

# THE IMPACT OF BUY NOW PAY LATER (BNPL) SERVICE, LIFESTYLE AND IMPULSIVE BUYING ON MUSLIM CONSUMERS BEHAVIOR AMONG UNIVERSITY STUDENTS IN MALAYSIA

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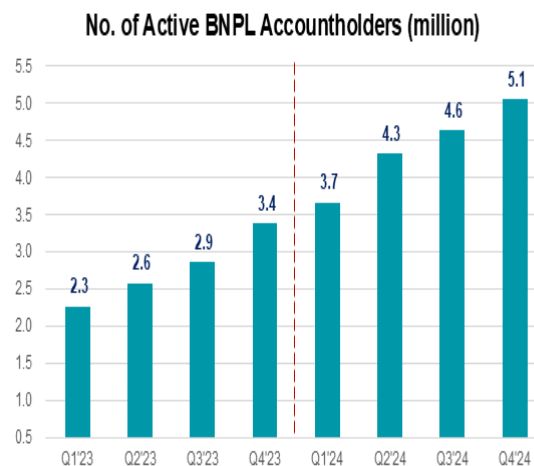
Mahyedin, N. S. A., & Mohd Sufter, N. S. (2025). The impact of Buy Now Pay Later (BNPL) service, lifestyle and impulsive buying on muslim consumers behavior among university students in Malaysia. *Journal of Islamic, Social, Economics and Development (JISED)*, 10 (74), 503 - 512

**Abstract:** *Currently the trading world has emerge to digitalization. Hence, many of the business has change its method to online selling. The youngster is the biggest users of this facility. In order to attract this group of people, many methods has been offered including pay later feature which known as Buy Now Pay Later (BNPL). The biggest obstacle of this group of people is they are still young and yet to work because they still study at university levels. Hence, they have no sufficient money to shop but at the same time they are the biggest contributors inside online shopping platform. This is the major reason for pay later services existed such as Shoppe Paylater, Grab Paylater, Atome and Ipay88. However, most of them are not aware, this practice later promoting the culture of indebt practice. In Islam, the Muslims are not encourage to do debt unless there is no other alternative except to be in debt. Thus, this study aims to measure the impact of Buy Now Pay Later (BNPL) service, lifestyle and impulsive buying on Muslims consumer behavior among university students in Malaysia. This study use quantitative method which is through questionnaire survey for 350 samples. The respondents' age are between 18 years old until 30 years old from cross universities in Malaysia. Another requirement are the respondent must be a Muslim and use the pay later service. It employs the likert-type of scale to gauge the impact BNPL towards Muslims consumer behavior. Based on the data analysis the researchers conclude that the BNPL service is not giving impact towards Muslim's consumer behavior. However, lifestyle and impulsive buying could give impact towards Muslim's consumer behavior among university students in Malaysia.*

**Keywords:** *Buy Now Pay Later (BNPL), Muslims consumer, Consumer Behavior, Lifestyle and Impulsive Buying.*

## Introduction

Buy Now Pay Later (BNPL) is becoming a trend for many trading platforms either in Malaysia or abroad. Usually BNPL is most popular among the consumers in e-trading platforms such as Shopee, Lazada, Temu (Fahd, 2025) and The advancement in information and Information and Communication Technology (ICT) has assist the trading industry emerged from physical trading towards e-trading. Most of the people nowadays prefer to buy items or products online if they cannot found it in nearby stores. This has proven that the development in ICT managed to help other industries too. Over time, the consumer behaviour also change with this shifting method of purchase. Among the users of this feature, the young generation is the largest group of users which consume this app the most. It is estimated USD 2.52 Billion payment through BNPL in Malaysia until 2030 (Newswire, 2025). It added that BNPL is the best option given to Millennial and Gen Z because BNPL offers a zero based interest. According to Consumer Credit oversight Board (CCOB), from 3.7 million BNPL accountholders majority of them aged between 21 to 45 years old (Hishamudin, 2024). Hence this practice made this two generations easily involved in credits. Whereas in Islam, it is very not encourage for Muslims to do unnecessary credits unless for something which unavoidable for example for the sake of education or to buy home. Besides of this interdiction, this study would like to explore further on the Muslims consumer behaviour with regards to this feature.



**Figure 1: The Total Number of BNPL Accountholders in Malaysia 2024**

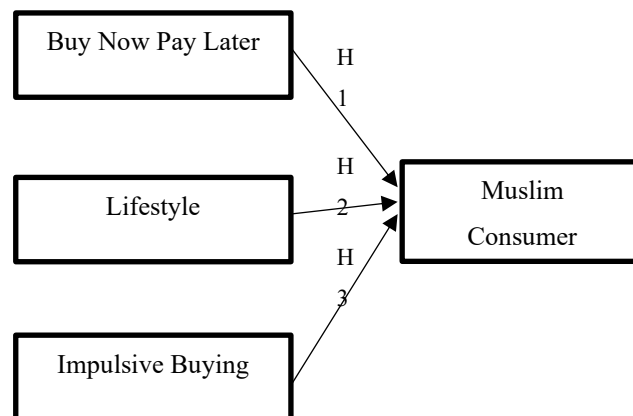
Source: (CCOB, 2024)

Based on the above chart, the trends of Malaysian consumers with regards to BNPL transaction shows an increasing trend from one quarter to the next. This proved that the preferences among Malaysian consumers to use BNPL as a one of their payment method is highly preferred. Since been introduced, BNPL keeps receiving moderate growth in demand (BNM, 2024) from all users however it is estimated to be one of the best option of payment in the future . According to Partida (2025), currently BNPL payment method most favored by the young generation because it conveys similar function as credit card but work virtually. In order to understand, the young generation usually use BNPL due to the fact that they are not yet working however because they have relatively low financial commitments makes them manage to pay back for the items within the given time frame. Hence, in order to understand the muslim consumer behavior with regards to the facility of BNPL feature this study aims to achieve two objectives. First is to explore the usage of BNPL facility by young generation which still studies at university level in Malaysia and secondly is to measure the impact of Buy Now Pay Later

(BNPL) service, lifestyle and impulsive buying on Muslims consumer behavior among university students in Malaysia. The gap of the study is less past study covers on Muslims consumer behavior with regards to BNPL facility.

### Conceptual Framework

The conceptual framework shows the variables BNPL services, lifestyle and impulsive buying as well as Muslim Consumer behaviour. Figure 1 illustrates the relationship between BNPL service, lifestyle and impulsive buying on Muslim consumer behaviour among university students.



**Figure 2: Conceptual Framework**

### The Present Study

Literature reviews have shown that various factors significantly influence Muslim consumer behaviour. While previous studies have examined these influences in different contexts, it is essential to investigate Muslim consumer behaviour specifically in relation to BNPL services, lifestyle, and impulsive buying. This study aims to identify the relationships between these three factors (BNPL services, lifestyle, and impulsive buying) and Muslim consumer behaviour.

Additionally, it seeks to determine which of these factors has the greatest impact. The findings from the analysis will address the following research questions

- RQ 1: What is the relationship between BNPL service and Muslim consumer behaviour?
- RQ 2: What is the relationship between lifestyle and Muslim consumer behaviour?
- RQ 3: What is the relationship between impulsive buying and Muslim consumer behaviour?
- RQ 4: What is the most significant self-efficacy factor that influences Muslim consumer behaviour?

The researcher formulated three null hypotheses for this study. A summary of the hypotheses is presented below

- Hypothesis 1: There is no significant relationship between BNPL service on Muslim consumer behaviour.
- Hypothesis 2: There is no significant relationship between lifestyle on Muslim consumer behaviour.
- Hypothesis 3: There is no significant relationship between impulsive on Muslim consumer behaviour.
- Hypothesis 4: There is no significant relationship between BNPL service, lifestyle and impulsive buying on Muslim consumer behaviour.

### Literature Review

There are four points will be discussed in this section. It includes Muslim consumer behaviour, Buy Now Pay Later Facility, lifestyle and impulsive buying.

#### Definition of consumer behavior

The behaviour of the consumer before they decide to do purchase, use one product or service and the reason for on product or goods being rejected are considered part of consumer behaviour. This is a study to understand on their purchasing decision or disposal decision for any product, services, ideas or experiences (Khan & Wilson, 2025).

#### Definition of Muslim consumer behaviour

While Muslim consumer have specific rules or guideline they must refers to before making any purchase. Islam has line the several rules such as not doing any excessive spending, only liaise for halal products and services and must not leads to *tabzir* which is wasting the resources for the sake of fulfilling their needs and wants. Hence, the Muslim consumer behaviour is basically the study on how Muslim spends their money while doing the purchasing, disposing, creating ideas and also gaining experiences which might have differences between traditional consumer behaviour.

#### Muslim consumer behaviour

Muslims consumer behavior are bound by religious rules and prohibitions. According to Khan (2020), a Muslim consumer will behave as per Islamic teachings and this contradicted to the theory of consumer behavior will be based on law of demand and wants. As we understand in Islamic teaching, one individual is not encouraged to create unnecessary debt. While BNPL offerings a short –term credits and most favored among younger generations in Malaysia. Khan (2020), added that Quranic teachings also has underline that the extravagance in spending and create waste is a prohibition to be as bedrock to Muslim consumer behavior.

#### Buy Now Pay Later Facility

Buy Now Pay Later is a feature of one type of facility provided by service provider for short-term credit. According to BNM (2024), the BNPL enables the purchaser to purchase goods or services by the provider with the option for deferred payment. While Athena & Norashikin (2024), said that BNPL is the best financial ally to those who loved shopping without needs them to worry about financial constraints. They added that however the uncontrol usage of BNPL might leads to other problems in the future. Hishamudin (2024), opined that BNPL gives a good offers to the buyers and manage to make it popular from year to year and eventually raise the demands for more access towards online shopping. This supported by the data raise by CCOB (2024), where there are positive growth in terms of numbers BNPL accoutholders

from 2023 until 2024. According them in 2024 there are 3.7 Millions BNPL accountholders in Malaysia.

In terms of Islamic rulings on BNPL facility there are two opinions established. Desai (2023), list those two opinions in his writings. First says that BNPL facility is considered Non Shariah compliance since it exist these three elements in it:

- a) Interest- certain BNPL facility do charged for missed payment as been stated in their monthly installment term.
- b) Prohibited goods or services – there is no restrictions made for the usage of BNPL facility where the Muslim consumers may buy anything by using the BNPL facility.
- c) Terms and conditions – there is restriction made based on Shariah basis for BNPL users or facility providers.

Another opinion says that BNPL facility is permissible in Shariah law if it is applies cost plus profits contract (*Murabahah*) or no cost plus financing structure (*Tawliyah*).

In Malaysia the central bank has made conclusion on the usage of BNPL facility is permissible based on the business customary practices (*'urf tijari*). However BNM urge to the facility provider to uphold responsible practices by having a thorough credit evaluation process in order to measure the consumer's affordability to pay back (BNM, 2024).

### Lifestyles

Lifestyle always differs one individual to another. As a Muslim lifestyle also does influence the behavior of Muslim consumers. However, as Muslims they must always following the guideline provided by religion which is the level of consumption consist of *dharuriyah*, *hajiyyat* and *tahsiniyat*. Lifestyle is a pattern of life which expressed in psychographic (Nora & Minarti, 2016). They added the psychographic consists of lifestyle, personality and demographic characteristics.

### Impulsive Buying

There is tendency by a Muslim consumer to do impulsive buying. According to Habib, Batool, & Hassan (2020), for Muslim consumers whom have a higher level of materialistic beliefs have high tendencies to do impulsive buying compare to those who already staisfied with what they have curretly. Another opinion says that the impulsive buying sometimes can be viewed as a positive attitude when it is applies to the Muslims who have intention to do *sadaqah* to the sellers. This statements are supported by – Yudha, Atiya, Faidah, Febriyanti, & Masrufah (2025), that wealth should be used for good things and during impulsive buying usually Muslim consumers buy it due to the benefits offers by the sellers such as free shipping, discounts and free coupons which align with *Maslahah*.

### Research Methodology

Data collection for this study will be carried out using structured survey questionnaires and analysed using the Statistical Package for the Social Sciences (SPSS). The independent variables in this research are BNPL service, lifestyle and technology, and impulsive buying, while the dependent variable is Muslim consumer behaviour. Participants will provide ratings on how BNPL services, lifestyle, and impulsive buying influence their consumer behaviour. Based on the sample size determination formula by Krejcie and Morgan (1970), a sample of 111 respondents was selected from a population of 150 Diploma students at public and private universities in Malaysia.



### Instrument

This study employed a survey comprising demographic information, a BNPL questionnaire adapted from Arum and Anton (2023), and an impulsive buying questionnaire developed by Erna and David (2022), both of which have been widely utilized in related research. The survey was administered online via Google Forms and included 24 items designed to assess three key domains related to Muslim consumer behaviour: BNPL services, lifestyle, and impulsive buying tendencies. All items were rated on a five-point Likert scale, ranging from 1 ('strongly disagree') to 5 ('strongly agree'). Prior to analysis, the instrument underwent reliability testing using Cronbach's alpha, along with a normality test to assess the distribution of data. Quantitative data analysis was conducted using the Statistical Package for the Social Sciences (SPSS), beginning with descriptive statistics including mean, standard deviation, and frequency distribution to summarise the demographic characteristics of respondents, their experiences with BNPL services, and the related behavioural factors. This quantitative approach aims to provide valuable insights into the factors influencing Muslim consumer behaviour among students.

### Findings

This study discusses the findings obtained from the analysis of the questionnaire responses. A total of 187 respondents participated in the study, and the data were analysed using SPSS. The results indicate that BNPL services, lifestyle, and impulsive buying are positively associated with Muslim consumer behaviour, supporting the hypothesised relationships among these variables

### Reliability

Reliability was assessed by evaluating the internal consistency of the items representing each factor using Cronbach's alpha. Table 1 presents the Cronbach's alpha values, which serve to validate the reliability of the questionnaire. The internal consistency for each construct was found to be acceptable, with Cronbach's alpha values of 0.887 for BNPL service, 0.732 for lifestyle, 0.833 for impulsive buying, and 0.813 for Muslim consumer behaviour. These results indicate that the instrument demonstrates good reliability. Therefore, the questionnaires used in this study are considered both reliable and valid.

**Table 1: Reliability Test**

Variables	No of Items	Cronbach's Alpha	Cronbach's Alpha Item Deleted
Muslim consumer behavior	7	0.813	0
BNPL service	4	0.887	0
Lifestyle	3	0.732	0
Impulsive Buying	10	0.833	0
All items	24	0.896	0

### Descriptive Statistics

Table 2 presents the demographic profile of 111 university students. As shown, the majority of participants were female, comprising 76 students (68.5%), while the remaining 35 students (31.5%) were male.

**Table 2: Respondent's Gender**

Gender	Frequency	Percent
Male	35	31.5
Female	76	68.5
<b>Total</b>	<b>111</b>	<b>100</b>

Table 3 presents the participants' experience with online learning. Notably, all respondents reported having prior experience with BNPL services.

**Table 3: Experience of BNPL**

Have you ever used BNPL	Frequency	Percent
Yes	111	100
No	0	0
<b>Total</b>	<b>111</b>	<b>100</b>

Table 4 presents the mean and standard deviation for each variable group. The results indicate that participants perceived BNPL service as the most influential factor affecting Muslim consumer behaviour, with the highest mean score of 3.09. This is followed by impulsive buying, with a mean of 3.02, and lifestyle, with a mean of 3.00.

**Table 4: Mean for each Group Variables**

Variables	Mean	Standard Deviation
Muslim consumer behaviour	2.96	0.76
BNPL services	3.09	0.99
Lifestyle	3.00	0.94
Impulsive Buying	3.02	0.71

### Analysis of Variance

Table 6 shows that the  $R^2$  value indicates 35.6% of the variance in Muslim consumer behaviour among students can be explained by BNPL services, lifestyle, and impulsive buying. The remaining 64.4% of the variance may be attributed to other factors not included in this study.

**Table 6: Model Summary**

Model	R	R Squared	Adjusted R Squared
1	0.597	0.356	0.338

Table 7 summarize the F-test value of 19.745, which is statistically significant. This result indicates that the regression model is a good fit, and the independent variables meaningfully contribute to explaining the variance in the dependent variable, Muslim consumer behaviour.

**Table 7: ANOVA**

Model	Sum of squares	df	Mean square	F	Sig.
Regression	22.688	3	7.563	19.745	<0.001
Residual	40.983	107	0.382		
Total	63.671	110			

- Dependent variable: Muslim consumer behaviour
- Predictors: (Constant), BNPL service, Lifestyle, and Impulsive buying.

### Regression Analysis

In this study, multiple regression analysis was used to estimate the relationship between the dependent variable (Muslim consumer behaviour) and the independent variables (BNPL services, lifestyle, and impulsive buying). As shown in Table 8, only two independent variables—lifestyle and impulsive buying—significantly influence Muslim consumer behaviour, as their significance values are less than 0.05. Specifically, a 1% increase in lifestyle and impulsive buying is associated with a 0.307% and 0.308% increase in Muslim consumer behaviour, respectively. Among the predictors, impulsive buying has the highest standardized beta coefficient ( $\beta = 0.308$ ), followed closely by lifestyle ( $\beta = 0.307$ ), indicating that impulsive buying is the most influential factor. Therefore, based on the analysis, only these two variables have a statistically significant impact on Muslim consumer behaviour. The regression equation derived from the analysis is:

$$\text{Muslim Consumer Behaviour} = 0.840 + 0.307(\text{Lifestyle}) + 0.308(\text{Impulsive Buying})$$

**Table 8: Coefficients**

Model	Unstandardized Coefficient		Standardized Coefficients	t-value	Sig.
	B	SE			
(constant)	0.840	0.288		2.919	0.004
BNPL service	0.086	0.074	0.113	1.173	0.244
Lifestyle	0.307	0.066	0.380	4.654	<0.001
Impulsive Buying	0.308	0.108	0.287	2.861	<0.005

A. Dependent variable: Muslim consumer behavior

### Confirmation of Hypothesis

Table 9 provides an overview of the overall findings of this research study. Only one hypothesis was accepted as the results indicated that lifestyle and impulsive buying have a positive effect on Muslim consumer behaviour among students, with p-values less than 0.05, indicating statistical significance

**Table 9: Summarize Hypothesis Result**

Hypotheses	Decision
H1: There is no significant relationship between BNPL service on Muslim consumer behaviour.	Accepted
H2: There is no significant relationship between lifestyle on Muslim consumer behaviour	Rejected
H3: There is no significant relationship between impulsive buying on Muslim consumer behaviour.	Rejected
H4: There is no significant relationship between BNPL service, lifestyle, impulsive buying and on Muslim consumer behaviour.	Rejected

### Conclusion

Muslim consumer behaviour is different compare to traditional consumer behaviour. Muslims have their own rule and guideline to live in this world and must be super careful when deciding to do something. Based on this research researchers found that most of the universities students do have BNPL accounts and use the facility which answering the first objective. While the second objective is to measure the impact of Buy Now Pay Later (BNPL) service, lifestyle and impulsive buying on Muslims consumer behavior among university students in Malaysia. The



findings suggest that two variables which are lifestyle and impulsive buying have significant relationship towards Muslim consumer behavior. While the BNPL facility have no significant relationship towards Muslim consumer behavior. This could be happened because the students might influenced by financial literacy and reflect in their financial management behavior (Tamara & Agustina, 2024). Thus, the BNPL facility does not giving major impact towards the buying behavior among Muslim universities students.

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