

Analysis of Trust, Convenience, Financial Literacy, and Risk Perception on Shopee Pay Later Purchasing Decisions

Naufal Arkan Rizqullah^{1*}, Tri Septin Muji Rahayu², Totok Haryanto³,
Purnadi⁴

Management, Faculty of Economics & Business, Universitas Muhammadiyah
Purwokerto, Purwokerto, Indonesia

Corresponding Author: Naufal Arkan Rizqullah naufalarkan80@gmail.com

ARTICLE INFO

Keywords: Trust,
Convenience, Financial
Literacy, Risk Perception

Received : 6, December

Revised : 20, December

Accepted: 23, January

©2025 Rizqullah, Rahayu, Haryanto,
Purnadi: This is an open-access article
distributed under the terms of the
[Creative Commons Atribusi 4.0
Internasional](https://creativecommons.org/licenses/by/4.0/).



ABSTRACT

The purpose of this research was to analyze the effect of trust, convenience, financial literacy, and risk perception Shopee PayLater purchasing decisions in the Kemangkong District community. The study employed a purposive sampling technique to select 105 respondents who actively use Shopee PayLater. The Roscoe method was used to determine the sample size, while data analysis was conducted using multiple linear regression. The results revealed that trust, convenience, and financial literacy have a positive and significant influence on purchasing decisions. However, perceived risk does not significantly affect purchasing decisions. This research highlights the importance of fostering trust, improving user convenience, and enhancing financial literacy to encourage the adoption of financial technology services like Shopee PayLater.

INTRODUCTION

Financial transactions are evolving rapidly, with significant shifts from traditional physical cash to digital or cashless payment methods. Electronic money has emerged as a highly popular alternative, complementing card-based transactions in the digital era. These technological advancements, characterized by enhanced convenience and efficiency, present substantial opportunities for e-commerce platforms to innovate and expand their services. One notable example is Shopee, which has capitalized on these trends by integrating digital payment features, such as ShopeePay and Shopee PayLater, to meet the growing demand for seamless and flexible online shopping experiences (Canestren & Saputri, 2021). This adaptation underscores the critical role of financial technology in shaping modern consumer behavior and driving e-commerce growth.

With a total of 191.6 million visits, Shopee has become the most popular e-commerce platform in Indonesia (Databoks, 2021). One of its flagship features, Shopee PayLater, enables users to defer payment for goods through online loans without requiring a credit card. Payments can be made either in full or in installments. However, Shopee is not the sole provider of such services; similar features are also offered by platforms like Gopay Later, Ovo, Kredivo, and various other fintech providers (Canestren & Saputri, 2021).

Based on the latest data as of June 2024, the number of "buy now, pay later" (BNPL) users in Indonesia reached 14.37 million, reflecting a 9.35% increase compared to the same period in the previous year. The total BNPL loan portfolio was recorded at IDR 30.14 trillion, with significant growth in commercial banks, rising by 68.45% from IDR 3.94 trillion in June 2023 to IDR 6.63 trillion in June 2024. Most BNPL users are concentrated in West Java (24.95%), followed by Jakarta (14.10%) and East Java (10.8%).

Demographically, the majority of users are aged 21–30 years, accounting for 48.06% of the total. This surge indicates the growing popularity of BNPL services among Indonesians, particularly among younger generations who prioritize convenience and flexibility in transactions. However, this rapid growth also calls for increased awareness of financial literacy and risk management to ensure that BNPL usage is conducted responsibly and does not lead to financial issues in the future.

Trust is a crucial factor influencing consumer decisions when purchasing products online. Kotler and Keller (2016) describe trust as the willingness of consumers to rely on products and services due to promised expectations and the ability to deliver positive outcomes. Similarly, Turban and Lee (2015) identify three key components shaping trust levels: confidence in online merchants, trust in shopping platforms, and structural assurances provided by business practices and regulatory frameworks. Trust encompasses both interpersonal and systemic dimensions, playing a pivotal role in establishing and sustaining long-term relationships between consumers and providers. Research conducted by Jefryansyah and Muhajirin (2020) demonstrates that trust has a positive and significant impact on purchasing

decisions. This finding is corroborated by Oktavia et al. (2024), who report a similar effect of trust on consumer behavior. Further studies by Saputra and Sudarwanto (2023) and Alghafari and Rahayu (2021) reveal that trust exerts both partial and simultaneous influences on purchasing decisions. However, contrasting results are presented by Mutiara and Wibowo (2020), whose research indicates that trust does not significantly affect purchasing decisions. These variations suggest that while trust is generally a key determinant, its impact may differ across contexts or consumer segments

Convenience is also a consumer factor in deciding to purchase a product. As defined by Davis (1989) (Stefani & Cilvanus, 2020), perceived ease of use is the user's confidence that a system or technology can be operated effortlessly as well as trouble-free. The frequency of user interaction and usage with the system can also indicate ease of use. Meanwhile, Pavlou (2014) (Putri & Iriani, 2020) explain that in the context of online consumer behavior, the convenience presented through web interfaces that facilitate transactions and are easy to operate tends to be more easily accepted by consumers. Thus, convenience is a crucial factor that impacts consumer decisions in choosing and making use of products or services. Based on prior research carried out by (Oktavia et al., 2024), convenience positively affects purchasing decisions. Other research results (Sukmawati & Setiawati, 2021) also support these results which show that convenience positively and significantly affects purchasing decisions simultaneously. However, it differs from the research results by (Mita et al., 2021) in which it is shown that convenience partially does not affect purchasing decisions.

Financial literacy, according to Islamia (2022) in (Hidayanti et al., 2023), refers to a combination of knowledge, skills, and beliefs that play a role in shaping attitudes and behaviors, thus helping individuals make better quality decisions. With good financial literacy, individuals have the capability to make better financial decisions in terms of quality, thus supporting the achievement of sustainable financial well-being. Research by (Aditya & Putu Mahyuni, 2022) reveals that financial literacy positively affects purchasing decisions. However, research carried out by (Harjayanti et al., 2020) reveals a different result where financial literacy does not affect purchasing decisions.

Risk perception, according to Suryani (2013: 86) in (Hidayanti et al., 2023), is the lack of certainty that consumers face when they are unable to foresee what might occur as a result of the decisions they made. Meanwhile, Schiffman and Kanuk (2010) in (Alghafari & Rahayu, 2021) stated that "risk perception is the impact that can be felt due to someone's inability to predict the decisions that have been taken". This perception includes the potential negative impact felt as a result of uncertain decisions, thus influencing individual attitudes and behavior in decision making. According to (Yuliza & Yeneti, 2022), their research shows that risk perception positively and significantly affects Purchasing Decisions. Other studies (Daniel Aprianto et al., 2023) also shows that risk perception affects purchasing decisions.

However, different results were shown by the research (Andista & Susilawaty, 2021) that risk negatively influences purchasing decisions.

This study focuses specifically on the Kemangkön District community to provide a localized understanding of consumer behavior and perceptions regarding Shopee PayLater services. The decision to limit the research area stems from the unique demographic, socioeconomic, and cultural characteristics of the region, which may influence purchasing decisions differently than in other areas. By narrowing the scope, the research aims to deliver a more in-depth and contextual analysis of the factors affecting the use of paylater services in Kemangkön. The novelty of this study lies in its exploration of the interplay between trust, convenience, financial literacy, and risk perception in a rural or semi-urban setting, which has been underexplored in existing literature that predominantly focuses on urban populations. Additionally, this research seeks to highlight the implications of financial literacy and regulatory awareness in fostering responsible usage of paylater services, providing valuable insights for policymakers and service providers

LITERATURE REVIEW

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) is a technology acceptance theory developed from the Theory of Reasoned Action (TRA) in 1975. This theory aims to explain how a person's response to a particular situation can affect himself and the views of others. In addition, TAM also provides a way to describe individual perceptions and support the process of forming these perceptions. Furthermore, TAM provides a framework for evaluating information technology in use. TAM outlines how perceived usefulness and ease of use can influence technology acceptance. In the context of this study, the ease of use of Shopee PayLater is an important factor in influencing purchasing decisions. Another variable, namely trust, has an influence on purchasing decisions. High trust encourages consumers to feel comfortable using Shopee PayLater, thereby increasing purchasing decisions through this method. Financial Literacy Effect on Purchasing Decisions Consumers who understand the concepts of interest rates, penalties, and installment management tend to be wiser in deciding to use Shopee PayLater. Conversely, low financial literacy can lead to overutilization or avoidance of the service due to incomprehension. risk perception Influence on Purchasing Decision If the risk is perceived as too great, consumers tend to avoid using Shopee PayLater, even though they understand the benefits.

Purchase Decision

Kotler and Armstrong (2018) define purchasing decisions as the process by which individuals or groups select, buy, and use products or services to satisfy their needs and desires. This process involves a sequence of steps starting from recognizing a problem, gathering information, evaluating alternatives, deciding to purchase, and exhibiting post-purchase behavior.

Kotler and Keller (2016:198) further explain that purchasing decisions are influenced by a variety of internal and external factors, such as personal preferences, cultural norms, and marketing efforts. When applied to technology adoption, the Technology Acceptance Model (TAM) provides a framework for understanding user behavior, focusing on Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) as key drivers. PEOU reflects how easy a system is to use, while PU indicates the technology's effectiveness in improving performance. Integrating these elements into purchasing decisions, internal factors like personal preferences align with PEOU and PU, while external factors, such as marketing, affect Behavioral Intention (BI) to adopt technology. BI, which reflects the willingness to use a product, leads to Actual Use (AU), which measures frequency and consistency of technology adoption. The study uses these constructs—PEOU, PU, BI, and AU—to create a framework for analyzing how technology influences purchasing decisions. Factors like system usability, productivity impact, and trust in technology are key indicators, providing a comprehensive view of how technology adoption shapes consumer behavior and decision-making.

Trust

Trust, as Kotler and Keller (2016) argue, is “the willingness of a company to rely on business partners,” relying on interpersonal factors such as perceptions of competence, honesty, integrity, and policy. Turban and Lee (2015: 413) identify three main categories determining trust levels: trust in internet merchants, shopping platforms, and structural guarantees related to business and environmental regulations. Alghafari and Rahayu (2021) further define trust indicators as 1).integrity, 2).competence, and 3). consistency. Trust is particularly crucial in influencing purchasing decisions, especially in online shopping platforms like Shopee PayLater. In this study, trust is defined as the consumer's confidence that the seller or platform will fulfill obligations such as delivering products as ordered, ensuring proper packaging, and safe delivery.

Trust is built on three main components: integrity, competence, and consistency. Integrity ensures sellers act in good faith, competence reflects their ability to deliver on promises, and consistency builds reliability over time. A higher level of trust encourages consumers to make repeat purchases, believing in the platform's dependability and fairness. If TAM is considered the grand theory of this study, its application is integrate into all variables, influencing the research framework. The constructs of Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) affect trust levels, as ease of use and usefulness contribute to the overall experience, influencing consumers' trust in the platform, which, in turn, affects their behavioral intentions and actual usage.

Ease

According to Davis (1989) in (Putri & Iriani, 2020), perceived ease of use refers to the level of belief that using a system will reduce the effort required to perform tasks. Ease of use indicators include: 1) clear and easy to understand, 2) requires minimal mental effort, 3) easy to operate, and 4) easy to perform the desired tasks. Perceived ease of use significantly impacts consumers' decision-

making when adopting new technology or services. In the case of Shopee PayLater, convenience plays a crucial role in simplifying the purchasing process, allowing users to save time and effort. This aligns with the concept that a system can reduce the effort needed to complete tasks, as Davis (1989) suggests. Shopee PayLater's clear and user-friendly interface, minimal mental effort requirements, and straightforward operation enhance the overall consumer experience. By making transactions smooth and hassle-free, the platform reduce barriers for users, positively influencing their purchasing decisions.

If the Technology Acceptance Model (TAM) is application is integrated across all variables. Perceived Ease of Use (PEOU), as a key TAM construct, directly impacts consumer trust and Behavioral Intention (BI). A system that is easy to use fosters trust and confidence in the platform, influencing the likelihood of use and enhancing the overall consumer adoption process. Thus, ease of use influences not only trust but also the behavioral intention to continue using Shopee PayLater, ultimately affecting the actual use of the service.

Financial Literacy

Financial literacy is the ability to understand, manage, and make effective decisions regarding personal or organizational finance. According to Islamia (2022) in (Hidayanti et al., 2023), financial literacy involves a combination of knowledge, skills, and beliefs that shape attitudes and behaviors, ultimately helping individuals make better decisions. Sadalia & Butar (2016: 34) suggest that financial literacy can be assessed through factors like understanding the value of goods, setting life priorities, budget management, saving habits, and effective financial management. Financial literacy indicators include: 1) mathematical knowledge, 2) financial understanding, 3) financial competence, 4) risk awareness, and 5) financial responsibility (Sholehah & Amaniyah, 2024).

If the Technology Acceptance Model (TAM) it should be integrated across all research variables, particularly in how financial literacy impacts technology adoption. The constructs of Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) within TAM can be linked to financial literacy in the context of technology adoption. For example, individuals with higher financial literacy may perceive financial tools or platforms as easier to use and more useful for managing finances, thus increasing their behavioral intention to use such technologies. Understanding the financial literacy level of users could influence their perceptions of the ease of use and usefulness of financial technologies, which directly impacts their trust in and intention to adopt platforms. The more competent and responsible users are in managing their finances, the more likely they are to adopt and continuously use financial technology tools, such as online payment systems or budgeting apps, thus improving their financial management outcomes.

Risk Perception

Risk perception refers to how individuals or groups perceive and evaluate the level of threat or danger arising from a specific situation, activity, or decision. According to Suryani (2013: 86) in (Hidayanti et al.,

2023), risk perception is the uncertainty consumers face when they cannot predict the potential outcomes of their decisions. Schiffman and Kanuk (2010) in (Alghafari & Rahayu, 2021) explain that risk perception reflects the impact of someone's inability to foresee the consequences of their decisions. Risk perception indicators include: 1) physical risk, 2) performance risk, 3) psychological risk, 4) financial risk, 5) time loss risk, and 6) social risk (Alghafari & Rahayu, 2021). If the Technology Acceptance Model (TAM) is it should be integrated across all research variables, particularly in understanding how risk perception affects technology adoption. In the context of TAM, Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) can influence how consumers perceive the risks associated with adopting new technologies. For instance, a user's risk perception may influence their evaluation of a technology's ease of use and usefulness.

If a technology is perceived as easy to use and beneficial, the consumer may feel more confident and less risk-averse, reducing their perceived risks, such as performance, financial, or psychological risks. Conversely, high levels of perceived risk may lower the Behavioral Intention (BI) to adopt the technology. In this way, risk perception interacts with trust, ease of use, and usefulness in the TAM framework, affecting consumer decisions and behaviors toward adopting and using new technologies. Therefore, understanding risk perception is essential for businesses and developers seeking to design technology platforms that minimize perceived risks and enhance user trust, ultimately encouraging adoption and continued use.

Hypotesis Development

According to (Putri & Iriani, 2020), in their research stated that a positive and significant effect is found of trust on purchasing decisions. Because the more trust someone has in Shopee PayLater, the more likely they are to confidently decide to transact using it. This reflects the current issue of rampant fraud in online shopping transactions, especially in transactions that involve online loans. So that if someone does not have trust in a platform, a purchasing decision will not occur. This is supported by prior research (Saputra & Sudarwanto, 2023), (Jefryansah & Muhajirin, 2020) and (Alghafari & Rahayu, 2021), which concluded that trust has a positive and significant influence on purchasing decisions.

H1 : There is an Positive and significant effect of trust on purchasing decisions

According to (Putri & Iriani, 2020) in his research stated that a positive and significant effect is found of convenience on purchasing decisions. This shows that someone will not use a complicated system considering the current phenomenon that is fast and easy to get something. This is also backed by prior research by (Sukmawati & Setiawati, 2021), (Canestren & Saputri, 2021), (Oktavia et al., 2024) and (Hidayanti et al., 2023) which revealed that, convenience positively and significantly affects purchasing decisions

H2 : There is an Positive and significant effect of cinvenience on purchasing decisions

Based on the findings by (Hidayanti et al., 2023) in his research, a positive and significant effect is found of financial literacy on purchasing decisions. Alghafari and Rahayu (2021) further define trust indicators as integrity, competence, and consistency. This can be interpreted that the higher level of knowledge that someone has related to finance, the better their financial attitudes and behaviours are in understanding, utilizing, and using services and products at Shopee Paylater. This is also backed by prior research by (Aditya & Putu Mahyuni, 2022), (Ramadany & Artadita, 2022), and (Lestari &Kartika, 2024), which shows that financial literacy positively affects purchasing decisions

H3: There is an Positive and significant effect of financial literacy on purchasing decisions

Based on the findings by (Hidayanti et al., 2023) in his research, a positive influence is found of risk perception on purchasing decisions. This can be interpreted that people still feel high uncertainty and unintended consequences that can arise. According to (Putri & Iriani, 2020), in their research stated that a positive and significant effect is found of trust on purchasing decisions. People believe that using shopee paylater has high consequences such as fraud and hacking that can cause losses, network and application disruptions that can fail transactions, as well as the risk of high consumerism. This is also supported by previous study by (Daniel Aprianto et al., 2023), (Yuliza & Yeneti 2022), and (Lestari & Kartika, 2024)) which reveals that risk perception positively and significantly affects purchasing decisions.

H4: There is an positive and significant effect of perceived risk on purchasing decisions

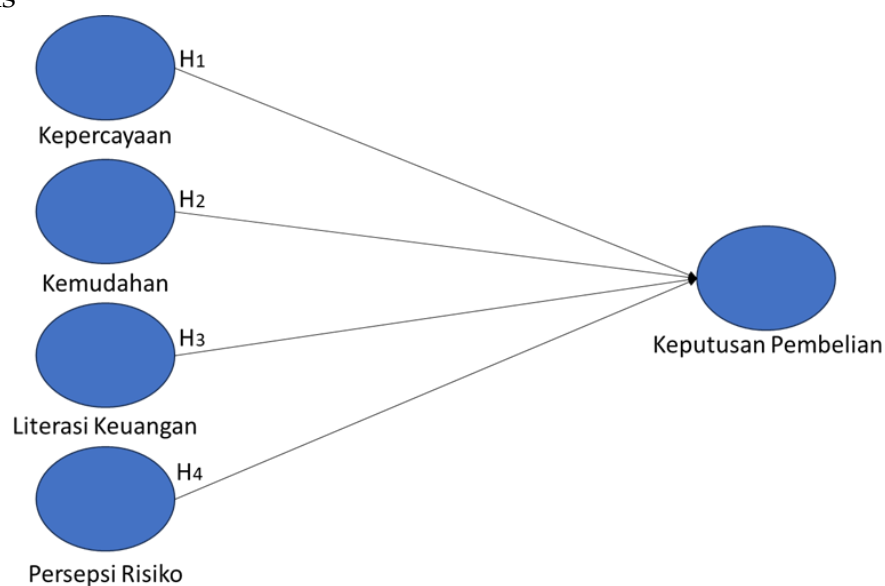


Figure 1. Conceptual Framework

METHODOLOGY

Quantitative methods are employed in this research to collect and analyze data statistically, allowing the testing of predetermined hypotheses. According to Sugiyono (2022), quantitative research involves the use of research instruments to gather data and conduct statistical analysis. The study focuses specifically on residents of Kemangkon Subdistrict, selected as the population for its distinctive demographic characteristics and the growing usage of paylater services in the area, which presents a localized context for analyzing the variables under study.

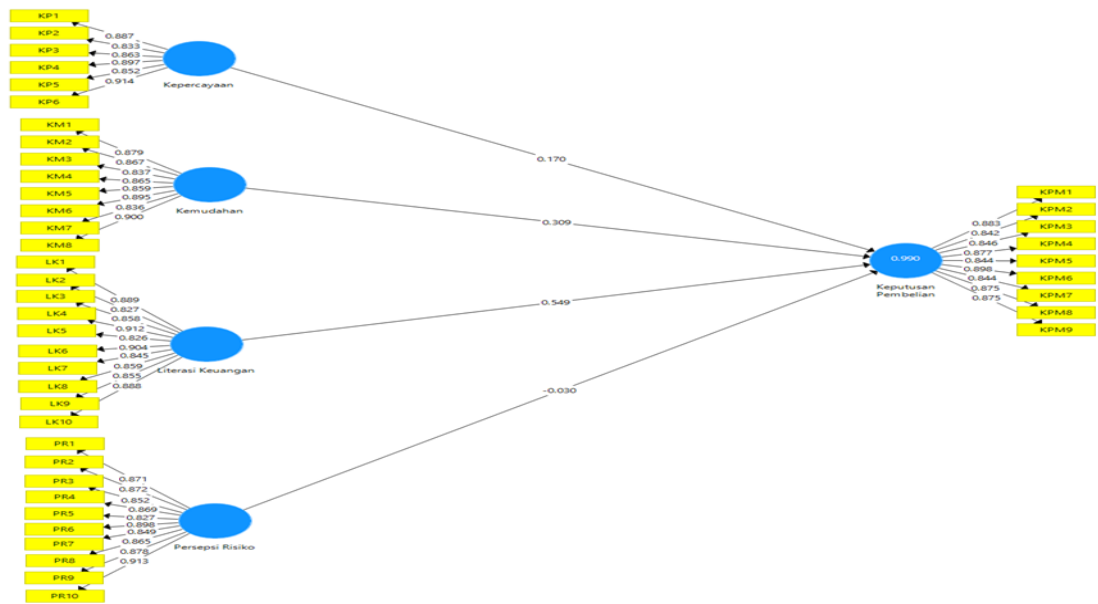
The purposive sampling technique was utilized to identify participants, adhering to criteria such as being domiciled in Kemangkon, aged 17 years or older (ensuring maturity and independence in responses), and having used Shopee PayLater at least once. Sugiyono (2022) defines purposive sampling as the selection of data sources based on specific considerations aligned with the research objectives. Using the Roscoe formula, the minimum sample size required was 80 respondents, but the researchers opted for 105 respondents to reduce the margin of error.

Primary data was collected through a Google Form questionnaire filled out by respondents. The instrument included statements aligned with the research objectives and hypotheses, measured on a Likert scale. Data analysis was conducted using Smart Partial Least Square (PLS) version 3. This methodological approach ensures a robust analysis tailored to the targeted population, offering insights into the interplay of trust, convenience, financial literacy, and risk perception in Shopee PayLater usage.

RESEARCH RESULT

Based on the survey results from 105 Shopee PayLater user respondents, most of the respondents were male with a total of 74 people (71.4%), while there were 30 women (28.6%). Based on age group, there are 41 people (39%) aged >17-25 years, 53 people (50.5%) aged 26-30 years, and 11 people (10.5%) aged over >30 years. All respondents live in Kemangkon sub-district. In terms of monthly income, 26 people (24.8%) earned less than IDR1,000,000, 58 people (55.2%) earned IDR1,000,000-Rp3,000,000, and 21 people (20%) had incomes above IDR3,000,000. Based on the type of employment, 47 people (44.8%) worked as private employees, 9 people (8.6%) as civil servants (teachers), 8 people (7.6%) as civil servants (non-teachers), and 41 people (39%) as entrepreneurs. Thus, all respondents fulfilled the criteria, and the data collected were ready to be processed

Structural Model Analysis



Source: Data processed by the author (2024)

Figure 2. Outer Model

Based on Figure 2, which illustrates the outer model of a structural equation modeling (SEM) analysis, the results show the relationships between the latent variables and their respective indicators. The diagram presents four latent variables: Trust (Kepercayaan), Ease of Use (Kemudahan), Financial Literacy (Literasi Keuangan), and Risk Perception (Persepsi Risiko), which all influence the Purchase Decision (Keputusan Pembelian). Each latent variable is linked to several observable indicators, as represented by the rectangles. The path coefficients and factor loadings indicate the strength of these relationships. Trust (Kepercayaan) has six indicators (KP1 to KP6) with high factor loadings ranging from 0.853 to 0.914, suggesting that trust is a well-measured construct. Its direct influence on the Purchase Decision has a coefficient of 0.170, indicating a moderate positive impact. Similarly, Ease of Use (Kemudahan) is represented by eight indicators (KM1 to KM8), all of which exhibit strong factor loadings, with an effect size of 0.309, implying that the ease of using a product or service significantly contributes to purchase decisions. Financial Literacy (Literasi Keuangan) shows the highest effect on Purchase Decision with a coefficient of 0.549, demonstrating its critical role in decision-making processes. This latent variable is supported by ten indicators (LK1 to LK10) with high reliability. In contrast, Risk Perception (Persepsi Risiko) negatively affects the Purchase Decision with a coefficient of -0.030, signifying a minor inverse relationship. Overall, the model shows that each latent variable plays a distinct role in shaping purchase decisions, with Financial Literacy being the most influential.

Convergent Validity

The convergent validity test of reflection indicators with the SmartPLS 3.0 program can be evaluated by examining the loading factor value of each construct indicator. The rule of thumb for assessing convergent validity is a loading factor value should be exceeding 0.7. However for the measurement scale, the loading factor value of 0.5 - 0.6 is still considered sufficient. Chin (1998) in Ghozali & Latan (2015: 37).

Table 1. Loading Factor Test Result

VARIABLE		Outer loading
Trust		
KP1	I believe the Shopee application is an online shop that has a good reputation	0.887
KP2	I believe the security system at Shopee is reliable	0.833
KP3	I believe Shopee will take responsibility if a buyer is harmed	0.863
KP4	I believe Shopee is safe to use for transactions	0.897
KP5	I trust the honesty of sellers on Shopee	0.852
KP6	I believe sellers on Shopee have an image of honesty	0.914
Ease		
KM1	Shopee PayLater's terms and conditions are explained in detail and are easy for me to understand	0.879
KM2	Shopee PayLater fee details and payment schedule are very clear and easy to understand	0.867
KM3	The use of Shopee PayLater is very intuitive, I can easily utilize all of its features	0.837
KM4	The registration and activation process of Shopee PayLater was very simple, so it was hassle-free for me.	0.865
KM5	Shopee PayLater is easy to use both for new and existing users	0.859
KM6	The Shopee PayLater payment process is very easy and fast	0.895
KM7	The Shopee PayLater feature gives users the freedom to set up installments as they wish	0.836
KM8	Shopee PayLater helps users monitor their credit limit easily	0.900
Financial Literacy		
LK1	I know the benefits of shopee pay later and how to manage my money well.	0.889
LK2	With Shopee PayLater, I can calculate the total cost myself.	0.827
LK3	I know the types of sources of income and the factors that affect income-expenditure	0.858
LK4	The information from Shopee PayLater is enough to help me assess whether the product is within my budget	0.912

LK5	With the information from Shopee PayLater, I can make decisions that suit my financial condition	0.826
LK6	The Shopee PayLater feature helps me plan my finances better	0.904
LK7	Shopee PayLater gives clear warnings about the dangers of delaying payments, so I can prevent financial problems	0.845
LK8	I know the aspects that need to be considered when taking out a loan.	0.859
LK9	I learned about the benefits of shopee pay later and the factors to consider in choosing a payment deadline type.	0.855
LK10	I have the ability to understand financial matters.	0.888
Perception of Risk		
PR1	I believe online purchases do not have the risk of goods that come not in accordance with the specifications offered	0.871
PR2	I never accept goods that arrive damaged.	0.872
PR3	I know that making purchases online has the risk of the condition of the goods being different from the photos displayed.	0.852
PR4	I don't feel afraid to make online purchases using Shopee pay later	0.869
PR5	I feel calmer when making online purchase transactions using Shopee paylater	0.827
PR6	I never feel disadvantaged by Shopee pay later in the transaction process	0.898
PR7	I feel confident that transferring payment for product purchases at Shopee paylater is not risky.	0.849
PR8	I think buying products online is more time efficient	0.865
PR9	I feel that the delivery process on Shopee is fast	0.878
PR10	I don't feel embarrassed buying products on Shopee	0.913
Purchase Decision		
KPM1	<i>Shopee paylater provides a wide variety of payment deadlines as needed</i>	0.883
KPM2	I buy products at Shopee using shopee paylater because it suits my needs	0.842
KPM3	I buy products on Shopee with shopee paylater because I see friends using it	0.846
KPM4	I find information about shopee pay latter from friends	0.877
KPM5	I evaluated several existing payment deadlines as needed	0.844
KPM6	I bought a product at Shopee using shopee paylater after making comparisons with other online shops	0.898
KPM7	I chose Shopee paylater as the right decision	0.844
KPM8	I feel satisfied making purchases at Shopee using shopee paylater	0.875
KPM9	I would recommend others to shop at Shopee with shopee paylater	0.875

Source: Data processed by the author (2024)

The table provides the outer loadings for each indicator associated with the latent variables in the structural equation model. For the Trust variable, the outer loadings range from 0.833 to 0.914, indicating a strong relationship between the indicators (e.g., belief in Shopee's reputation, security, and seller honesty) and the latent variable. Similarly, the Ease variable demonstrates outer loadings between 0.836 and 0.900, highlighting that features such as clarity, simplicity, and intuitive usability of Shopee PayLater significantly contribute to its perception. The Financial Literacy variable shows high outer loadings, ranging from 0.827 to 0.912, emphasizing the importance of financial planning and understanding in utilizing Shopee PayLater. For the Perception of Risk, outer loadings vary from 0.827 to 0.913, reflecting the participants' confidence in the safety and efficiency of transactions with Shopee PayLater. Lastly, the Purchase Decision variable exhibits strong outer loadings (0.842 to 0.898), showcasing that factors like payment deadlines, satisfaction, and recommendations significantly influence the decision to use Shopee PayLater. Overall, the high outer loadings across all variables indicate that the indicators reliably measure their respective latent constructs.

Based on the opinion of Chin (1998) as cited in Ghozali & Latan (2015:37), the rule of thumb for assessing convergent validity states that a loading factor value should exceed 0.7. However, for exploratory research, a loading factor value of 0.5–0.6 is still considered sufficient. Similarly, Hair et al. (2014) emphasize that a loading factor above 0.7 indicates good validity, although for items in the early stages of model development, values between 0.5 and 0.7 can be accepted if the composite reliability and AVE (Average Variance Extracted) also meet the criteria. Sugiyono (2017) further supports this, explaining that loading factors above 0.5 reflect a sufficient correlation between indicators and their constructs.

As shown by the data in Table 1, all loading factors for the statement items have values above 0.5, with most exceeding 0.7. This indicates that the constructs possess good convergent validity and meet the accepted standards, as outlined by Chin, Hair et al., and Sugiyono. The results confirm that the indicators are reliable in measuring their respective latent variables.

Reability and Validity Test

To test construct reliability, both composite reliability and Cronbach's alpha of the measuring indicator block are used. Based on the opinion of Chin (1998) in Ghozali and Latan (2015), the reliability value consists of Cronbach's Alpha, and Composite Reliability should be > 0.70 for confirmatory research and a value of 0.60 - 0.70 is acceptable. The following are the outcomes of testing composite reliability as well as Cronbach's alpha, the results are shown in Table 3.

Table 2. Construct Reability and Validity

Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
------------------	-------	-----------------------	----------------------------------

kepercayaan X1	0.939	0.939	0.951	0.766
kemudahan X2	0.953	0.953	0.961	0.753
Literasi keuangan X3	0.963	0.964	0.968	0.751
Persepsi risiko X4	0.964	0.964	0.969	0.756
Keputusan pembelian Y	0.958	0.958	0.964	0.749

Based on the data in Table 2, all constructs demonstrate high reliability, as evidenced by Cronbach's alpha and composite reliability values exceeding the threshold of 0.70, indicating strong internal consistency among the indicators. Additionally, the Average Variance Extracted (AVE) values for all constructs are above 0.50, confirming good convergent validity, where a significant proportion of the variance in the indicators is explained by their respective constructs. These results indicate that the constructs of trust, ease, financial literacy, perception of risk, and purchase decision are both reliable and valid, making them suitable for further analysis in this study.

Hypothesis Test

Table 3. Hypothesis Test Result

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values	Result
H1. kepercayaan (X1) -> Keputusan pembelian (Y)	0.170	0.174	0.077	2.198	0.028	Hypothesis Supported
H2. Kemudahan (X2) -> Keputusan pembelian (Y)	0.309	0.306	0.115	2.693	0.007	Hypothesis Supported
H3. Literasi keuangan (X3) -> Keputusan pembelian (Y)	0.549	0.542	0.120	4.564	0.000	Hypothesis Supported
H4. Persepsi risiko (X4) -> Keputusan pembelian (Y)	-0.030	-0.024	0.110	0.272	0.786	Hypothesis Not Supported

Source: Data processed by the author (2024)

Trust significantly influences purchasing decisions, as evidenced by its positive impact on consumer confidence in Shopee PayLater services. Consumers believe that sellers on Shopee will fulfill their responsibilities, such as delivering goods as ordered, packaging them properly, and ensuring safe delivery. Furthermore, Shopee PayLater provides convenience by allowing users to meet urgent needs and pay later with flexible maturity options, reinforcing trust in the system. This finding aligns with the descriptive statistical analysis, where the statement "I believe Shopee has a good reputation" had the highest average score, indicating that reputation is a

key driver of consumer trust. Previous studies, such as those by Jefryansyah & Muhajirin (2020), Oktavia et al. (2024), and Saputra & Sudarwanto (2023), also support the notion that trust is a crucial factor in shaping purchasing decisions. Similarly, ease of use positively affects purchasing decisions, as consumers highly value the convenience of making transactions from home and the simplicity of using Shopee PayLater.

Descriptive statistics highlight that "Shopee PayLater helps users monitor their credit limit easily" has the highest average score, emphasizing the importance of ease in enhancing purchasing decisions. These results are consistent with findings from Putri & Iriani (2020) and Sukmawati & Setiawati (2021). On the other hand, financial literacy contributes positively to purchasing decisions by enabling users to make informed financial decisions and better manage their finances. This is supported by the statement "Shopee PayLater helps me plan my finances better," which had a high average score, indicating its role in empowering users. This finding aligns with Aditya & Putu Mahyuni's (2022) research. However, perception of risk has a negative but insignificant effect on purchasing decisions, suggesting that while risk perception can deter some users, its overall impact is minimal. Consumers tend to prioritize minimizing risks, as highlighted by the statement "I know the risks of online purchases," which reflects cautious behavior. These findings are consistent with studies by Andista & Susilawaty (2021) and Alghafari & Rahayu (2021), which emphasize the limited role of risk perception in influencing purchasing decisions.

DISCUSSION

The findings of this study provide compelling insights into the factors influencing purchasing decisions for Shopee PayLater users in the Kemangkon District. The results demonstrate that trust, convenience, and financial literacy play significant roles in shaping consumer behavior. However, risk perception has a minimal and statistically insignificant impact. These outcomes align with existing literature, which suggests that positive consumer experiences with financial technology platforms are primarily driven by confidence in service reliability, ease of use, and adequate financial knowledge.

Trust emerged as a critical determinant of purchasing decisions. Consumers who believe in the platform's reputation and the reliability of its sellers are more inclined to use Shopee PayLater services. This finding reinforces the importance of building consumer confidence through transparent policies, robust security measures, and consistent service quality. Previous studies corroborate this result, highlighting the pivotal role of trust in fostering long-term consumer relationships in online marketplaces.

Convenience also showed a substantial positive impact on purchasing decisions. The intuitive design and ease of accessing Shopee PayLater services simplify the shopping process, allowing users to manage transactions efficiently. The ability to make purchases without leaving home and the freedom to choose flexible payment options significantly enhance consumer

satisfaction. This finding supports the Technology Acceptance Model, which emphasizes that perceived ease of use directly influences the adoption of technological innovations.

Financial literacy was found to have the strongest effect on purchasing decisions among the variables studied. This underscores the importance of educating users about financial management and the responsible use of credit services. Consumers with a better understanding of budgeting and financial planning are more likely to engage with paylater services responsibly, minimizing the risk of overspending or financial distress. These findings align with previous research that links higher financial literacy to more informed and prudent financial behaviors.

Interestingly, risk perception negatively influenced purchasing decisions but was not statistically significant. While consumers recognize potential risks, such as fraud or over-indebtedness, these concerns appear to be outweighed by the benefits of convenience and financial flexibility. This result suggests that while mitigating risk is essential, it may not be a primary determinant in the decision-making process for the majority of users.

The interplay between the studied factors highlights the complex dynamics of consumer decision-making in the context of financial technology. Service providers can leverage these insights to tailor their strategies, focusing on enhancing trust, simplifying user interfaces, and promoting financial literacy programs. These efforts could help attract more users while ensuring the responsible use of paylater services.

Future studies should explore additional variables that may moderate these relationships, such as demographic factors, cultural influences, or personal financial goals. Expanding the research scope to include a more diverse population would also provide a broader understanding of consumer behavior across different regions and socioeconomic groups.

CONCLUSIONS AND RECOMMENDATIONS

This study provides valuable insights into the factors that influence purchasing decisions for Shopee PayLater services in the Kemangkön District community. The findings underscore the important role of consumer behavior in the adoption of financial technology, highlighting the need to understand user preferences and challenges in specific demographic contexts. Based on the findings of the study, several recommendations were given to Shopee PayLater leaders. First, trust was found to have a positive impact on purchasing decisions. To strengthen consumer trust, it is recommended that Shopee PayLater increase transparency in its operations, ensure secure payment methods, and offer exceptional customer service to address any issues promptly. Second, Convenience has a positive and significant influence on purchasing decisions. Shopee Paylater can consider aspects of convenience which include the account activation process, accessibility of features, clarity of information, and flexibility of payments that make it easier for consumers to use Shopee PayLater for transactions. Third, financial literacy plays an important role in influencing purchasing decisions. Shopee PayLater could consider implementing educational

initiatives, such as financial literacy programs or interactive tools that guide users in budgeting and understanding the financial benefits of the service. Empowering consumers with financial knowledge can increase their confidence in using the platform and reduce hesitation in adopting the service.

Lastly, risk perception was identified as a significant factor influencing purchase decisions. Shopee PayLater can address this by improving communication of security features, offering consumer protection options, and ensuring a clear explanation of the terms and conditions of service. Highlighting the platform's ease of use and providing assurances regarding transaction security can help reduce perceived risk and encourage more frequent usage. This recommendation aims to increase the adoption of Shopee PayLater by addressing the key variables that influence purchase decisions. By focusing on trust, convenience, financial literacy, and perceived risk, Shopee PayLater can further solidify its position in the competitive digital payments landscape.

ADVANCED RESEARCH.

In this study, the population was limited to a single sub-district, and data collection was conducted using an online questionnaire. The absence of open-ended questions in the survey limited the depth of the discussion on the examined variables. For future research, I recommend incorporating moderating variables such as education level, income level, and type of work to provide a more comprehensive understanding of the factors influencing purchasing decisions. Additionally, increasing the number of respondents in future studies would enhance the robustness and generalizability of the findings. These improvements would allow for a deeper analysis of consumer behavior, particularly in the context of financial technology adoption like Shopee PayLater.

ACKNOWLEDGMENT

Thank you to Muhammadiyah Purwokerto University for giving me the opportunity to compile my paper. And I am also grateful to my supervisor Dra. Tri Septin Muji R, S.E., M.Si and my examiners Totok Haryanto, S.E., M.M, Purnadi, S.E., M.Si who have helped me in compiling the paper and completing it.

REFERENCES

- Aditya, T., & Putu Mahyuni, L. (2022). Pengaruh literasi keuangan, persepsi kemudahan, manfaat, keamanan dan pengaruh sosial terhadap minat penggunaan fintech. *FORUM EKONOMI: Jurnal Ekonomi, Manajemen Dan Akuntansi*, 24(2). <https://doi.org/10.29264/jfor.v24i2.10330>
- Alghafari, A. Y., & Rahayu, T. S. M. (2021). Pengaruh Diskon, Kualitas Website, Persepsi Risiko Dan Kepercayaan Terhadap Keputusan Pembelian Pada Online Shop Shopee: Studi Pada Mahasiswa Universitas Muhammadiyah Purwokerto. *Deratif : Jurnal Manajemen*, 15(2), 223–235.

- Aditya, T., & Putu Mahyuni, L. (2022). Pengaruh literasi keuangan, persepsi kemudahan, manfaat, keamanan dan pengaruh sosial terhadap minat penggunaan fintech. *FORUM EKONOMI: Jurnal Ekonomi, Manajemen Dan Akuntansi*, 24(2). <https://doi.org/10.29264/jfor.v24i2.10330>
- Andista, D. R., & Susilawaty, R. (2021). Pengaruh Persepsi Kemudahan Penggunaan dan Risiko Terhadap Minat Pengguna Dalam Penggunaan Finansial Teknologi Pinjaman Online. *Management and Business Review*, 6(1), 22-32
- Canestren, I. A., & Saputri, M. E. (2021). Pengaruh Kepercayaan, Kemudahan, Dan Risiko Terhadap Keputusan Pembelian Menggunakan Metode Pembayaran Shopee Paylater. *EProceedings of Management*, 8(3).
- Daniel Aprianto, J., Hadibrata, B., & Aprianto, J. D. (2023). Effect of Benefits, Convenience, Risk, Income on Purchase Decisions Using Shopee Paylater. *Dinasti International Journal of Management Science*, 4(4). <https://doi.org/10.31933/dijms.v4i4>
- Ghozali, I., & Latan, H. (2015). Partial least squares konsep, teknik dan aplikasi menggunakan program smartpls 3.0 untuk penelitian empiris. Semarang: Badan Penerbit UNDIP, 4(1).
- Harjayanti, D. R., Rovita, A., & Yuwono, T. (2020). Pengaruh Tingkat Pendidikan, Tingkat Literasi keuangan, Instrumen Literasi Keuangan pada Keputusan Pembelian pada Media Online (Studi Kasus Masyarakat di Daerah Tangerang Selatan). *Jurnal Mandiri : Ilmu Pengetahuan, Seni, Dan Teknologi*, 4(2), 199–209. <https://doi.org/10.33753/mandiri.v4i2.127>
- Hidayanti, N., Wiryaningtyas, D. P., & Ariyantiningasih, F. (2023). Pengaruh Literasi Keuangan Dan Persepsi Risiko Terhadap Keputusan Penggunaan Shopee Paylater Melalui Financial Technology Pada Mahasiswa Fakultas Ekonomi Dan Bisnis Abdurachman Saleh Situbondo. *Jurnal Mahasiswa Entrepreneur (JME)*, 2(7).
- Jefryansyah, J., & Muhajirin, M. (2020). Analisis Pengaruh Kepercayaan Dan Keamanan Terhadap Keputusan Pembelian Barang Secara Online. *Target : Jurnal Manajemen Bisnis*, 2(1), 85–94. <https://doi.org/10.30812/target.v2i1.703>
- Kotler, P., & Armstrong, G. (2008). *Prinsip-prinsip Pemasaran* (12th ed.). Erlangga
- Kotler, Phillip dan Kevin Lane Keller. (2016). *Manajemen Pemasaran edisi 12 Jilid 1 & 2*. Jakarta: PT. Indeks.
- Mita, Pranatasari, F. D., & Kristia. (2021). Analisis Pengaruh Harga, Kemudahan Penggunaan, dan Ulasan Konsumen Daring Terhadap Keputusan Pembelian Pada Marketplace Shopee. *INOBI: Jurnal Inovasi Bisnis Dan Manajemen Indonesia*, 4(4).
- Aditya, T., & Putu Mahyuni, L. (2022). Pengaruh literasi keuangan, persepsi kemudahan, manfaat, keamanan dan pengaruh sosial terhadap minat penggunaan fintech. *FORUM EKONOMI: Jurnal Ekonomi, Manajemen Dan Akuntansi*, 24(2). <https://doi.org/10.29264/jfor.v24i2.10330>
- Alghafari, A. Y., & Rahayu, T. S. M. (2021). Pengaruh Diskon, Kualitas Website, Persepsi Risiko Dan Kepercayaan Terhadap Keputusan Pembelian Pada

- Online Shop Shopee: Studi Pada Mahasiswa Universitas Muhammadiyah Purwokerto. *Deratif : Jurnal Manajemen*, 15(2), 223–235.
- Andista, D. R., & Susilawaty, R. (2021). Pengaruh Persepsi Kemudahan Penggunaan dan Risiko Terhadap Minat Pengguna Dalam Penggunaan Finansial Teknologi Pinjaman Online. *Prosiding The 12th Industrial Research Workshop and National Seminar*, 1228-1233
- Canestren, I. A., & Saputri, M. E. (2021). Pengaruh Kepercayaan, Kemudahan, Dan Resiko Terhadap Keputusan Pembelian Menggunakan Metode Pembayaran Shopee Paylater. *EProceedings of Management*, 8(3).
- Daniel Aprianto, J., Hadibrata, B., & Aprianto, J. D. (2023). Effect of Benefits, Convenience, Risk, Income on Purchase Decisions Using Shopee Paylater. *Dinasti International Journal of Management Science*, 4(4). <https://doi.org/10.31933/dijms.v4i4>
- Ghozali, I., & Latan, H. (2015). *Partial least squares konsep, teknik dan aplikasi menggunakan program smartpls 3.0 untuk penelitian empiris*. Semarang: Badan Penerbit UNDIP, 4(1).
- Harjayanti, D. R., Rovita, A., & Yuwono, T. (2020). Pengaruh Tingkat Pendidikan, Tingkat Literasi keuangan, Instrumen Literasi Keuangan pada Keputusan Pembelian pada Media Online (Studi Kasus Masyarakat di Daerah Tangerang Selatan). *Jurnal Mandiri : Ilmu Pengetahuan, Seni, Dan Teknologi*, 4(2), 199–209. <https://doi.org/10.33753/mandiri.v4i2.127>
- Hidayanti, N., Wiryaningtyas, D. P., & Ariyantiningasih, F. (2023). Pengaruh Literasi Keuangan Dan Persepsi Risiko Terhadap Keputusan Penggunaan Shopee Paylater Melalui Financial Technology Pada Mahasiswa Fakultas Ekonomi Dan Bisnis Abdurachman Saleh Situbondo. *Jurnal Mahasiswa Entrepreneur (JME)*, 2(7).
- Jefryansyah, J., & Muhajirin, M. (2020). Analisis Pengaruh Kepercayaan Dan Keamanan Terhadap Keputusan Pembelian Barang Secara Online. *Target : Jurnal Manajemen Bisnis*, 2(1), 85–94. <https://doi.org/10.30812/target.v2i1.703>
- Kotler, P., & Armstrong, G. (2008). *Prinsip-prinsip Pemasaran* (12th ed.). Erlangga
- Kotler, Phillip dan Kevin Lane Keller. (2016). *Manajemen Pemasaran edisi 12 Jilid 1 & 2*. Jakarta: PT. Indeks.
- Lestari, R. M., & Kartika, E. (2024). Pengaruh Pendapatan, Literasi Keuangan, Dan Persepsi Risiko Terhadap Minat Menggunakan Paylater Pada Generasi Z Di Kota Semarang. *Jurnal Mirai Management*, 9(2), 2024–2659. <https://doi.org/https://doi.org/10.37531/mirai.v9i1.6908>
- Mita, Pranatasari, F. D., & Kristia. (2021). Analisis Pengaruh Harga, Kemudahan Penggunaan, dan Ulasan Konsumen Daring Terhadap Keputusan Pembelian Pada Marketplace Shopee. *INOBI: Jurnal Inovasi Bisnis Dan Manajemen Indonesia*, 4(4).
- Mutiara, M., & Wibowo, I. (2020). Pengaruh Kepercayaan, Keamanan Dan Kualitas Produk Terhadap Keputusan Pembelian. *Jurnal Manajemen Bisnis Krisnadwipayana*, 8(2). <https://doi.org/10.35137/jmbk.v8i2.419>
- Oktavia, Y., Istiatin, & Sarsono. (2024). Analisis Kemudahan Pembayaran, Tingkat Resiko dan Trust terhadap Keputusan Pembelian Menggunakan

- Fitur Shopee PayLater: Studi Kasus Pengguna Shopee Masyarakat Surakarta. *Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah*, 6(4), 4400–4410. <https://doi.org/10.47467/alkharaj.v6i4.944>
- Putri, F. A., & Iriani, S. S. (2020). Pengaruh Kepercayaan Dan Kemudahan Terhadap Keputusan Pembelian Menggunakan Pinjaman Online Shopee Paylater. *Jurnal Ilmu Manajemen*, 8(3).
- Ramadany, C., & Artadita, S. (2022). Pengaruh Literasi Keuangan, Persepsi Kemudahan Penggunaan, Persepsi Manfaat Penggunaan Shopee Paylater Terhadap Perilaku Pembelian Impulsif Pada Generasi Milenial Dan Generasi Z Diindonesia. *YUME : Journal of Management*, 6(1), 606–614.
- Sadalia, I., & Butar-Butar, N. A. 2016. *Perilaku Keuangan: Teori dan Implementasi*. Medan: Pustaka Bangsa Press.
- Saputra, V. R. J., & Sudarwanto, T. (2023). Pengaruh Gaya Hidup, Kepercayaan Dan Kemudahan Terhadap Keputusan Pembelian Menggunakan Shopee Paylater Masyarakat Kota Surabaya. *Jurnal Pendidikan Tata Niaga (JPTN)*, 11(2).
- Sholehah, S. E., & Amaniyah, E. (2024). Pengaruh Literasi Keuangan Dan Risiko Terhadap Perilaku Konsumtif Mahasiswa Dengan Penggunaan Fintech Payment (Paylater) Pada Shopee Sebagai Variabel Intervening. *Competence : Journal of Management Studies*, 18(1).
- Stefani, K., & Cilvanus, H. (2020). Analisis Pengaruh Kualitas Sistem, Persepsi Kemudahan, Iklan, Promosi, Dan Harga Terhadap Kepuasan Pengguna Aplikasi Ruangguru. *Media Informatika*, 9(2). 72-87
- Sugiyono. (2022). *Metode Penelitian Kuantitatif*. ALFABETA, CV.
- Sukmawati, B. S. N., & Setiawati, C. I. (2021). Pada Marketplace Shopee Price Perception Analysis, Promotion, Quality Of Service, And Easy Of Use On Product Purchase Decisions On The Shopee Marketplace. *Cakrawanga Bisnis*, 4(1), 81-92
- Turban. E., King. D., Lee. J. K., Liang, T. P., and Turban, D.C., (2015), *Electronic Commerce: A Managerial and Social Networks Perspective*. 8th Ed
- Yuliza, M., & Yeneti, S. S. (2022). Pengaruh Kepercayaan, Kemudahan Dan Persepsi Risiko Terhadap Keputusan Pembelian Online. *Journal of Social and Economics Research*, 4(1). <https://idm.or.id/JSER/index.php/JSER>
<https://databoks.katadata.co.id/keuangan/statistik/1c97d81669f0cb7/8-layanan-paylater-terpopuler-di-indonesia-shopee-paylater-juara>