



## THE EFFECT OF PAYMENT GATEWAY, LEVEL OF ETHNOCENTRISM, AND LIFESTYLE ON PURCHASE DECISIONS USING SHOPEE PAYLATER WITH ISLAMIC CONSUMER ETHICS AS A MODERATING VARIABLE

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### Abstract

The modern era of online shopping has made online payments significantly easier, aligning them with consumers' financial capacities. Payment options such as ShopeePaylater not only influence consumer behavior but also pose risks of overconsumption and debt. This research investigates the impact of Payment Gateway, ethnocentrism level, and lifestyle on Purchase Decisions using ShopeePaylater, while also exploring the moderating role of Islamic Consumer Ethics among Indonesian online shoppers. Using a mixed methods approach, 347 ShopeePaylater users in Indonesia were purposively sampled. The analysis employed bibliometric and SEM-PLS methods. The results show that consumers' decisions to use ShopeePaylater in online transactions are influenced not only by personal preferences but also by its convenience and flexibility. Ethnocentrism significantly affects Islamic Consumer Ethics and Purchase Decisions. Lifestyle also impacts Purchase Decisions, indicating that a fast-paced lifestyle influences shopping habits. However, Islamic Consumer Ethics does not significantly moderate the effects of payment gateways, ethnocentrism, and lifestyle on purchase decisions. The study highlights the need to incorporate ethical consumption considerations into the design and implementation of online payment features like Shopee Paylater to ensure they enhance consumer convenience while promoting sustainable and ethical consumption practices. Additionally, promoting financial literacy based on Islamic values is crucial for responsible financial management, helping to mitigate the risk of excessive debt.

**Keywords:** Payment Gateway; Ethnocentrism; Lifestyle; Consumer Purchase; Islamic Consumption Ethics

### 1. Introduction

Shopee Paylater is a standout feature of the Shopee e-commerce platform, allowing users to buy now and pay later. This service offers convenience for shoppers who prefer not

to make instant payments. With ShopeePaylater, consumers can delay their payments for several months, opting for budget-friendly installments. This feature significantly impacts consumer behavior, promoting more impulsive purchases (Abdillahet al., 2019, Abidin, 2024; Nicholas, 2023; Prawira, 2024).

Consumer behavior in utilizing ShopeePaylater is often driven by the convenience and flexibility the service provides (Abidin, 2024; Gunawan, 2023; Kurniasari, 2023; Nur, 2022, 2023). Many consumers feel freer in their purchasing decisions since they don't need to worry about having funds available immediately. However, this ease of use also has downsides, such as unchecked spending and the risk of accumulating debt. Therefore, it's important to understand how payment gateways like Shopee Paylater, along with factors such as ethnocentrism and consumer lifestyles, influence purchasing decisions.

Payment gateways such as Shopee Paylater simplify the transaction process but also introduce ethical concerns regarding consumption. Ethnocentrism, which involves a preference for local products, along with the fast-paced nature of modern lifestyles, also play a role in shaping purchasing decisions. For instance, a consumer might choose to buy electronics with ShopeePaylater purely for the convenience and to indulge in a consumptive lifestyle, even if the purchase is not immediately necessary. On the other hand, ethnocentric consumers may be more hesitant to use this feature, preferring to support local products instead.

Evidence indicates that many consumers accumulate debt from the uncontrolled use of ShopeePaylater. Payment gateways that offer convenience, such as ShopeePaylater, can promote consumptive behavior. Ethnocentrism also plays a crucial role, as consumers who favor local products tend to be more cautious in using such features. Additionally, modern, fast-paced lifestyles often lead to impulsive buying decisions, raising ethical consumption concerns, especially in the context of Islamic principles that advocate for balance and moderation.

Observations of consumer behavior show a growing use of ShopeePaylater, which often conflicts with Islamic consumption ethics. Islam advocates for a balanced, modest lifestyle and advises against unnecessary debt. However, ShopeePaylater tends to promote excessive spending and the risk of accumulating significant debt. This scenario calls for solutions that reconcile technological convenience with Islamic ethical standards, many consumers find themselves burdened with excessive debt due to the uncontrolled use of ShopeePaylater. The convenience of deferred payments tempts some to purchase the latest gadgets they don't actually need, potentially causing future financial issues (Mustaqor & Winanto, 2022; Novita & Pratama, 2024).

Some suggested solutions to tackle this issue involve improving financial literacy among Muslim consumers, educating them on prudent financial management in accordance with Islamic principles. Additionally, some e-commerce platforms are implementing reminder features and usage limits on pay-later options to curb excessive consumption. However, these measures are not entirely effective, as many consumers continue to be lured by the convenience these services offer (Batubara, 2021; Chernovita, 2020; Dominic, 2023; Fernandi, 2023; Limantara, 2024; Prasetyani, 2024; Surjandy, 2023a, 2023b; Wijaya, 2023).

Past research has highlighted the significant role of payment gateways in facilitating online transactions and boosting consumer intent to make purchases. The convenience and flexibility provided by these gateways frequently encourage impulsive shopping habits, resulting in heightened consumption and the accumulation of consumer debt (Isanawikrama et al., 2023). Furthermore, consumer ethnocentrism, which involves favoring and endorsing local products, impacts purchasing choices. Studies suggest that consumers with strong ethnocentric tendencies are discerning when it comes to utilizing payment gateways, particularly if they perceive that these platforms do not sufficiently cater to or promote local

products (Miguel et al., 2022; Yildiz et al., 2018). Contemporary lifestyles characterized by consumerism and instant gratification also influence purchasing behaviors. Consumers immersed in such lifestyles may use ShopeePaylater to satisfy immediate wants, even when the purchased items are not essential (Hasibuan et al., 2023; Novita & Pratama, 2024).

However, there is a research gap in exploring how Islamic consumption ethics can moderate the impact on purchasing decisions. Islamic consumption ethics advocate for principles of moderation, avoiding extravagance, and steering clear of unnecessary debt. These guidelines can serve as crucial benchmarks for consumers when using services such as ShopeePaylater. Research that integrates concepts from Islamic consumption ethics indicates that consumers who possess a solid understanding and adherence to these principles are more inclined to make prudent purchasing choices and resist the allure of impulsive shopping. Research by Mustaqor & Winanto (2022) and Novita & Pratama (2024) research suggests that practicing Islamic consumption ethics in everyday life encourages Muslim consumers to exercise greater caution when utilizing ShopeePaylater. Consumers prioritize genuine necessities over fleeting desires and emphasize long-term financial stability. Additionally, the study indicates that combining financial literacy with a comprehension of Islamic consumption ethics can substantially mitigate consumptive behavior influenced by the convenience of payment gateways.

Previous research underscores the significance of incorporating Islamic consumption ethics as a moderating element in how payment gateways, ethnocentrism, and lifestyle influence purchasing decisions (Mustaqor & Winanto, 2022; Novita & Pratama, 2024). This is pertinent not just for individual consumers but also holds implications for marketing strategies and consumer education within e-commerce platforms. By grasping how Islamic consumption ethics can moderate these influences, more effective approaches can be formulated to promote more prudent and sustainable consumption. Nonetheless, previous studies have highlighted several notable research gaps.

Theoretical gaps in this area include the underutilization of Islamic consumption ethics as a moderating factor in the purchase decision model. While previous research has highlighted the substantial influence of payment gateways on enhancing purchase intentions, it has not extensively incorporated how principles of Islamic consumption ethics can temper this influence. Studies like those by Novita & Pratama (2024) research indicates that Islamic consumption ethics advocate principles of moderation and debt avoidance, yet there is limited exploration using these theories to comprehend how payment gateways affect purchasing behavior. Research emphasizes ethnocentrism as a determining factor in the utilization of payment gateways but lacks thorough exploration of its interaction with principles of Islamic consumption ethics (Novita & Pratama, 2024). Similarly, Zukhrufani & Zakiy (2019), research on consumptive lifestyles has yet to incorporate the dimension of consumption ethics, which could provide a more comprehensive viewpoint. Furthermore, there are methodological shortcomings stemming from the use of suboptimal research methods (Hasibuan et al., 2023; Miguel et al., 2022; Novita & Pratama, 2024; Yildiz et al., 2018).

To address deficiencies in prior research, this study introduces Islamic consumption ethics as a moderating variable in the purchase decision model using ShopeePaylater. While previous studies have separately examined the impact of payment gateways, ethnocentrism, and lifestyle on purchasing decisions, none have fully integrated Islamic consumption ethics as a moderation factor. This approach offers a fresh perspective on how Islamic values can shape consumer behavior in the digital era. Employing a mixed-method approach combining quantitative and qualitative methodologies, this study aims to deepen understanding of consumer behavior using ShopeePaylater. It broadens the demographic scope by including diverse age groups, income levels, and educational backgrounds, thus addressing previous research limitations that focused on specific demographics. By involving a wider sample, the

study aims to generate more broadly applicable insights. Through empirical assessment of how Islamic consumption ethics moderate the effects of payment gateways, ethnocentrism, and lifestyle on purchase decisions, this research fills existing empirical gaps. This empirical validation is crucial for confirming earlier findings and identifying specific contexts where Islamic consumption ethics effectively guide consumer behavior.

Introducing Islamic consumption ethics as a means to moderate the impact of payment gateways, ethnocentrism, and lifestyle on purchase decisions with ShopeePaylater holds promise for substantial enhancements. Educating consumers on the significance of Islamic consumption ethics aims to mitigate excessive consumptive behaviors and promote responsible use of payment methods.

## **2. Literature Review**

### **a) Consumer Behavior Theory**

Consumer behavior theory is an extensive area of research that explores how individuals, groups, or organizations make decisions regarding the acquisition, utilization, and disposal of products, services, or ideas (Roy, 2022). A prominent theory within this realm is the Consumer Decision-Making Model, which outlines five stages in the consumer decision-making process: recognizing the problem, searching for information, evaluating alternatives, making the purchase decision, and engaging in post-purchase behavior (Miguel et al., 2022; Xiao, 2018). Within the framework of ShopeePaylater, this theory offers valuable insights into how consumers assess this feature, compare it against alternative payment methods, and make decisions regarding its adoption.

Alongside the Consumer Decision-Making Model, Value Theory is pertinent for comprehending consumer behavior concerning the utilization of ShopeePaylater. This theory underscores how values play a crucial role in shaping consumer decisions (Krystallis et al., 2012; Peiris et al., 2024). These values can manifest as functional (benefits of the product), social (recognition from others), emotional (satisfaction), or experimental (desire to try new things). When using ShopeePaylater, consumers may prioritize functional value (convenience of payment), social value (influence from peers or family members using similar features), and emotional value (satisfaction derived from desired purchases).

### **b) Hypotheses Development**

Previous research has investigated the effects of using Payment Gateways, levels of Ethnocentrism, and Lifestyles on Purchase Decisions through comprehensive and practical methodologies. Studies suggest that the presence of Payment Gateways such as ShopeePaylater affects consumer behavior by offering convenient and flexible payment options for online transactions (Isanawikrama et al., 2023). In addition, the degree of Ethnocentrism, which involves favoring domestic products, has been demonstrated to influence consumer purchasing decisions. Consumers holding ethnocentric beliefs tend to prioritize local goods over imports, even when making online payments (Miguel et al., 2022; Yildiz et al., 2018). Furthermore, contemporary lifestyles characterized by consumerism and immediate gratification also exert a considerable influence on consumer buying choices. Individuals leading such lifestyles are more likely to utilize tools such as ShopeePaylater to satisfy immediate wants, irrespective of whether the purchased items are essential (Hasibuan et al., 2023; Novita & Pratama, 2024). These findings suggest a hypothesis: increased accessibility to Payment Gateways correlates with a higher likelihood of consumers making impulsive purchases. Likewise, higher levels of Ethnocentrism and a more consumerist lifestyle increase the probability of consumers using these payment features to purchase local goods or fulfill immediate desires, regardless of urgency. Therefore, the hypothesis of this research is:

*Hypothesis 1 (H1): There is a significant influence between the usage of Payment Gateway, Ethnocentrism, and Lifestyle on Purchase Decisions using ShopeePaylater.*

*Hypothesis 2 (H2): There is a significant influence between the usage of Payment Gateway, Ethnocentrism, and Lifestyle on Islamic Consumer Ethics.*

*Hypothesis 3 (H3): Islamic Consumer Ethics moderates the influence of Payment Gateway, Ethnocentrism, and Lifestyle on Purchase Decisions using ShopeePaylater.*

### **3. Methods**

#### **a) Research Design**

This study aims to investigate how Payment Gateways, Ethnocentrism, and Lifestyle influence purchasing decisions, with Islamic consumption ethics serving as a moderating factor. Employing a mixed-methods approach, the research combines quantitative and qualitative methodologies to provide a thorough understanding of consumer behavior regarding the use of ShopeePaylater in Indonesia. This approach is suitable as it integrates statistical analysis with detailed insights, thereby addressing both the breadth and depth of the research inquiries. The mixed-methods design is known for its flexibility in triangulating data from various sources, which enhances the strength and reliability of the study's conclusions.

#### **b) Participants/Sample Selection and Data Sources**

The participants in this study consist of consumers in Indonesia who have utilized Shopee Paylater. Purposive sampling was employed to ensure that the respondents possess relevant experience with this service (Nasirin et al., 2023; Rukiah, 2023). A total of 347 participants were selected to form a representative sample of users of Shopee Paylater. Data were gathered from primary sources through questionnaires and secondary sources via a systematic literature review. The primary data provides firsthand insights from users, while the secondary data offers contextual information and supports the primary findings.

#### **c) Instrumentation/Data Collection**

The main tool used for data gathering is a structured questionnaire designed to assess the variables including Payment Gateway usage, Ethnocentrism, Lifestyle, Purchasing Decisions, and Islamic consumption ethics. This questionnaire was administered to the selected group of 347 participants. Additionally, a systematic review of literature was conducted to gather secondary data, which provides context to the primary data and identifies patterns related to the utilization of paylater services. The literature review also aids in shaping the questionnaire by highlighting essential themes and variables.

#### **d) Data Analysis/Estimating Model/Variable Measurement**

Data analysis encompasses two primary methodologies: bibliometric analysis utilizing VOSViewer and structural equation modeling (SEM) employing SmartPLS 4.0. The bibliometric analysis identifies patterns in the literature concerning paylater services, offering a contextual foundation for the primary data analysis (Van Eck & Waltman, 2017). SEM-PLS is employed to assess the proposed connections among Payment Gateway usage, Ethnocentrism, Lifestyle, and Purchasing Decisions, with Islamic consumption ethics serving as a moderating factor. This approach facilitates the exploration of intricate relationships and the evaluation of moderation impacts. The instruments' validity and reliability are assured through pre-testing and statistical validation methods, ensuring that the measurements effectively capture the constructs under investigation (Hair et al., 2022).

### **4. Result and Discussion**

#### **4.1. Result**

##### **4.1.1. Bibliometric Analysis**

This study collected data from a range of sources such as journals, conferences, and book chapters published between 2020 and 2024, focusing on the topic of Paylater. The data collection process utilized the Publish or Perish (PoP) software, which searched for publications indexed in Scopus using the keyword "paylater" in their titles. The search resulted in a dataset comprising 18 papers published during the specified timeframe. Below are the specific search parameters and outcomes:

Citation metrics		<a href="#">Help</a>
Publication years:	2020-2024	
Citation years:	4 (2020-2024)	
Papers:	18	
Citations:	13	
Cites/year:	3.25	
Cites/paper:	0.72	
Cites/author:	13.00	
Papers/author:	18.00	
Authors/paper:	1.00	
h-index:	2	
g-index:	3	
hI,norm:	2	
hI,annual:	0.50	
hA-index:	2	
Papers with ACC >= 1,2,5,10,20:	4,1,0,0,0	

Figure 1: Paylater Metrics in Scopus (Harzing PoP, 2024)

Based on citation analysis, the term "paylater" yielded 18 articles between 2020 and 2024, accumulating a total of 13 citations, averaging 3.25 citations per year. The articles achieved h-index and g-index values of 2 and 3 respectively. Following verification of their comprehensiveness and relevance, all 18 articles were chosen for bibliometric analysis. This study employed VOSViewer software, renowned for its ability to construct and visually represent bibliometric networks, to examine trends in publications related to Islamic fiscal policy (Van Eck & Waltman, 2017).

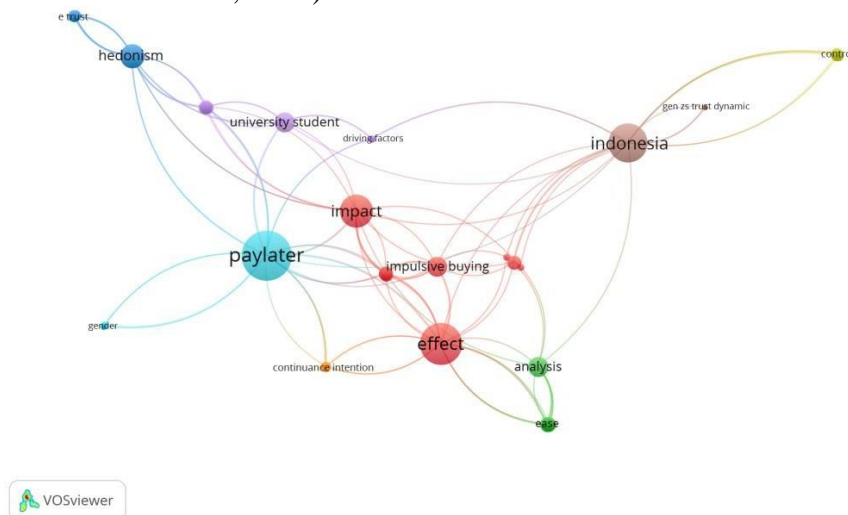


Figure 2: Network Visualization (VOSViewer, 2024)

Based on the bibliometric analysis using the keyword "paylater," a total of 74 relevant items were identified. The Network Visualization results indicated that the most frequently appearing keywords in the related literature included "Indonesia," "paylater," "effect,"

"paylater service," "financial literacy," and "impact." This underscores the growing significance of Paylater in discussions concerning consumer behavior and financial services in Indonesia. Additionally, emerging keywords such as "paylater apps," "behavioral intention," "hedonism," "service quality," "university student," "impulsive buying," and "paylater payment method" highlight various facets related to Paylater, encompassing consumer intentions, service quality, and the impact on impulsive shopping behavior. Hence, this bibliometric analysis enhances our understanding of the evolving trends and research focus surrounding Paylater in Indonesia.

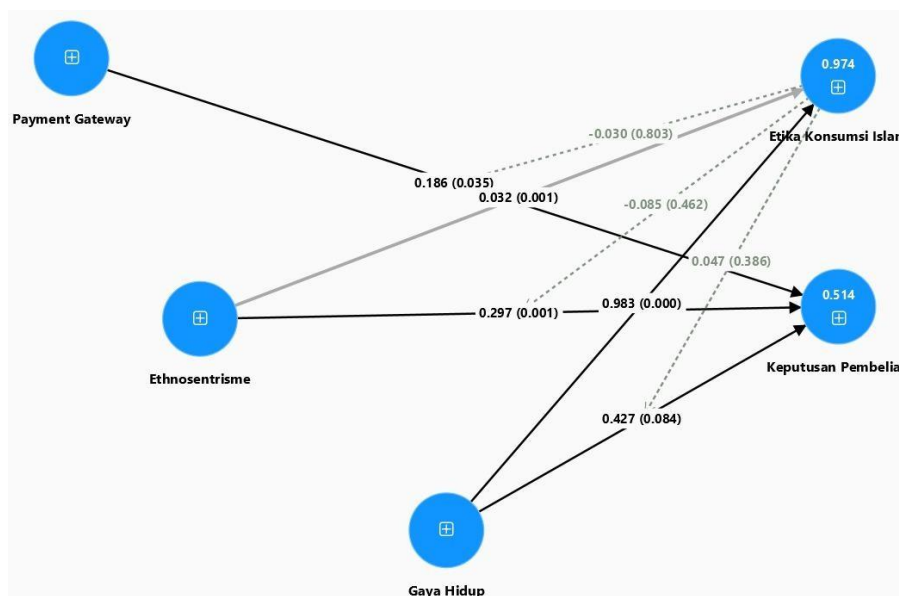
Based on the findings of the bibliometric analysis, it is evident that Paylater has emerged as a significant topic in discussions concerning consumer behavior and financial services in Indonesia. Within this context, the impact of Payment Gateways, levels of ethnocentrism, and lifestyle on purchase decisions using ShopeePaylater holds substantial importance. The analysis reveals that Payment Gateways play a critical role in increasing consumer purchase intentions and promoting impulsive shopping behaviors. Ethnocentrism also influences product and service preferences, with consumers favoring local products being more discerning in their use of Paylater features. Moreover, a consumerist and fast-paced lifestyle tends to encourage impulsive shopping behaviors through Paylater.

However, by integrating these factors with principles of Islamic consumer ethics, there is potential to foster more responsible and sustainable use of ShopeePaylater. Islamic values such as moderation, avoidance of extravagance, and prudent financial management can guide consumers toward making more conscientious decisions when utilizing this feature. This approach aims to mitigate the risk of accumulating excessive consumptive debt and enhance awareness of the broader social and financial implications of purchasing decisions.

Therefore, this study connects the phenomenon of Paylater with the adoption of ShopeePaylater in Indonesia, underscoring the significance of Islamic consumer ethics as moderating factors. These aspects will be further examined through SEM-PLS analysis.

**4.1.2. SEM-PLS Analysis**

The outcomes from the SEM-PLS analysis are apparent in the subsequent inner model findings:



**Figure 3: SEM-PLS**

According to the findings, this study evaluated the path coefficients, t-statistics, p-values, and R-squared values. Here are the estimation outcomes:

**Table 1. The Estimation Results**

<b>Path</b> <b>R<sup>2</sup> Islamic Consumption Ethics = 0,974</b> <b>R<sup>2</sup> Consumer Purchase = 0,514</b>	<b><math>\beta</math></b>	<b>T<sub>stat</sub></b>	<b>P</b>
Ethnocentrism -> Islamic Consumption Ethics	0,041	3,515	0,001
Ethnocentrism ->Consumer Purchase	0,286	3,113	0,001
EtikaKonsumsi Islam ->Consumer Purchase	0,111	0,433	0,665
Lifestyle ->Consumer Purchase	0,983	364,877	0,000
Lifestyle ->Consumer Purchase	0,427	1,729	0,084
Lifestyle ->KeputusanPembelian	0,295	2,224	0,035
Islamic Consumption Ethics x Gaya Hidup ->Consumer Purchase	0,058	0,878	0,395
Islamic Consumption Ethics x Payment Gateway ->Consumer Purchase	-0,040	0,261	0,814
Islamic Consumption Ethics x Ethnocentrism ->Consumer Purchase	-0,085	0,735	0,462

Source: SmartPLS 4.0 (2024)

Note: Payment Gateway (X<sub>1</sub>), Ethnocentrism (X<sub>2</sub>), Lifestyle (X<sub>3</sub>), Consumer Purchase (Y), Islamic Consumption Ethics (Z)

The SEM-PLS analysis results for the path coefficients, t-statistics, p-values, and R-squared values reveal several significant findings in this study. The findings indicate that Ethnocentrism exerts a notable impact on Islamic Consumer Ethics ( $\beta = 0.041$ , Tstat = 3.515,  $p = 0.001$ ) and Consumer Purchase Decisions ( $\beta = 0.286$ , Tstat = 3.113,  $p = 0.001$ ), demonstrating that higher levels of ethnocentrism strengthen its influence on both Islamic consumer ethics and consumer purchase decisions. Furthermore, Lifestyle also significantly affects Consumer Purchase Decisions ( $\beta = 0.295$ , Tstat = 2.224,  $p = 0.035$ ), suggesting that a consumerist and fast-paced lifestyle can influence consumer shopping behavior.

However, the relationship between Islamic Consumer Ethics and Lifestyle does not demonstrate a significant impact on Consumer Purchase Decisions ( $\beta = 0.058$ , Tstat = 0.878,  $p = 0.395$ ), suggesting that Islamic consumer ethics may not significantly moderate the effect of lifestyle on purchasing decisions. Similarly, the interaction between Islamic Consumer Ethics and Payment Gateway also does not indicate a significant influence on Consumer Purchase Decisions ( $\beta = -0.040$ , Tstat = 0.261,  $p = 0.814$ ), implying that Islamic consumer ethics may not moderate the impact of Payment Gateway on purchase decisions.

The R-squared value for Islamic Consumer Ethics is 0.983, indicating that 98.3% of the variance in Islamic consumer ethics can be explained by the variables in the model. For Consumer Purchase Decisions, the R-squared value is 0.525, meaning that 52.5% of the variance in consumer purchase decisions is explained by the variables in the model. These high R-squared values suggest that the model used in the study fits well with the data observed.

#### 4.2. Discussion

This study underscores the growing significance of the Paylater phenomenon in discussions surrounding consumer behavior and financial services in Indonesia. This is



supported by the frequent appearance of key terms such as "Indonesia," "paylater," "effect," "paylater service," "financial literacy," and "impact" in related studies. These findings indicate that Paylater has emerged as a compelling subject for researchers and professionals interested in understanding consumer behavior and financial dynamics in Indonesia. Moreover, the analysis outcomes highlight various dimensions related to Paylater, encompassing consumer intentions, service quality, social implications, and impulsive shopping tendencies. This offers a comprehensive perspective on the prevalent research themes concerning Paylater issues in Indonesia.

In this context, it is essential to explore the impact of Payment Gateway, Ethnocentrism, and Lifestyle on Purchase Decisions using ShopeePaylater. However, it is equally important to consider the principles of Islamic consumer ethics as a moderating factor when examining the utilization of ShopeePaylater.

The findings indicate that Ethnocentrism exerts a significant influence on both Islamic Consumer Ethics and Consumer Purchase Decisions, suggesting that higher levels of ethnocentrism strengthen their impact. Additionally, Lifestyle significantly affects Consumer Purchase Decisions, implying that a consumerist and fast-paced lifestyle can shape shopping behaviors. However, the interaction between Islamic Consumer Ethics and Lifestyle does not significantly impact Consumer Purchase Decisions, suggesting that Islamic consumer ethics may not moderate the influence of lifestyle on purchasing decisions. Similarly, the interaction between Islamic Consumer Ethics and Payment Gateway also does not significantly affect Consumer Purchase Decisions, indicating that Islamic consumer ethics may not moderate the impact of Payment Gateway on purchasing decisions.

The R-squared value for Islamic Consumer Ethics is 0.983 (98.3%), indicating that the model used effectively explains 98.3% of the variance in Islamic consumer ethics. For Consumer Purchase Decisions, the R-squared value is 0.525 (52.5%), demonstrating that the model explains 51.4% of the variance in consumer purchase decisions. These high R-squared values indicate a strong fit of the model with the observed data.

The adoption of payment gateways such as ShopeePaylater has become prevalent among online shoppers. When consumers shop on an e-commerce platform and encounter a desired item, they are presented with two payment choices: immediate payment or utilizing the Paylater option. Opting for Paylater may lead consumers to consider larger purchases than they would if they had to pay upfront. This inclination could stem from the convenience and flexibility that Paylater offers, influencing their buying choices. Moreover, individuals with strong preferences for local products may prioritize purchases from local sellers over foreign brands, even if the local options come with a higher price tag. This illustrates how ethnocentrism can impact consumer spending habits. Additionally, a consumerist lifestyle characterized by speed and constant consumption may encourage impulsive and excessive purchasing behaviors.

However, when considering the impact of ethnocentrism and lifestyle on Islamic consumer ethics, several important factors need to be acknowledged. Islamic teachings emphasize principles such as moderation, avoiding extravagance, and staying clear of unnecessary debt. Consumers with a consumptive lifestyle often diverge from these principles by making excessive purchases and using the Paylater feature irresponsibly. Ethnocentrism can also influence consumer behavior, particularly when individuals opt to support local products despite their higher costs.

In this context, the role of Islamic consumer ethics as a moderating factor becomes pivotal. Although the study's findings indicate that the interaction between Islamic consumer ethics, lifestyle, and payment gateway does not significantly affect purchase decisions, adhering to Islamic consumer ethics remains crucial in utilizing the Paylater feature and making informed purchasing choices overall. This underscores that while ethnocentrism and

lifestyle can sway consumer behavior, Islamic consumer ethics can guide consumers toward more prudent and sustainable decisions.

Strategies aligned with Islamic consumer ethics to mitigate excessive consumptive debt include enhancing financial literacy grounded in Islamic principles. For instance, educational initiatives could merge Islamic financial principles with the use of payment technologies like Paylater. This might involve online courses or workshops that promote concepts such as careful financial management, debt avoidance, and the principle of balanced consumption. Additionally, e-commerce platforms could integrate features enabling users to set Paylater spending limits based on income or financial capacity, as well as options for automated payments aligned with income cycles. This alignment with Islamic consumer ethics can help consumers manage their finances responsibly, reducing the risk of excessive consumptive debt.

Comparisons with prior studies consistently show that ethnocentrism exerts a significant influence (Miguel et al., 2022; Yildiz et al., 2018), and lifestyle on consumer behavior (Hasibuan et al., 2023; Novita & Pratama, 2024), supporting the findings of this study. However, the lack of a significant moderating effect of Islamic consumer ethics indicates a nuanced relationship that warrants further investigation. These findings contribute to the existing body of knowledge by providing empirical evidence on the factors shaping consumer behavior within the framework of ShopeePaylater in Indonesia, thereby deepening our understanding of the intricate dynamics involved in contemporary consumer decision-making processes. Previous research underscores the impact of Payment Gateway usage, levels of ethnocentrism, and lifestyle on purchase decisions. For example, the presence of Payment Gateways such as ShopeePaylater shapes consumer behavior by offering convenient payment options. Ethnocentrism also influences purchasing preferences, leading consumers to favor local products even in online transactions. Additionally, modern lifestyles contribute to impulsive buying behaviors, particularly facilitated by features like ShopeePaylater. Islamic consumer ethics serve a crucial role in moderating these influences (Mustaqor & Winanto, 2022).

Therefore, this study underscores the significance of the Paylater phenomenon within the landscape of consumer behavior and financial services in Indonesia. These results emphasize the pivotal roles played by Payment Gateway, Ethnocentrism, and Lifestyle in shaping purchasing decisions through platforms like ShopeePaylater. However, alongside these findings, it is crucial to acknowledge the role of Islamic consumer ethics as a moderating factor, despite the limited direct influence of Islamic consumer ethics on purchase decisions in this context. Thus, this research highlights the importance of ethical considerations in guiding consumer decision-making. Ultimately, this study aims to positively influence consumer behaviors towards more informed and sustainable practices.

## **5. Conclusion**

The implications of this research underscore the significance of integrating ethical considerations into the design and implementation of online payment services such as Paylater. Principles rooted in Islamic consumer ethics, such as promoting balanced consumption, avoiding extravagance, and minimizing debt, can serve as guiding principles for business practitioners when formulating policies and strategies. E-commerce platforms can facilitate responsible use of Paylater by offering features that allow users to set spending limits based on their financial capacities or schedule automated payments aligned with their income cycles. This approach ensures that payment services not only enhance consumer convenience but also uphold sustainable ethical standards. Furthermore, the study emphasizes the importance of promoting financial literacy infused with Islamic values. Educational initiatives that integrate Islamic financial principles with the utilization of payment

technologies can empower consumers to make informed financial decisions and mitigate the risk of excessive consumer debt.

One limitation of this study is its narrow focus on the ShopeePaylater platform. While Shopee is a prominent e-commerce platform in Indonesia, variations between other platforms in terms of payment options and consumer demographics may restrict the generalizability of this research to overall online consumer behavior. For instance, different platforms may offer diverse payment functionalities and cater to distinct market segments, influencing how consumers interact with online payment features.

Therefore, a recommendation for future research is to broaden the scope and undertake comparative studies across multiple e-commerce platforms. This approach would provide a more comprehensive understanding of the factors shaping online consumer behavior across different platforms. By expanding the study's scope, researchers can investigate in-depth the variables influencing consumer purchase decisions in diverse online shopping environments. Moreover, future research could explore the influence of Islamic consumer ethics in the broader context of online payment methods, not confined to specific platforms.

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