

IMPACT OF INCOME, LIFESTYLE, AND BUSINESS MOTIVATION ON SURABAYA STUDENTS' USE OF PAYLATER

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Abstract: This research in-depth examines the impact of three key factors, namely income, hedonistic lifestyle, and business motivation, on the use of Paylater services by students in Surabaya. The results of data analysis show that student income plays an important role in determining the extent to which they tend to use Paylater services; Hedonistic lifestyles also influence decisions to use these services, with students seeking experience and enjoyment in consumption more likely to utilize Paylater's features. Business motivation, such as interest in entrepreneurship and understanding investment, apparently plays a positive role in the use of Paylater. These findings provide deeper insight into trends in the use of these innovative financial services among students and have important implications for Paylater service providers, governments, and universities in supporting financial literacy and wise financial management among students.

Keywords: Income, Lifestyle, Motivation, Paylater

1. Introduction

This increasingly rapid modern era, technological developments, and ever-changing lifestyle trends have brought significant changes in consumer behavior. Especially when it comes to payments. One of the latest innovations that is increasingly getting attention is paylater services. Paylater is one of the latest innovations in the world of finance that has gained great attention in recent years. This is a financial service that allows users to purchase goods or services without having to pay in cash at the time of the transaction (Ihsan et al., 2023). This service allows consumers to purchase goods or services without paying cash upfront. On the contrary, they can pay later, often over a certain period of time. This phenomenon has become relevant. Especially among students who are an important market segment. In the city of Surabaya, one of the largest cities in Indonesia, paylater is increasingly becoming an attractive alternative in the world of financial transactions.

Along with economic growth and technological advances, the need for in-depth research on the factors influencing paylater use among college students is increasingly pressing. Factors such as income, hedonistic lifestyle, and business motivation may have a significant influence on students' decision to use paylater services. Income, as an indicator of purchasing power, may influence the extent to which students will rely on these services. Hedonistic lifestyles, which tend to seek experience and enjoyment, may influence students' decisions to utilize

paylater features. Business motivation, which may involve their own efforts or understanding of investments, may also play a role in paylater use.

While previous studies have reviewed the use of financial services in various contexts, there is still little information available detailing paylater use among students in Surabaya. This research aims to explore the impact of income, hedonistic lifestyle, and business motivation on the use of paylater by students in the city of Surabaya. Through a deeper understanding of these factors, it is hoped that we can provide a richer and more contextual view of paylater usage trends among students in the digital economy era.

Not only is its relevance increasing amidst economic and technological changes, studying the impact of using paylater by students in Surabaya is also important because of its implications for managing personal finances and sustainable consumption. A deeper understanding of the factors that influence paylater use, can help companies providing paylater services to develop more effective and sustainable strategies, as well as guide students in managing their finances wisely.

This research also has the potential to provide valuable information for stakeholders, including financial institutions, governments, and universities, in designing policies that support student financial literacy and encourage responsible consumption practices. With a deeper understanding of how income, hedonistic lifestyle and business motivation influence students' decisions in using paylater services, this research is expected to make a positive contribution to understanding economic dynamics and consumer behavior, especially within the scope of higher education in Surabaya.

Problem Formulation

Based on the background that has been presented, this research aims to explain the impact of income, lifestyle and business motivation on the use of paylater services by students in Surabaya. To achieve this goal, this research will try to answer several main questions as follows:

1. Does income influence the tendency of students in Surabaya to use paylater services?
2. Does a lifestyle based on hedonistic motives influence students' decisions in using paylater services?
3. Does business motivation, including interest in entrepreneurship, influence students' choice to use paylater services?

Research Objectives:

This research aims to achieve several main objectives which include:

1. Identifying the impact of income on the use of paylater services by Surabaya students.
2. Analyze the role of hedonistic lifestyle in students' decisions to use paylater services.
3. Explore the impact of business motivation, including interest in entrepreneurship, on students' use of paylater services.

2. Literature Review

Literature Review

Roberts (2017) states that students with varying incomes may be more inclined to use paylater services as an alternative to deal with fluctuations in their monthly income. This suggests that income can also influence students' financial stability and the use of paylater services as a financial management tool.

Lifestyle

Hedonistic lifestyles, which are based on the search for experience and pleasure in consumption, have become a subject of concern in the context of the use of pay-back services. Brown and Smith (2020) revealed that hedonistic lifestyle orientation often motivates individuals to use paylater services to get fast access to the products or experiences they want. Things that reflect lifestyle can support satisfaction and are also considered as one factor important in making decisions about using paylater.

Business Motivation

Garcia et al. (2017) showed in their study that students who have an interest in entrepreneurship or business motivation are more likely to utilize pay-back services to support their business activities. This research illustrates how business motivation, including an understanding of investment and entrepreneurial efforts, can play a role in students' decision-making to use paylater services. The role of business motivation as a factor influencing the use of paylater services will also be the focus of this research.

Paylater

Paylater is a facility financially possible for its users to make payments in installments without using card credit. Paylater which is one of the breakthroughs in the field of fintech used as a method of payment Where its users can use the service as a method of payment to the merchant that provides it choice payment use paylater (Prastiwi & Fitria, 2021).

Study Previous

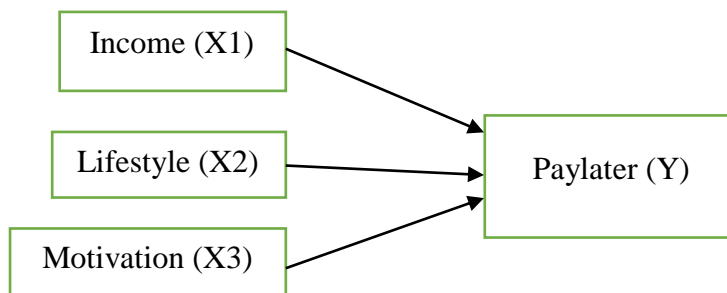
1. Smith *et al.* (2018) stated in their research that higher income tends to increase a person's likelihood of using paylater, because increasing purchasing power can reduce barriers to immediate payment.
2. Jones (2019), states that higher income levels are positively related to the adoption of paylater services.
3. Johnson (2018) highlights that low income can be a serious barrier to the use of paylater services, as users may feel unable to pay. These findings reflect the central role of income in providing financial flexibility for paylater service users.
4. Martin (2019) emphasizes that higher income levels can open up greater access to paylater services that offer higher credit limits.
5. Roberts (2017) state that students with varying incomes may be more inclined to use pay-back services as an alternative to dealing with fluctuations in their monthly income.
6. Hedonistic lifestyles, which tend to seek experience and pleasure, have become an interesting subject of research in the context of the use of paylater services. Lee et al. (2020) found in their research that individuals with a hedonistic lifestyle orientation are more likely to use paylater services to fulfill their consumer desires.
7. Brown and Wilson (2019), who show that a lifestyle orientation that supports positive experiences is often a motivator in the use of paylater services.
8. The study by Wilson et al. (2021) stated that the fulfillment of desires and positive experiences associated with a hedonistic lifestyle can lead individuals to use paylater services more often.
9. Brown and Smith (2020) revealed that Hedonistic lifestyle orientation often motivates individuals to use paylater services to gain quick access to the products or experiences they want.
10. Wilson et al. (2021) stated that "the fulfillment of desires and positive experiences associated with a hedonistic lifestyle can lead individuals to use paylater services more often.

11. Davis (2019) suggests that students with a hedonistic lifestyle orientation may be more likely to use pay-back services for purchases unrelated to essential needs .
12. Lopez et al. (2018) emphasized that students with an interest in entrepreneurship or high business motivation tend to be more open to the use of pay-back services as a tool to support their business initiatives .
13. Patel (2020) states that students who have a better understanding of investing are often more confident in using paylater services for investment or business purposes .

Framework conceptual

Figure 1

Framework Conceptual



Source: processed by the author

3. Method

The research method used in this study is a quantitative research design which involves the use of a questionnaire as a data collection instrument. The research sample consisted of students from various study programs and academic years in Surabaya, who were selected randomly. The questionnaire will include questions about income, hedonistic lifestyle, business motivation, and use of paylater services. The data collected will be analyzed using statistical techniques such as multiple linear regression to identify the impact of the independent variable on the dependent variable. In the discussion section, the results of data analysis will be interpreted and analyzed with reference to the research objectives.

4. Result and Discussion

Result

Table 1. Statistics Descriptive

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
X1	100	4.00	10.00	6.9100	1.12002
X2	100	4.00	11.00	7.7900	1.51287
X3	100	5.00	11.00	8.5100	1.56021
Y	100	4.00	11.00	5.9900	2.30281
Valid N (listwise)	100				

Test Assumptions Classic Normality Test

**Table 2. Normality Test
Tests of Normality**

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistics	df	Sig.	Statistics	df	Sig.
X1	,168	100	,000	,933	100	,000
X2	,158	100	,000	,944	100	,000
X3	,153	100	,000	,944	100	,000

a. Lilliefors Significance Correction

In table 2 you can see results from the normality test. Research data This No normally distributed. This thing can be seen from mark significance not enough from 0.05.

Multicollinearity Test

Table 3. Multicollinearity Test

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-1,332	1,622				
	X1	,432	,197	,210	2,194	,031	,837 1,195
	X2	,653	,138	,429	4,738	,000	,936 1,069
	X3	-.089	,138	-.060	-.643	,522	,880 1,136

a. Dependent Variable: Y

In table 3 you can see results from the multicollinearity test. Data on research This No happen multicollinearity. This thing cause because more VIF value big of 0.01.

Heteroscedasticity Test

**Table 4. Heteroscedasticity Test
Correlations**

		X1	X2	X3	Unstandardized Residuals	
Spearman's rho	X1	Correlation Coefficient	1,000	,251 *	,313 **	-.089
		Sig. (2-tailed)	.	,012	,002	,378
		N	100	100	100	100
X2		Correlation Coefficient	,251 *	1,000	,096	,012
		Sig. (2-tailed)	,012	.	,342	,908
		N	100	100	100	100
X3		Correlation Coefficient	,313 **	,096	1,000	-.034
		Sig. (2-tailed)	,002	,342	.	,735
		N	100	100	100	100
Unstandardized Residuals		Correlation Coefficient	-.089	,012	-.034	1,000
		Sig. (2-tailed)	,378	,908	,735	.
		N	100	100	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

In table 4 you can see results from the heteroscedasticity test. Data on research This No there is problem heteroscedasticity. This thing cause because mark significance more big from 0.05.

Autocorrelation Test

Table 5. Autocorrelation Test

Model	R	R Square	Model Summary ^b		
			Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.512 ^a	.263	.239	2.00822	1,655

a. Predictors: (Constant), X3, X2, X1

b. Dependent Variable: Y

In table 5 you can see results from the autocorrelation test. Data on research This No there is problem autocorrelation. This thing cause because mark from durbin Watson is amounted to 1,655, where mark the between -2 to +2 is interpreted that No There is correlation.

F test

Table 6. F test

Model	ANOVA ^a					
	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	137,829	3	45,943	11,392	.000 ^b
	Residual	387,161	96	4,033		
	Total	524,990	99			

a. Dependent Variable: Y

b. Predictors: (Constant), X3, X2, X1

Table 6 shows F test results with a mark significance of 0.000. These results state that the research model this accepted and acceptable continue to the next stage.

TEST R²

R value² can be seen in table 5, where r2 value in research This is of 0.263 which means that amounting to 26.3% usage paylater Surabaya students were influenced by income, style life and motivation. As much as 73.7% is influenced by other variables that are not researched in study this.

t test

The t test is also possible seen in table 3, where mark the significance of variable X1, namely income own significance equal to 0.031, where mark the not enough of 5%, so can stated that income influences to use of paylater services by Surabaya students. The significance value of variable X2 is style life equal to 0.00, where mark the not enough of 5%, so can stated that style life influences the use of paylater services by Surabaya students. The significance value of variable x3 is motivation own mark significance equal to 0.522, where the mark significance the more of 5%, so can stated that motivation is no influential in the use of paylater services by Surabaya students.

Discussion of Research Findings

The findings of this research state that income and lifestyle play an important role in the use of paylater services by students in Surabaya. The significant income impact suggests that students with higher incomes are more likely to use paylater services, which can provide them with greater financial flexibility. Hedonistic lifestyles, on the other hand, motivate students to use paylater services as a means to satisfy their consumer desires. Different results regarding

understanding business motivation have no effect on the use of paylater services. This is because students in Surabaya have deep considerations about profit or loss in using paylater services.

5. Conclusions

Research conclusions this is as follows:

1. Income influences the tendency of students in Surabaya to use paylater services.
2. A lifestyle based on hedonistic motives influences students' decisions to use paylater services.
3. Motivation, including interest in entrepreneurship No influencing students' choice to use paylater services.

Suggestion

Research suggestions this is as follows:

1. The sample study expanded its scope, not only in Surabaya it was developed in East Java
2. The information extracted from necessary stakeholders expanded No only limited to income, lifestyle, and motivation.
3. For students better wise in managing their finances.

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