

ABSTRACT

The increasing trend of paylater usage every year is detected from the surge in paylater users, the number of bad debts, and the number of user accounts. West Java Province ranks first in the 10 provinces with the most paylater users in Indonesia. Not only is West Java the province with the most users, it is also the province with the highest number of paylater bad debts in Indonesia. The factor of financial literacy that is not good enough can also be the reason for using paylater. Also, income that is considered minimal or even less can also be a reason for users to decide to use paylater.

The purpose of this study is to understand how financial literacy, income level, and paylater usage decisions in West Java. In addition, this study also wants to prove whether there is an influence both partially and simultaneously between financial literacy and income level on the decision to use paylater in West Java.

The method applied in this research is descriptive and quantitative, and data analysis is carried out by utilizing multiple linear regression analysis. Data collection was carried out by distributing questionnaires to 400 respondents. The findings of this study indicate that financial literacy partially affects the decision to use paylater, income level partially affects the decision to use paylater, and financial education and income level simultaneously affect the decision to use paylater in West Java.

It is hoped that the results of this study can be a reference for future researchers when conducting research with similar variables. In addition, it is also hoped that this research can serve as literature for people who want to make decisions about using paylater by taking into account financial literacy factors and income levels.

Keywords: financial literacy, income level, decision to use paylater