

CHAPTER V

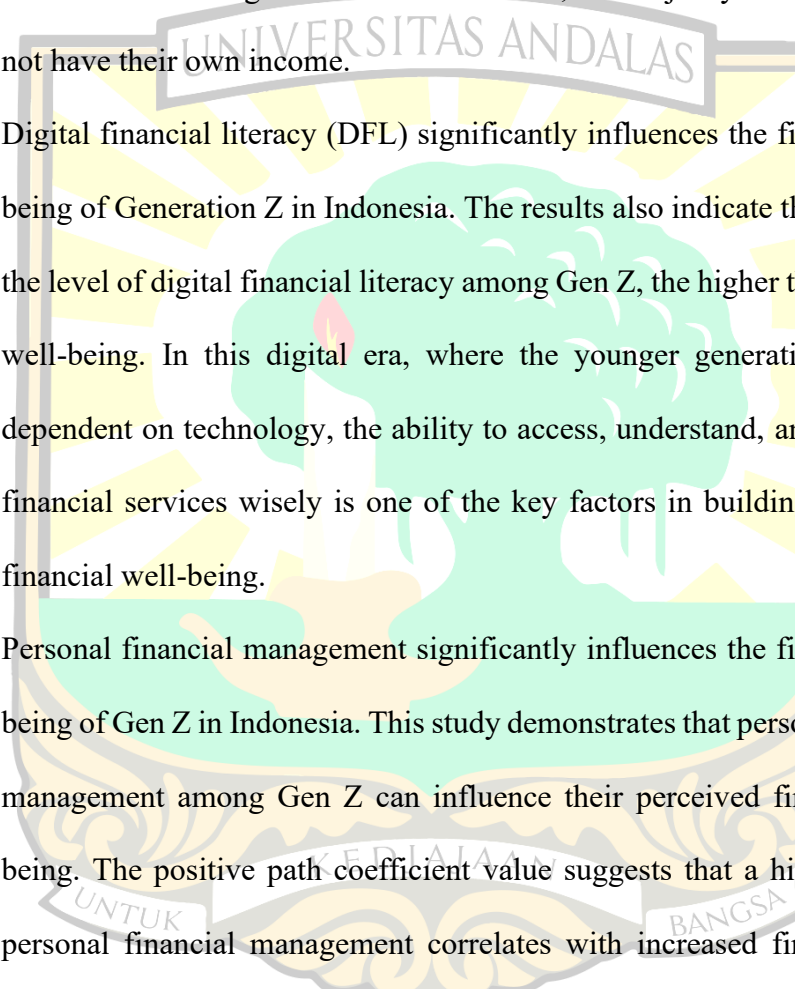
CONCLUSION

5.1 Conclusion

This study aims to examine the influence of fear of missing out, buy now pay later use, digital financial literacy, and personal financial management on the financial well-being of Generation Z. Data were collected through online questionnaires distributed via Google Forms to Indonesian digital consumers, particularly those classified as Gen Z, resulting in a total of 500 respondents. The measurement of variables in this research consisted of several statement items representing fear of missing out, buy now pay later use, digital financial literacy, personal financial management, and financial well-being. All respondents' data were analyzed with Microsoft Excel and further processed with SmartPLS 4.0.

Based on the results of the tests and data analyses conducted in this study, several conclusions can be drawn as follows:

1. Fear of missing out (FoMO) does not significantly influence the financial well-being of Gen Z in Indonesia. This finding indicates that despite the influence of the modern trend of FoMO prevalent among Gen Z in today's digital era, it does not directly impact their financial well-being. In this context, individuals may still make impulse purchases or follow specific financial trends while feeling satisfied with their financial situation due to having sufficient resources or family support, as most respondents in this study are Gen Z, who are still students.

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2. Buy Now Pay Later (BNPL) Use significantly influences the financial well-being of Gen Z in Indonesia. Furthermore, this study shows that greater use of BNPL is associated with improved levels of financial well-being experienced by respondents. This is partly due to the use of the buy now pay later feature as a short-term urgent financial solution that helps achieve the financial well-being of Gen Z in Indonesia, the majority of whom still do not have their own income.
 3. Digital financial literacy (DFL) significantly influences the financial well-being of Generation Z in Indonesia. The results also indicate that the higher the level of digital financial literacy among Gen Z, the higher their financial well-being. In this digital era, where the younger generation is highly dependent on technology, the ability to access, understand, and use digital financial services wisely is one of the key factors in building sustainable financial well-being.
 4. Personal financial management significantly influences the financial well-being of Gen Z in Indonesia. This study demonstrates that personal financial management among Gen Z can influence their perceived financial well-being. The positive path coefficient value suggests that a higher level of personal financial management correlates with increased financial well-being experienced by Gen Z in Indonesia.

5.2 Research Implications

A. Theoretical Implications

This study contributes to the development of the Theory of Planned Behavior in the context of financial behavior by highlighting how modern

consumption trends, such as fear of missing out and buy now pay later use affect individual financial well-being, particularly when not balanced with adequate financial capability. The results of this study indicate that not all modern consumption trends have a direct influence on financial well-being; FoMO, a prevalent modern trend today, has been shown not to directly influence the level of financial well-being. Conversely, digital financial literacy and personal financial management, as part of perceived behavioral control, play a significant role in determining the extent to which individuals can effectively manage their finances to achieve financial well-being. This finding supports the concepts in consumption behavior theory and subjective well-being theory, which assert that financial decisions are influenced not only by income or economic status but also by consumption patterns and literacy in financial management.

B. Practical Implications

1. For Digital Consumers

It can raise awareness of the negative impact of consumption behavior driven by modern trends, such as FOMO and the convenience of using BNPL services for digital consumers, especially Gen Z in Indonesia. Not accompanied by good financial literacy and management, these services can diminish financial well-being. It is hoped that Gen Z can begin to enhance their financial literacy and skills early, including budgeting, managing debt, and prioritizing finances, to achieve financial stability and well-being in the future.

2. For BNPL Provider

BNPL and fintech service provider companies must take into consideration in increasing the benefits of using BNPL and developing strategies to reduce risks that may be a concern for users, especially in application operations. Therefore, it may increase the number of Buy Now Pay Later (BNPL) application users. This can be achieved by developing features that promote healthy financial behavior, such as limit restrictions, payment reminders, and interactive financial education consequences.

C. Policy Implications

The findings of this study can serve as guidance for authorized policymakers, such as the Financial Services Authority, to closely monitor financial technology services, especially BNPL. Policymakers can supervise and regulate the operations of fintech service provider companies such as BNPL through relevant policies to prevent the risk of negative impacts on the user community. In addition, the government can also encourage the integration of digital financial education in the education sphere, such as adding curriculum or implementing financial literacy and skills training through youth communities and collaboration between regulators and digital platforms.

5.3 Research Limitation and Future Direction

5.3.1 Limitation

Based on the research conducted, the researcher recognizes several limitations, including:

1. This study only investigates modern consumption trends like FoMO and BNPL. Furthermore, Indonesia has several other trends and phenomena currently worth exploring, such as YOLO (You Only Live Once), FOPO (Fear of Other People's Opinions), etc.
2. The respondents in this study only focus on Gen Z. Specifically, this study only focuses on a very limited group of respondents; in fact, this consumption trend might affect a wider community or group in Indonesia.
3. In this research, the existing data were tested exclusively through quantitative methods by gathering information via online questionnaires. More contribution could be gain by using other research methods for future research, such as interview respondents to factor in modern consumption trends such as BNPL that may affect financial well-being.

5.3.2 Future Direction

Based on some of the limitations present in the research conducted, several suggestions can be made for future researchers, including:

1. Future research should consider other contemporary trends that may influence a person's financial well-being, such as YOLO, FOPO, etc., and incorporate mediating variables believed to impact an individual's financial capability indirectly.

2. Future research is recommended to expand or increase the specifications of the respondents to be studied and distribute questionnaires evenly throughout the research area to reach a more diverse and wider group of customers as respondents.
3. Future research could take a different angle to the research methods, for example, using qualitative or quantitative methods but also conducting direct interviews with several respondents to obtain more accurate and in-depth answers.

