

## **CHAPTER V**

### **CONCLUSION**

#### **5.1 Conclusion**

This research was conducted to explore the impact of perceived risk and digital financial literacy level in intention to use pay later service among Generation X, Y, and Z. By distributing online questionnaire using snowball sampling technique for approximately 1 month, 473 respondents were obtained and processed in this research. The majority of the respondents came from Generation Z who are between 10-25 years old, with the total of 181 respondents, or around 39% from total respondents. The results and discussion explained and presented in the previous chapters indicate that:

1. Based on the research that has conducted, the researcher found that there are differences in perceived risk that affects each generation in their intention of using pay later service. Perceived financial risk has a significant and positive impact in intention to use pay later service among Generation Z. However, it is not significant and negatively impact the intention of Generation X and Y to use pay later service. It shows that Generation Z is more aware about the financial risk rather than the other generations. On the other hand, perceived security risk doesn't have a significant influence in intention to use pay later service among Generation X, Y and Z. Even though it is not significant, it has positive impact among Generations Y and Z, but it has negative impact in Generation X's intention to use pay later service. In conclusion, perceived financial risk dominates and give more impact in intention to use pay later service over perceived security risk.
2. In general, the result shows that digital financial literacy has a significant and positive impact in intention to use pay later service among Generations X, Y and Z. In addition, it affects the most to Generation Y, then followed by Generation Z and X. Moreover, the interesting point that the researcher found is digital financial literacy score obtained is in accordance with the existing

generation or age range in this research. The highest score was obtained by Generation X, followed by Generation Y and Z and all of the score are categorized as above average. However, the score obtained is not in accordance with the coefficient value obtained that determines how significant it affects the intention to use pay later. Although Generation X has got the highest digital financial literacy score, the coefficient value shows that digital financial literacy doesn't affect their intention to use pay later as much as in Generation Y and Z. Besides, it can be concluded that each generations that participated in this research have an adequate knowledge that can affect their intention to use pay later feature.

## **2.2 Research Implications**

This research offers simple contributions to industry and research related to digital payment, especially pay later service :

1. From industrial perspective, the results of this study have the potential to help pay later providers to understand the expectations and factors behind users' decision to use pay later service. Hopefully better services and better strategies for promoting pay later service, which is relatively new, can be provided and designed. For example, the providers can improve system quality and service quality by ensuring transaction success and security, maintaining easy operations, reducing transactions cost or other fees and also expanding coverage.
2. From an academic perspective, this research contributes to the existing intention of using pay later service literature, which has been discussed lately in this era. This research also offers useful initial insights about the reasons for individuals to use pay later service in Indonesia. Furthermore, this research is expected to increase the interest of other researchers in similar fields to conduct further research.

3. From regulator perspective, this research can help both education regulators in policy implications such as arranging curriculum related to digital financial literacy and regulators which regulates pay later management services.

### **5.3 Research Limitations**

The researcher realizes that this research has some limitations, they are :

1. In this study, the number of participants is still relatively small compared to the expected sample achievement, which causes the generalization of the research results to be still limited. Researcher has limited access to collecting respondents from other cities and limited data collection time.
2. The variables which used in this study are still limited and the involvement between one to other variables in the use of pay later service still can be explored more.
3. This study only used two indicators of perceived risk, which are financial risk and security risk in to see how these indicators' impact in intention to use pay later service. Therefore, there are other indicators of perceived risk that can be used and explored besides financial risk and security risk to obtain comprehensive result.

### **5.4 Recommendations**

1. For further researchers, they could increase the number of research samples by expanding the scope of respondent data collection, not only through other social media, as well as increasing the observation period. If the researcher could get more respondents, hopefully the research will get better results.
2. Future researchers are expected to be able to consider other variables, namely legal risk, privacy risk, operational risk and etc. by using other factors that can directly affect the intention to use pay later service.