Structural Model

Hypothesis	**Path**	**β**	**SE**	***t***	***p***	**Decision**	**f^2**	**VIF**
H1	PEOU → BI	0.136	0.084	1.623	.105	Not supported	0.022	2.797
H2	PU → BI	0.318	0.087	3.649	< .001	Supported	0.070	4.736
H3	ATT → BI	0.263	0.074	3.542	< .001	Supported	0.057	3.940
H4	TR → BI	0.122	0.100	1.216	.224	Not supported	0.016	3.094

H5	PR → BI	0.100	0.066	1.519	.129	Not supported	0.017	1.909

Note. PEOU = perceived ease of use; PU = perceived usefulness; ATT = attitude toward use; TR = trust; PR = perceived risk; BI = behavioural intention; β = standardised path coefficient; SE = bootstrap standard error; f^2 = effect size; VIF = variance inflation factor. Hypothesis support requires $p < .05$ and a coefficient consistent with the proposed direction. H5 is exploratory. The model explained 69.4% of the variance in behavioural intention ($R^2 = 0.694$). Indicator-level Q^2predict values ranged from 0.440 to 0.537.

Discussion

The findings indicate that perceived usefulness and attitude are significant correlates of Malaysian university students' intention to use BNPL. Perceived usefulness recorded the largest estimated path coefficient (β = 0.318, $p < .001$), suggesting that students who perceive BNPL as convenient and helpful for managing payment timing report stronger usage intentions. This finding is consistent with the Technology Acceptance Model, which emphasises perceived usefulness in technology acceptance (Davis, 1989), and with Soong et al. (2024), who identified a significant positive relationship between perceived usefulness and BNPL usage intention among young adults in Malaysia. Additional Malaysian evidence comes from Prasetyani et al. (2024), who reported a positive relationship between perceived usefulness and PayLater usage intention. Internationally, Waliszewski et al. (2025) found that usefulness positively influenced BNPL recommendation intention, although recommending a service differs from intending to use it. Attitude also demonstrated a significant positive association with behavioural intention (β = 0.263, $p < .001$), indicating that favourable evaluations accompany stronger intentions to use BNPL. This result complements Kumar and Nayak's (2024) evidence that attitude forms part of the psychological pathway linking consumer characteristics to BNPL adoption intention. It also aligns with Malaysian research by Zulkifli et al. (2026), which identified attitude as a significant predictor of consumers' BNPL usage intention in Seremban. Together, these findings suggest that perceived practical benefits and favourable evaluations are relevant to BNPL acceptance within the present student sample. Nevertheless, the small effect sizes for usefulness ($f^2 = 0.070$) and attitude ($f^2 = 0.057$) indicate modest unique contributions when the other predictors are included. The larger usefulness coefficient does not establish that its relationship with intention is significantly stronger than the attitude relationship, because the difference between these coefficients was not tested. Furthermore, perceived improvements in expense or cash flow management should not be interpreted as evidence of better financial outcomes, as the study measured intention rather than actual spending, repayment performance, or financial well-being.

Perceived ease of use, trust, and perceived risk did not demonstrate statistically significant direct relationships with behavioural intention. The result for perceived ease of use (β = 0.136, $p = .105$) indicates insufficient evidence of a distinct direct association when the other predictors are considered. One possible explanation is that students already regard ease of use as an expected feature of digital payment services; however, this explanation requires further investigation. Waliszewski et al. (2025) similarly reported only a marginal relationship between ease of use and BNPL recommendation intention, although that outcome differs from usage intention. The nonsignificant trust coefficient (β = 0.122, $p = .224$) is consistent with Malaysian findings reported by Soong et al. (2024), but contrasts with the positive trust–intention relationship identified in the Malaysian sample of Prasetyani et al. (2024). It also

differs from Waliszewski et al.'s (2025) significant provider-trust relationship with recommendation intention, suggesting that findings may vary across populations, construct definitions, and behavioural outcomes. Perceived risk was nonsignificant (β = 0.100, p = .129). Although the coefficient was positive, the evidence did not support the exploratory H5. This finding aligns with Tay and Tan (2026), who reported no significant relationship between perceived risk and BNPL usage intention among consumers in the Klang Valley. However, Lau and Yusoff (2026) identified a negative correlation among Generation Z respondents in Batu Pahat, indicating that Malaysian evidence varies across samples and analytical approaches. Kumar and Nayak (2024) additionally identified a moderating role for perceived risk, illustrating that its relevance may extend beyond the direct relationship examined here. These nonsignificant results do not establish that usability, trust, or repayment concerns are unimportant. Although the model explained 69.4% of the variance in intention, the cross-sectional convenience sample limits causal interpretation and generalisability. The findings therefore suggest a practical emphasis on clear communication of BNPL's functions, transparent repayment information, and affordability guidance, while future research should examine actual transactions, repayment outcomes, and changes in perceptions over time.

Conclusion

This study examined the relationships between perceived ease of use, perceived usefulness, attitude toward use, trust, perceived risk, and intention to use Buy Now, Pay Later (BNPL) services among 272 university students in Malaysia. The model explained 69.4% of the variance in behavioural intention. Perceived usefulness and attitude toward use demonstrated significant positive associations with intention, supporting H2 and H3. However, perceived ease of use, trust, and perceived risk did not demonstrate statistically significant direct associations; therefore, H1, H4, and H5 were not supported. These findings suggest that perceived practical benefits and favourable evaluations are relevant to students' BNPL usage intentions, although their small individual effect sizes indicate modest unique contributions when the other predictors are considered. The study contributes contextual evidence on BNPL acceptance among Malaysian university students, while its cross-sectional design and convenience sampling limit causal interpretation and generalisability. The findings concern stated intentions and do not establish actual usage, repayment behaviour, or improved financial well-being.

The findings have implications for BNPL providers and university financial education initiatives. Providers should clearly communicate payment schedules, repayment obligations, applicable charges, and the consequences of missed payments to help students assess affordability against their available resources. Universities could incorporate practical exercises on instalment budgeting, managing overlapping repayment commitments, and assessing affordability into student financial literacy programmes. These recommendations align with the OECD's (2025) emphasis on digital financial literacy to support the informed and safe use of BNPL. They are particularly relevant to the present sample, in which 59.9% of respondents reported monthly allowances or income below RM500, although this characteristic alone does not establish financial vulnerability. The nonsignificant associations involving trust and perceived risk do not imply that security safeguards or repayment concerns are unimportant. Likewise, the significant associations involving perceived usefulness and attitude do not demonstrate that BNPL improves students' financial well-being, because financial outcomes were not measured.

Several limitations provide directions for future research. The cross-sectional design precludes causal conclusions, while convenience sampling and the concentration of respondents within particular universities limit generalisability. Self-reported intention does not establish actual transactions, expenditure, repayment behaviour, or continued usage. Future studies should recruit more diverse samples across Malaysian institutions, adopt longitudinal designs, and incorporate transaction or repayment data where feasible. Additional factors, including financial literacy, affordability, impulsive buying, and prior BNPL experience, could be examined as predictors or moderators. Further measurement assessment should examine potential redundancy among trust indicators and strengthen evidence of discriminant validity between perceived usefulness and behavioural intention. These extensions would improve understanding of how students' perceptions relate to subsequent BNPL usage and whether that usage is associated with sustainable financial practices.

Theoretical and Contextual Contribution

Theoretically, this study provides contextual evidence on an extended technology acceptance framework that jointly examines perceived ease of use, perceived usefulness, attitude toward use, trust, and perceived risk as direct correlates of BNPL usage intention. The significant usefulness–intention relationship is consistent with the Technology Acceptance Model's emphasis on expected functional benefits (Davis, 1989), while the significant attitude–intention relationship accords with the theoretical role of favourable behavioural evaluations in intention formation (Ajzen, 1991). Within Malaysia, these findings complement Soong et al.'s (2024) evidence concerning perceived usefulness and Zulkifli et al.'s (2026) findings concerning attitude. However, the nonsignificant direct relationships involving ease of use, trust, and perceived risk suggest that their explanatory contributions depend on the specified model and sample. The findings also differ from Waliszewski et al. (2025), who identified significant relationships involving usefulness, provider trust, and perceived risk in explaining BNPL recommendation intention. Because recommendation intention differs from usage intention, these comparisons highlight the importance of distinguishing behavioural outcomes when applying technology acceptance constructs. The study's contribution therefore lies in examining this combination of relationships within a Malaysian university-student sample. As the model specifies five simultaneous direct relationships, the findings do not establish mediation, causal mechanisms, or the superiority of the extended framework over the original TAM.

Contextually, this study contributes evidence on BNPL usage intention among Malaysian university students, including a substantial proportion reporting limited monthly allowances or income. It extends existing Malaysian research by examining perceived usefulness, perceived ease of use, attitude toward use, trust, and perceived risk simultaneously within a university-student sample. The significant relationship between perceived usefulness and behavioural intention, together with the nonsignificant trust–intention relationship, is consistent with Soong et al. (2024), who examined BNPL intentions among young adults in Malaysia. The nonsignificant perceived-risk relationship also complements Tay and Tan's (2026) findings among consumers in the Klang Valley, although differences in populations and model specifications limit direct comparisons. The present study therefore provides a more specific account of these relationships within the university setting, while recognising that convenience sampling limits national representativeness. Its contribution concerns variation

in students' stated intentions; it does not establish actual usage, increased spending, repayment difficulties, or improved financial well-being. These contextual findings provide a basis for future comparisons across institutions, financial-resource groups, and levels of BNPL experience, alongside research linking acceptance perceptions to observed usage and financial outcomes.

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