

Social Commerce and Buy-Now-Pay-Later (BNPL): Impulsive Spending Traps, Financial Literacy Deficits, and Delinquency Trends Among Gen Z Consumers

Prajeesha T.
HSST (Commerce), Guest Faculty, Government Higher Secondary School (GHSS), Palappetty, Kerala, India
Email: prajeeshat10@gmail.com

Corresponding Author: * Prajeesha T

DOI: https://doi.org/10.5281/zenodo.24139189

Abstract

Buy-now-pay-later (BNPL) credit has moved from a checkout novelty to a routine feature of the platforms on which young consumers discover, discuss, and buy products. When instalment options sit inside influencer content, livestreams, and one-tap social storefronts, the distance between wanting and owning shrinks to seconds, while the repayment obligation is pushed into a future that feels abstract. This conceptual paper examines how the convergence of social commerce and BNPL shapes the spending, borrowing, and repayment behaviour of Generation Z. Using an integrative review of peer-reviewed studies and regulatory evidence published mainly between 2013 and 2025, the paper synthesises three strands of work: impulse-buying research in social commerce, behavioural and financial-literacy research on deferred payment, and emerging administrative data on BNPL stacking and late repayment. The synthesis suggests that social commerce supplies the emotional trigger, BNPL removes the immediate payment friction, and weak financial literacy prevents young users from recognising the cumulative cost of many small obligations. Evidence from consumer-credit regulators indicates that younger borrowers carry a larger share of their unsecured debt in BNPL form, that simultaneous loans across providers are common, and that late payment is concentrated among financially stretched users. The paper proposes a three-stage "trigger–defer–default" framework, identifies the points at which platform design, disclosure rules, and financial education could interrupt the cycle, and outlines implications for regulators, fintech firms, and educators, with specific reference to India's digital-lending environment.

Manuscript Information

- **ISSN No:** 3139-9851
- **Received:** 28-09-2026
- **Accepted:** 12-10-2026
- **Published:** 11-11-2026
- **IJCATM:**1(4); 2026:89-94
- **©2026, All Rights Reserved**
- **Plagiarism Checked:** Yes
- **Peer Review Process:** Yes
- **Paper Type:** Review Paper

How to Cite

T, Prajeesha. Social Commerce and Buy-Now-Pay-Later (BNPL): Impulsive Spending Traps, Financial Literacy Deficits, and Delinquency Trends Among Gen Z Consumers. Int. J. Current Acad. Trend. Multi. 2026;1(4): 89-94

Access this Article Online

www.ijcatmjournal.com

KEYWORDS: Buy-now-pay-later; social commerce; impulse buying; financial literacy; Generation Z; consumer credit delinquency

© 2026 Prajeesha T. This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY NC ND).https://creativecommons.org/licenses/by/4.0/

1. INTRODUCTION

Few financial products have spread among young people as quickly as buy-now-pay-later credit. The typical arrangement splits a purchase into four interest-free instalments, approves the buyer within seconds using a soft credit check, and presents itself not as a loan but as a convenient way to pay. In the United States, the Consumer Financial Protection Bureau (CFPB, 2022) [2] reported that the number of BNPL loans originated by five large lenders rose roughly tenfold between 2019 and 2021, a growth curve that coincided with the pandemic-era shift to online shopping. By 2022, more than one in five consumers with a credit record had financed at least one purchase this way (CFPB, 2025) [3]. Similar growth has been recorded in the United Kingdom, Australia, and across South and Southeast Asia, where fintech apps and card-less credit lines have been integrated into e-commerce and quick-commerce checkouts.

What makes the present moment distinctive is not BNPL alone but the setting in which it is offered. Social commerce, the blending of social media interaction with transactional features, has turned Instagram feeds, short-video platforms, and livestream sales into shopfronts (Huang & Benyoucef, 2013; Zhang & Benyoucef, 2016) [11, 25]. Generation Z, broadly those born between the late 1990s and the early 2010s, is the first cohort to have encountered brands primarily through these channels. For these consumers, product discovery, peer validation, and purchase can happen within a single scrolling session. When a "pay in 4" badge appears beside an influencer's recommendation, the purchase decision is shaped simultaneously by social cues, scarcity messages, and the promise that nothing needs to be paid today.

This combination raises a set of concerns that neither the marketing literature nor the household-finance literature has fully addressed on its own. Marketing research has documented how social commerce stimulates unplanned purchasing (Xiang *et al*., 2016; Djafarova & Bowes, 2021) [24, 6], and finance research has shown that BNPL access increases total spending and may push some users toward overdrafts and other costly credit (Di Maggio *et al*., 2022; deHaan *et al*., 2024) [5, 4]. Separately, financial-literacy studies have repeatedly found that young adults struggle with basic concepts of interest, inflation, and risk (Lusardi *et al*., 2010; Lusardi & Mitchell, 2014) [14, 13]. The question this paper takes up is how these three conditions interact: whether the social setting of the purchase, the deferred structure of the payment, and gaps in financial understanding together form a pathway from impulse to arrears for Gen Z consumers. The paper is conceptual and review-based. It draws together dispersed evidence, proposes an integrative framework, and identifies intervention points and research gaps. Its contribution lies in treating social commerce and BNPL as a single behavioural environment rather than as two separate phenomena, and in linking that environment to measurable outcomes such as loan stacking and missed repayments.

2. REVIEW OF LITERATURE

2.1 Social Commerce and the Architecture of Impulse

Impulse buying has long been understood as a sudden, emotionally charged urge to purchase that overrides deliberation (Rook, 1987) [19]. Individual differences matter; Verplanken and Herabadi (2001) [23] showed that impulsive buying tendency has both a cognitive component, reflecting a lack of planning, and an affective component, reflecting emotional arousal. Baumeister (2002) [1] framed impulsive purchasing as a failure of self-regulation that becomes more likely when attention to long-term standards is weakened or when self-control resources are depleted.

Social commerce environments appear well suited to weakening those standards. Huang and Benyoucef (2013) [11] described how social features such as ratings, shared wish lists, and community forums were layered onto transactional platforms, while Zhang and Benyoucef (2016) [25] reviewed evidence that social support, trust, and peer influence drive both intention and actual purchase in these settings. Xiang *et al*. (2016) [24] found that parasocial interaction, the one-sided sense of intimacy users develop with content creators and other users, increased the urge to buy impulsively on a social commerce platform. Djafarova and Bowes (2021) [6], studying young fashion consumers, reported that Instagram content, including influencer posts and sponsored advertisements, was a significant stimulus for impulse purchases among Generation Z. Taken together, these studies suggest that social commerce does not merely display products; it manufactures moments of desire that are socially reinforced and time-pressured.

2.2 Deferred Payment and The Weakening of the "Pain of Paying"

A second strand of research explains why payment format matters. Prelec and Loewenstein (1998) [15] argued that consumers experience a "pain of paying" that normally restrains consumption, and that the tight coupling of payment to consumption strengthens this restraint. Soman (2001) [21] showed that payment mechanisms that reduce the salience and immediacy of the outflow, such as cards compared with cash, lead to higher spending, while Raghubir and Srivastava (2008) [16] found that less transparent and more decoupled payment forms increase willingness to spend. Thaler's (1999) [22] work on mental accounting adds that people assign expenditures to separate mental budgets, which allows small, repeated obligations to escape the scrutiny that a single large bill would attract. Present bias, formalised by Laibson (1997) [12], further implies that consumers overweight immediate rewards and underweight future costs, a tendency that deferred-payment products directly exploit.

BNPL-specific studies have begun to test these ideas. Relja *et al*. (2024) [17], analysing responses from 533 UK users, found that psychological distance from repayment and a sense of ownership over borrowed money shaped usage, and that some users even regarded BNPL as a savings or budgeting tool rather than as credit. Schomburgk and Hoffmann (2023) [20] showed that mindfulness reduced BNPL usage among Australian consumers and linked usage to lower overall well-being, suggesting that deliberate attention can counter the product's frictionless design. Di Maggio *et al*. (2022) [5] used transaction data to show that BNPL access raised total spending and that the increase persisted beyond the initial purchase, which they interpreted as a liquidity effect that shifts spending toward retail categories.

© 2026 Prajeesha T. This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY NC ND).https://creativecommons.org/licenses/by/4.0/

2.3 Financial Literacy among Young Consumers

Financial literacy provides the cognitive backstop that could, in principle, catch the consequences of impulsive, deferred purchases. The evidence on young adults is not encouraging. Lusardi *et al*. (2010) [14] found that a large share of young Americans could not correctly answer basic questions on interest, inflation, and risk diversification, and that knowledge varied sharply by gender, education, and family background. Lusardi and Mitchell (2014) [13] reviewed international evidence linking low literacy to poorer borrowing decisions, higher-cost debt, and weaker retirement planning. Gathergood (2012) [7] demonstrated that both low financial literacy and self-control problems were associated with over-indebtedness, and that self-control failure was particularly linked to the use of quick-access credit. BNPL fits this description closely: its instalments are small, its approval is fast, and its costs appear only when a payment is late.

A related concern is that BNPL literacy may differ from conventional credit literacy. Because the headline price is interest-free, users who understand compound interest may still misjudge BNPL, where the relevant risks are late fees, account suspension, credit-file consequences in some jurisdictions, and the accumulation of simultaneous plans. Relja *et al*. (2024) [17] observed misunderstanding alongside sophistication among UK users, indicating that familiarity with the product does not guarantee an accurate picture of its obligations.

2.4 Stacking, Delinquency, and Financial Vulnerability

Evidence on repayment outcomes has grown with access to administrative data. Guttman-Kenney *et al*. (2023) [9] found that UK consumers frequently repaid BNPL instalments using credit cards, effectively layering one form of credit on another, with the practice more common among younger cardholders in more deprived areas. deHaan *et al*. (2024) [4] reported that, after adopting BNPL, users experienced increases in overdraft charges, credit card interest, and related fees, suggesting that the product can strain liquidity rather than ease it. Gerrans *et al*. (2022) [8] examined Australian BNPL users and highlighted the question of provider and user responsibility, noting indications of financial stress among a subset of users.

The most comprehensive data come from regulators. The CFPB (2025) [3], matching loan-level data from six large providers with de-identified credit records, reported that about 63 percent of 2022 borrowers held more than one BNPL loan at the same time and a third borrowed from more than one provider. Nearly two-thirds of loans went to consumers with subprime or deep subprime scores. For borrowers aged 18 to 24, BNPL accounted for 28 percent of total unsecured debt in the months they borrowed, compared with 17 percent across all ages. Hayashi and Routh (2025) [10] found that late BNPL payments were strongly associated with signs of financial vulnerability, implying that some delinquent users had overextended themselves through the product.

2.5 RESEARCH GAP

Existing studies tend to examine one link in the chain at a time: what triggers impulse buying on social platforms, why BNPL feels painless, or who falls behind on repayment. Few studies connect the social stimulus, the payment design, and the literacy gap into a single explanation, and fewer still focus on Gen Z consumers in emerging economies such as India, where social commerce and digital lending are expanding rapidly under a still-evolving regulatory framework (Reserve Bank of India [RBI], 2022) [18]. This paper responds to that gap.

3. OBJECTIVES OF THE STUDY

The study pursues the following objectives:

a) To examine how social commerce features stimulate impulsive purchasing among Generation Z consumers.
b) To analyse how the design of BNPL products weakens payment-related restraint and encourages deferred consumption.
c) To assess the role of financial literacy deficits in amplifying the risks associated with BNPL use.
d) To review emerging evidence on BNPL loan stacking and repayment delinquency among young borrowers.
e) To propose an integrative conceptual framework and identify policy, industry, and educational intervention points.

4. RESEARCH METHODOLOGY

This is a conceptual, review-based study; it does not collect or analyse primary data. The paper adopts an integrative literature review design, which is suited to emerging topics where evidence is spread across disciplines and methods and where the aim is to build a new conceptual perspective rather than to estimate a pooled effect.

Sources were identified through searches of Scopus, Web of Science, Google Scholar, SSRN, and the websites of consumer-credit regulators and central banks, using combinations of the terms "buy now pay later", "BNPL", "social commerce", "impulse buying", "financial literacy", "Generation Z", "young adults", "delinquency", and "late payment". Priority was given to peer-reviewed journal articles, working papers from recognised research institutions, and official regulatory reports. Foundational behavioural studies published before 2013 were retained where they supplied the theoretical mechanisms on which later BNPL research relies. Opinion pieces, vendor marketing material, and unattributed survey statistics were excluded.

The retained literature was read thematically and coded under four headings that correspond to the stages of a consumer's encounter with BNPL in a social setting: stimulus, payment decision, cognitive capacity, and repayment outcome. Findings under each heading were then compared to identify points of agreement, tension, and silence, and these comparisons informed the framework presented in the next section. Because the review is narrative and interpretive rather than systematic, its conclusions should be read as propositions to be tested rather than as settled estimates.

5. DISCUSSION AND ANALYSIS

5.1 The Trigger–Defer–Default Framework

The literature reviewed above can be organised into a three-stage sequence, summarised in Table 1. In the first stage, the trigger, social commerce generates desire under conditions that

© 2026 Prajeesha T. This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY NC ND).https://creativecommons.org/licenses/by/4.0/

favour emotion over deliberation. In the second, the deferral, BNPL removes the immediate cost signal that would otherwise slow the decision. In the third, the default risk, obligations accumulate across purchases and providers until a shock to income or a lapse in attention produces a missed payment. Financial literacy operates across all three stages, determining whether the consumer notices the trap before it closes.

Table 1: The Trigger–Defer–Default Framework: Stages, Mechanisms, and Evidence

Stage	Mechanism	Illustrative drivers	Supporting evidence
Trigger (social commerce)	Emotional arousal and social proof override planning	Influencer endorsements, livestream countdowns, peer reviews, parasocial ties	Rook (1987) [19]; Xiang *et al*. (2016) [24]; Djafarova & Bowes (2021) [6]
Defer (BNPL design)	Decoupling of payment from consumption lowers the pain of paying	"Pay in 4" badges, instant approval, zero-interest framing	Prelec & Loewenstein (1998) [15]; Relja *et al*. (2024) [17]; Di Maggio *et al*. (2022) [5]
Literacy filter	Limited ability to aggregate small obligations and assess fees	Weak numeracy, present bias, misperception of BNPL as non-debt	Lusardi *et al*. (2010) [14]; Gathergood (2012) [7]; Laibson (1997) [12]
Default (repayment outcome)	Stacking across plans and providers strains liquidity	Simultaneous loans, credit-card repayment of instalments, late fees	CFPB (2025) [3]; Guttman-Kenney *et al*. (2023) [9]; deHaan *et al*. (2024) [4]

Note: Framework developed by the authors from the reviewed literature.

5.2 Why the Social Setting Intensifies BNPL Risk

A BNPL option at a conventional online checkout meets a consumer who has already chosen a product. In social commerce, by contrast, the credit offer often appears at the moment of discovery. This timing matters. Research on impulse buying shows that the urge to buy peaks quickly and fades if the purchase is delayed (Rook, 1987) [19]. Social platforms are designed to keep users inside that window through countdown timers, limited-stock notices, and live commentary from other viewers. When the payment step also demands nothing today, the two sources of friction that normally allow the urge to cool, namely time and cost, are removed together. The result is not simply more buying but a different kind of buying: smaller, more frequent, and more emotionally driven purchases that are individually affordable and collectively burdensome.

Peer visibility adds a further layer. For Gen Z users, purchases are frequently displayed, reviewed, or shared, and consumption becomes part of identity performance. Djafarova and Bowes (2021) [6] found that the desire to keep up with trends seen on Instagram was a recurring motive for impulse purchases among young consumers. BNPL makes it possible to participate in these trends before income has caught up with aspiration, a link that is especially plausible for fashion, beauty, and gadget purchases, the categories most visible in social content.

5.3 The Literacy Problem is Specific, Not General

It would be convenient to conclude that more financial education will solve the problem, but the evidence points to a narrower gap. Standard literacy questions test understanding of interest rates and inflation. BNPL, however, is marketed as interest-free, so a consumer can answer those questions correctly and still misjudge the product. The relevant competencies are different: keeping track of several repayment schedules at once, recognising that a late fee on a small instalment can represent a very high effective cost, understanding that repayment may be drawn automatically from an account with insufficient funds, and seeing multiple small plans as a single debt position. Relja *et al*. (2024) [17] found that some users thought of BNPL as a way to save, which suggests that the product's framing can actively mislead those who lack this situational knowledge.

Self-control compounds the literacy gap. Gathergood (2012) [7] showed that self-control problems predicted over-indebtedness independently of literacy, and Schomburgk and Hoffmann (2023) [20] found that mindfulness, a form of attentional control, was associated with lower BNPL use. This implies that knowledge alone may be insufficient when the purchase environment is engineered to bypass reflection. Effective interventions will likely need to combine understanding with friction at the point of decision.

5.4 Reading the Delinquency Evidence Carefully

Headline default rates on BNPL can appear reassuring. The CFPB (2025) [3] noted that BNPL loan default rates were lower than those on credit cards in its sample. This figure, however, understates the risk to young users for three reasons. First, it measures default on BNPL loans in isolation, while the same report shows that BNPL borrowers held higher balances on other unsecured credit and that credit-card utilisation tended to rise before first BNPL use, suggesting that the product is often adopted by consumers already under pressure. Second, users may avoid BNPL default by shifting the strain elsewhere, for example by repaying instalments with credit cards (Guttman-Kenney *et al*., 2023) [9] or by incurring overdraft fees (deHaan *et al*., 2024) [4]. Third, loan stacking across providers is poorly visible because many BNPL loans have not been reported to credit bureaus, so no single lender sees the borrower's full position. For a Gen Z borrower, for whom BNPL forms a larger share of unsecured debt than for older groups (CFPB, 2025) [3], a low per-loan default rate can coexist with a high level of household financial stress.

5.5 The Indian Context

India presents a useful and under-studied case. Social commerce is expanding through regional-language video platforms, reseller networks, and influencer-led storefronts, while BNPL-style products are offered through e-commerce apps, fintech lenders, and card-less credit lines tied to digital payments. The Reserve Bank of India's guidelines on digital lending (RBI, 2022) [18] introduced requirements on the flow of funds, disclosure of the annual percentage rate through a key fact statement, and a cooling-off period, and they curtailed some prepaid-instrument credit arrangements. These measures

© 2026 Prajeesha T. This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY NC ND).https://creativecommons.org/licenses/by/4.0/

address transparency at the lender level but do not directly regulate the social-media contexts in which young borrowers encounter credit offers. Given India's large young population and uneven levels of financial literacy, the trigger–defer–default sequence may unfold faster and with fewer safeguards than in markets with longer histories of consumer-credit reporting.

6. FINDINGS

The Review Yields the Following Principal Findings:

- First, social commerce and BNPL reinforce each other. Social platforms create emotionally charged, time-pressured purchase moments, and BNPL removes the immediate cost that would otherwise slow those decisions. Their combined effect is larger than the effect of either feature alone.
- Second, BNPL weakens the psychological restraint associated with payment. By decoupling consumption from outflow and presenting credit as a payment method, it lowers the pain of paying and encourages users to treat borrowed money as their own.
- Third, the financial-literacy deficit relevant to BNPL is situational. Young consumers need the ability to aggregate multiple small obligations, interpret fee structures, and recognise BNPL as debt, competencies that conventional literacy measures do not capture.
- Fourth, loan stacking is common and concentrated among financially stretched users. Regulatory data show widespread simultaneous borrowing across plans and providers and a heavier BNPL share of unsecured debt among the youngest borrowers.
- Fifth, low headline default rates can mask broader distress, because repayment strain may be displaced onto credit cards, overdrafts, and other obligations that are not attributed to BNPL
- Sixth, regulatory responses have focused on lender disclosure and credit reporting, while the social-media environment in which Gen Z encounters BNPL remains largely outside the scope of existing rules, including in India.

7. CONCLUSION

This paper has argued that the risks BNPL poses to Generation Z cannot be understood by looking at the credit product alone. The same instalment plan carries different consequences when it is offered beside a trusted creator's recommendation, during a countdown sale, to a user who sees it as a budgeting tool. The trigger–defer–default framework captures this sequence and shows where it might be interrupted.

Several practical implications follow. Regulators could extend disclosure expectations to the social contexts in which BNPL is promoted, require that sponsored content offering instalment credit carry clear cost and late-fee information, and support comprehensive reporting of BNPL loans to credit bureaus so that stacking becomes visible. Platforms and BNPL providers could introduce deliberate friction for young or first-time users, such as a single dashboard of all outstanding instalments, reminders before due dates, and a short pause before approving a new plan when several are already open. Educators, including universities and colleges that teach business and commerce students, could move beyond generic literacy modules to scenario-based training that simulates managing several BNPL plans at once. Such changes would not remove the genuine convenience that BNPL offers, but they would help ensure that young consumers use it with a clear view of what they are committing to.

8. SCOPE FOR FUTURE RESEARCH

The framework proposed here requires empirical testing. Survey-based structural models could examine whether social commerce exposure predicts BNPL use and whether financial literacy and self-control moderate the path from use to missed payment. Field and online experiments could test the effect of specific design changes, such as displaying total outstanding instalments or adding a brief delay, on purchase and repayment decisions. Longitudinal studies using consented bank or credit-bureau data would help establish whether BNPL use among young adults predicts later financial distress. Comparative work across countries, and within India across states and between urban and semi-urban populations, would show how regulatory and cultural settings shape outcomes. Finally, a validated BNPL-specific literacy scale would allow researchers to measure the situational knowledge that this review identifies as critical.

REFERENCES

1. Baumeister RF. Yielding to temptation: self-control failure, impulsive purchasing, and consumer behavior. Journal of Consumer Research. 2002;28(4):670–676. doi:10.1086/338209.
2. Consumer Financial Protection Bureau. Buy now, pay later: market trends and consumer impacts. 2022. Available from: https://www.consumerfinance.gov/data-research/research-reports/buy-now-pay-later-market-trends-and-consumer-impacts/
3. Consumer Financial Protection Bureau. Consumer use of buy now, pay later and other unsecured debt. 2025. Available from: https://files.consumerfinance.gov/f/documents/cfpb_BNPL_Report_2025_01.pdf
4. deHaan E, Kim J, Lourie B, Zhu C. Buy now pay (pain?) later. Management Science. 2024;70(8):5586–5598. doi:10.1287/mnsc.2022.03266.
5. Di Maggio M, Katz J, Williams E. Buy now, pay later. NBER Working Paper No. 30508. National Bureau of Economic Research; 2022. doi:10.3386/w30508.
6. Djafarova E, Bowes T. 'Instagram made me buy it': Generation Z impulse purchases in fashion industry. Journal of Retailing and Consumer Services. 2021; 59:102345. doi: 10.1016/j.jretconser.2020.102345.
7. Gathergood J. Self-control, financial literacy and consumer over-indebtedness. Journal of Economic Psychology. 2012;33(3):590–602. doi: 10.1016/j.joep.2011.11.006.
8. Gerrans P, Baur DG, Lavagna-Slater S. Fintech and responsibility: buy-now-pay-later arrangements. Australian

© 2026 Prajeesha T. This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY NC ND).https://creativecommons.org/licenses/by/4.0/

Journal of Management. 2022;47(3):474–502. doi:10.1177/03128962211032448.
9. Guttman-Kenney B, Firth C, Gathergood J. Buy now, pay later (BNPL) ...on your credit card. Journal of Behavioral and Experimental Finance. 2023; 37:100788. doi: 10.1016/j.jbef.2023.100788.
10. Hayashi F, Routh A. Financial constraints among buy now, pay later users. Federal Reserve Bank of Kansas City Economic Review. 2025;110(4). doi:10.18651/ER/v110n4HayashiRouth.
11. Huang Z, Benyoucef M. From e-commerce to social commerce: a close look at design features. Electronic Commerce Research and Applications. 2013;12(4):246–259. doi: 10.1016/j.elerap.2012.12.003.
12. Laibson D. Golden eggs and hyperbolic discounting. The Quarterly Journal of Economics. 1997;112(2):443–478. doi:10.1162/003355397555253.
13. Lusardi A, Mitchell OS. The economic importance of financial literacy: theory and evidence. Journal of Economic Literature. 2014;52(1):5–44. doi:10.1257/jel.52.1.5.
14. Lusardi A, Mitchell OS, Curto V. Financial literacy among the young. Journal of Consumer Affairs. 2010;44(2):358–380. doi:10.1111/j.1745-6606.2010.01173. x.
15. Prelec D, Loewenstein G. The red and the black: mental accounting of savings and debt. Marketing Science. 1998;17(1):4–28. doi:10.1287/mksc.17.1.4.
16. Raghubir P, Srivastava J. Monopoly money: the effect of payment coupling and form on spending behavior. Journal of Experimental Psychology: Applied. 2008;14(3):213–225. doi:10.1037/1076-898X.14.3.213.
17. Relja R, Ward P, Zhao AL. Understanding the psychological determinants of buy-now-pay-later (BNPL) in the UK: a user perspective. International Journal of Bank Marketing. 2024;42(1):7–37. doi:10.1108/IJBM-07-2022-0324.
18. Reserve Bank of India. Guidelines on digital lending (RBI/2022-23/111). 2022 Sep 2. Available from: https://www.rbi.org.in
19. Rook DW. The buying impulse. Journal of Consumer Research. 1987;14(2):189–199. doi:10.1086/209105.
20. Schomburgk L, Hoffmann A. How mindfulness reduces BNPL usage and how that relates to overall well-being. European Journal of Marketing. 2023;57(2):325–359. doi:10.1108/EJM-11-2021-0923.
21. Soman D. Effects of payment mechanism on spending behavior: the role of rehearsal and immediacy of payments. Journal of Consumer Research. 2001;27(4):460–474. doi:10.1086/319621.
22. Thaler RH. Mental accounting matters. Journal of Behavioral Decision Making. 1999;12(3):183–206. doi:10.1002/(SICI)1099-0771(199909)12:33.0.CO;2-F.
23. Verplanken B, Herabadi A. Individual differences in impulse buying tendency: feeling and no thinking. European Journal of Personality. 2001;15(S1):S71–S83. doi:10.1002/per.423.
24. Xiang L, Zheng X, Lee MKO, Zhao D. Exploring consumers' impulse buying behavior on social commerce platform: the role of parasocial interaction. International Journal of Information Management. 2016;36(3):333–347. doi: 10.1016/j.ijinfomgt.2015.11.002.
25. Zhang KZK, Benyoucef M. Consumer behavior in social commerce: a literature review. Decision Support Systems. 2016; 86:95–108. doi: 10.1016/j.dss.2016.04.001.

Creative Commons (CC) License

This article is an open-access article distributed under the terms and conditions of the Creative Commons Attribution–Non-Commercial–No Derivatives 4.0 International (CC BY-NC-ND 4.0) license. This license permits sharing and redistribution of the article in any medium or format for non-commercial purposes only, provided that appropriate credit is given to the original author(s) and source. No modifications, adaptations, or derivative works are permitted under this license.

© 2026 Prajeesha T. This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY NC ND).https://creativecommons.org/licenses/by/4.0/