



Determinants of compulsive buying among Jakarta credit card users: PLS-SEM analysis of direct and indirect effects

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Abstract

Payment systems have evolved quite quickly throughout the history of payment systems and the advent of digital technologies. In the digital age, economic expansion in Indonesia has resulted in an increase in the banking population and the growth of cashless payment channels. Surprisingly, despite the introduction of new non-cash payment channels, many consumers continue to use credit cards, particularly in major cities. Much previous research has indicated that the role of credit cards is directly tied to materialism and purchasing behavior. This is especially pertinent to impulsive and compulsive purchase behavior; which credit cards are extremely likely to facilitate. The purpose of this study was to investigate how materialism influences credit card use as well as impulsive and compulsive buying. This study also investigates whether materialism has mediation effects on compulsive buying. Adult credit card users in Jakarta were polled for the data. This quantitative approach, with 197 participants employs SEM-PLS and SMART PLS 3.0. Materialism influences credit card use and impulsive purchasing. In this instance, impulsive purchases become compulsive. Meanwhile, compulsive buying is caused by internal forces, and credit card use has no impact on it.

Keywords: Compulsive buying, Impulsive buying, Credit card, Usage behavior, Materialism.



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1. Introduction

The evolution of payment systems across the world has been quite protracted. In prehistoric times, people employed the barter system as a form of transaction, which evolved into coins and paper money, which are still used today. Payment systems throughout the world have progressed very quickly in the history of payment systems and the development of digital technology until we recognize credit cards, and the most current is bitcoin. We cannot reject credit card access to Indonesia since it is tied to the advancement of technology and information. In the digital age, economic progress in Indonesia has resulted in an increase in the banking population and the expansion of cashless payment methods. Furthermore, Indonesians, particularly those who live in major cities, require the use of a credit card. Most banks provide appealing services that entice us as consumers to use them. Several stores that partner with the bank also provide special discounts, which encourages us to use these credit cards even more. In 2022, there will be 16,888,422 credit card users in Indonesia, with a total of 246,639,745 transactions (www.akki.or.id).

Credit cards were initially used as non-cash payment alternatives. According to Foscht et al. (2010), credit cards are items arising from technical improvements employed in electronic devices that serve two functions: payment and debt management. Credit card issuers, including a bank, are investing heavily in development as part of their marketing plan to attract more clients who hold and use credit cards. The transition happened from the original role of a credit card, which was just an alternate non-cash payment instrument, to making payments when cash was insufficient since consumers could buy in installments using a credit card. This circumstance corresponds to the idea described by Soman (2001): people who use credit cards tend to make additional purchases and spend more than they can afford.

Credit card providers and sellers' marketing strategies, such as offering discounts when making credit card payments, encourage credit card users to buy even if they don't need the products or services. This circumstance is in line with Thomas et al. (2011)'s claim that paying with a credit card is less painful than paying with cash and so increases impulse control, leading to impulsive purchases. According to Roberts & Jones (2001), impulsive purchases result in unintended purchases; they do not plan and decide on purchases without contemplating the repercussions. The mentioned shift in credit card function develops community ideas and perceptions regarding the benefits and drawbacks of credit cards. People who are pro-credit cards believe that credit cards bring benefits in a variety of ways, including making it easier to go into debt, receiving discounts when shopping, and so on. The second category is those who oppose credit cards because they encourage individuals to be more impulsive. Credit card use and compulsive buying are linked, according to Harnish et al. (2019) and Khandelwal et al. (2022). Credit card use was also studied for its influence on impulsive buying. Not only that, but this impact has been studied in the context of compulsive buying (Gawior et al., 2022; Khandelwal et al., 2022). Pinto et al. (2000), on the other hand, claim that materialism influences credit card uses. The aforementioned sentence suggests that there is a connection to look into because an individual's intrinsic character might have an impact on how they use a credit card.

Meanwhile, other research (Clark & Calleja, 2008; Thompson & Prendergast, 2015) claims that impulsive and compulsive purchasing are on the same level of attitude. Further, impulsive purchasing is the lowest degree, while compulsive purchasing is the greatest. According to the above description, there is an intriguing phenomenon that needs to be researched further: whether the usage of credit cards, which is also impacted by the character of materialism inherent in individuals, might influence impulsive and compulsive buying. Because of the large population and high number of users in Indonesia, this subject is particularly fascinating to

debate. The primary goal of this article is to measure the link between the main variables (materialism, credit card uses, and impulsive and compulsive buying).

2. Literature Review

Materialism, according to Shammout et al. (2022), is an interest in the ownership and acquisition of material objects in order to achieve a primary life goal or desired condition. Materialism is defined differently by Jeffrey & Susan (2012) and Richins & Dawson (1992) as a phenomenon in which individuals see material goods as the key to their pleasure. Several studies (Atulkar & Kesari, 2018; Dittmar & Bond, 2010; Pieters, 2013) found that individuals regarded materialism as a positive viewpoint on material items and placed product acquisition at the center of their lives, with right possession as the aim of life and the key to satisfaction. Materialistic nature concentrates on reaching materialistic goals as a measure for success in life; this might eventually convert their conduct to obsessive-compulsive (Dittmar, 2005). They prioritize material items in their lives, which causes them to purchase more (De Barros et al., 2015).

Credit cards have been a legal mode of payment since 1920, and they also serve as a basic borrowing facility for making payments when we buy. Foscht et al. (2010) define a credit card as a device originating from technological advances in electronics that serves two functions: payment and debt. This concept was questioned once again by Trinh et al. (2020). Over the previous few decades, credit cards have evolved into a cash alternative (Wang & Wolman, 2018). Credit cards are growing more important and widespread in modern commerce all over the world (Porto et al., 2019). The method of payment we choose when shopping influences our purchasing decisions (Sarofim et al., 2020).

According to Badgaiyan et al. (2016), impulsive buying is defined as unplanned, unthinking, direct, and hedonically complex purchasing behavior. In the study (Rook & Fisher, 1995), impulsive buying in daily life is defined as unplanned individual buying behavior influenced by external stimuli and demonstrated by individuals by purchasing unplanned things while neglecting better options in the scenario at hand. The characteristic of making an impulsive purchase, typically without previous forethought, is referred to as impulsive purchasing (Landa-Blanco, 2022). Brici et al. (2013) define impulsivity as "consumer behavior that buys accidentally, recklessly, immediately, and based on internal and/or external stimuli."

Compulsive purchasing is defined by Potter and Wiggins (2007) as a type of persistent aberrant spending characterized by severe, uncontrolled, and recurring cravings to buy regardless of the consequences. According to Ridgway et al. (2008), compulsive shopping is an uncontrollable urge that results in worry about making purchases and repeated purchases to relieve stress. Compulsive purchasing is an addictive and inevitable shopping practice (Faber & Thomas, 1989). According to O'Guinn & Faber (1989), the desire to make exceptional purchases is the only factor that drives compulsive shopping on an internal level. A persistent shopping problem is compulsive purchase behavior (Khare, 2014).

2.1. Hypothesis Development

The use of credit cards has been documented by Pinto et al. (2000). This is also proven by Pirog & Roberts (2007) to have an impact on materialism. Soman (2001) investigated how credit card use influenced college students and concluded that materialistic students who used credit cards had more expensive spending habits than those who paid in other ways. Watson (2003) observed that highly materialistic people are more likely to have big credit card balances. In this case, credit in installments is preferred. Rashid et al. (2019) previously investigated if there

was a favorable association between consumerism and the use of credit cards. By then, we argue:

H1: Materialism affects credit card use significantly.

Materialistic customers spend more impulsively than other consumers because they aim to improve their social standing through material items (Richins, 2011). Impulse purchasing is defined as unplanned, impulsive, and hedonistically sophisticated purchasing behavior (Badgaiyan et al., 2016). Thus, it is hypothesized that individuals' natural materialism would urge them to acquire commodities impulsively in order to get pleasure and acknowledgement of their status from others. As a result, we contend:

H2: Materialism affects impulsive purchases significantly.

The proclivity for obsessive shopping varies according to the individual's materialism and self-esteem. In other words, the more materialistic the perspective, the greater the proclivity for compulsive purchase (Adamczyk et al., 2020). Materialistic nature focuses on obtaining materialist goals as a benchmark for success in life; this might influence their behavior to progressively move to obsessive-compulsive (Dittmar, 2005). So, it's no surprise that materialists shop more impulsively than non-materialists. Several earlier studies (Harnish et al., 2019; Pradhan et al., 2018; Tantawi, 2023) examined the association between two variables (materialism and compulsive buying). As a result, we argue:

H3: Materialism affects compulsive purchasing significantly.

The issue of impulsive purchase has been extensively explored across the world (Badgaiyan et al., 2016; Chauhan et al., 2021; Mamuaya et al., 2018). Several previous studies have found that when paying with a credit card, people make more purchases than when paying with cash (Cheema & Soman, 2006; Raghubir & Srivastava, 2009) and that, when compared to other payment methods, paying with a credit card can increase impulsive buying (Soman, 2001). Several studies (Chauhan et al., 2021; Dawson & Kim, 2009; Fogel et al., 2012; Park & Burns, 2005) have indicated that the use of a credit card is the most important factor determining impulsive purchases. Following the debate, we propose:

H4: Credit card use affects impulsive buying significantly.

Khandelwal et al. (2022) believe that using credit cards often might lead to compulsive spending, especially when users are unable to moderate their purchasing habits. The Khandelwal et al. (2022) study further supports the notion that credit card habits might drive spending and increase the relationship between money views and compulsive shopping. Consumers who are unable to handle their credit card use sensibly will have a gratifying impact on material things, increasing ostentatious consumption (Pradhan et al., 2018). As a consequence, there will be a strong and coercive need to buy, which has an influence on the accumulation of debt due to credit card misuse, which then leads to emotional pressure and impaired self-control and eventually becomes compulsive buying (Eaglen, 2017). According to the debate, we propose:

H5: Credit card use affects compulsive purchasing significantly.

Impulsive and compulsive buying are two out-of-the-ordinary purchasing habits that are frequently addressed simultaneously. It is critical to distinguish between addictive and uncontrollable purchasing (compulsive) and spontaneous and unplanned purchasing (impulsive) (Darrat et al., 2016). According to several studies (Clark & Calleja, 2008;

Thompson & Prendergast, 2015), both impulsive and compulsive buying describe user attitudes or actions to the same extent. This notion then goes on to clarify that impulsive buying is the lowest level and compulsive buying is the highest. Darrat et al. (2016) investigated whether recurring impulsive purchasing behavior and unplanned purchases may be the first symptoms or causes of obsessive buying. According to the findings of the Darrat et al. (2016) study, there is an indirect and positive association between impulsive and compulsive buying. Following the debate, we propose:

H6: Impulsive buying affects compulsive buying significantly.

Previous research has looked at the connection between materialism and credit card use (Omar et al., 2014; Pinto et al., 2000; Rashid et al., 2019). This was also studied (Gawior et al., 2022; Rahman & Hossain, 2022). Pradhan et al. (2018) discovered that credit card usage becomes the mediator of materialism and impulsive purchasing, whereas Rashid et al. (2019) discovered that the use of credit cards somewhat mediates the relationship between materialism and impulsive purchasing. Based on the differences in these results, encourage us to propose:

H7: Credit cards use, which is mediated by materialism, affects impulsive shopping significantly.

On the other side, research has been conducted on the link between materialism and compulsive purchasing (Islam et al., 2018; Lim et al., 2020; Tantawi, 2023) as well as the impact of credit card use on compulsive shopping (Khandelwal et al., 2022; Rahman & Hossain, 2022). The use of credit cards influences the two main variables (materialism and compulsive buying) to some extent (Pradhan et al., 2018). We propose, based on various investigations, that:

H8: Credit cards use, which is mediated by materialism, affects compulsive shopping significantly.

Previous studies have elaborated on the existence of materialism and impulsive purchasing (Atulkar & Kesari, 2018; Landa-Blanco, 2022; Rashid et al., 2019), as well as the association between impulsive and compulsive buying (Darrat et al., 2016; Omar et al., 2014). According to Pradhan et al. (2018), impulsive buying becomes a partial mediator of the variables (materialism and compulsive buying). Based on that conversation, we propose:

H9: Materialism, which is mediated by impulsive buying, affects compulsive buying significantly.

Darrat et al. (2016) questioned if impulsive buying and unexpected purchases may be the first symptoms or causes of compulsive shopping. To continue explaining, Darrat et al. (2016) also demonstrate that both of impulsive and compulsive buying have an indirect and positive association. Gawior et al. (2022), Rashid et al. (2019), and Thomas et al. (2011) state the impact of credit card uses on impulsive purchases. Based on that debate, we assume that impulsive buying can mitigate the association between credit card use and compulsive shopping. As a result, we propose:

H10: Impulsive buying, which is mediated by credit card use, affects compulsive buying significantly.

3. Method

Figure 1 depicts a conceptual framework based on the hypothesis that has been developed. The positive paradigm is used in this investigation. This study is a purposive sampling approach to determine sample size. According to Hair et al. (2018), the optimum sample size is at least ten

times the number of items. Thus, the required sample size is 197 respondents, as shown in Table 1. A questionnaire was used as the major data-gathering strategy in this investigation. The Google Form will be used to distribute questionnaires throughout the Jakarta area.

Table 1. Demographic Profiles of Respondents

Profile	Freq	%
Gender		
Female	120	60.9%
Male	77	39.1%
Age		
18-30	22	11.2%
31-40	74	37.6%
41-50	95	48.2%
≥51	6	3%
Educational Background		
Senior High School	21	10.7%
Bachelor	159	80.7%
Master	17	8.6%
Job		
Private sector employee	184	93.4%
Self-employee	9	4.6%
Professional (doctor, pilot, etc.)	2	1%
Student	2	1%
Number of credit cards owned		
1	30	15.2%
2	41	20.8%
3	60	30.5%
4	28	14.2%
≥4	38	19.3%

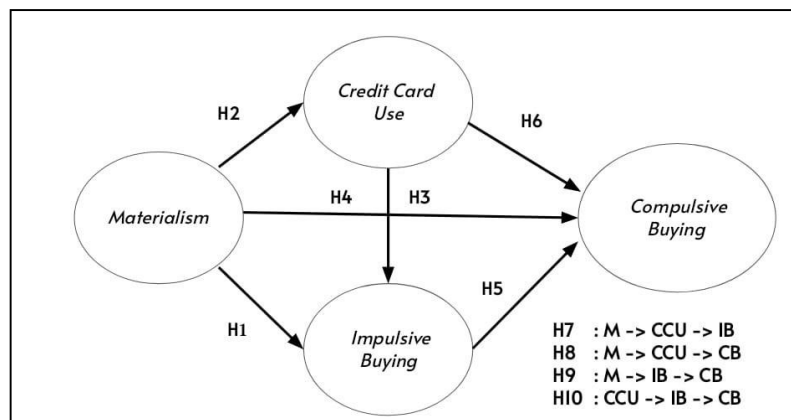


Figure 1. Conceptual Framework

The collected data will subsequently be analyzed using data analysis techniques such as Structural Equation Modeling with the Partial Least Square analysis (PLS-SEM). In this study, SmartPLS 3.0 will be used in this investigation. Reliability is a test that determines how well measuring equipment consistently assesses the notion being assessed (Sekaran & Bougie,

2020). Hair et al. (2018), Indriyarti et al. (2023), and Christian et al. (2023) define data as trustworthy if the composite reliability (CR) value is greater than 0.7 in the composite reliability assessment using Smart PLS. Validity is a test that determines how effectively an instrument measures the specific notion that it is designed to measure. Smart PLS is used for validity assessment, and Hair et al. (2018), Christian, Yulita, Girsang, et al. (2023) consider data to be legitimate if the average extracted variance (AVE) value is greater than 0.5. Discriminant validity is used to assess how much a construct varies from others (Hair et al., 2018). The heterotrait-monotrait ratio (HTMT) technique with a recommendation of 0.9 for conceptually related components is the preferred discriminant validity test for PLS-SEM (Hair et al., 2018). Following the assessment of validity, reliability, and discriminant validity, the next stage is hypothesis testing. The hypothesis test in this investigation is based on the p value (less than 0.05, the hypothesis was accepted).

4. Results and Discussion

Table 2 displays the results of the reliability and validity tests. It was discovered that all items in all variables in this study met the validity test requirements, specifically an AVE with a value > 0.5.

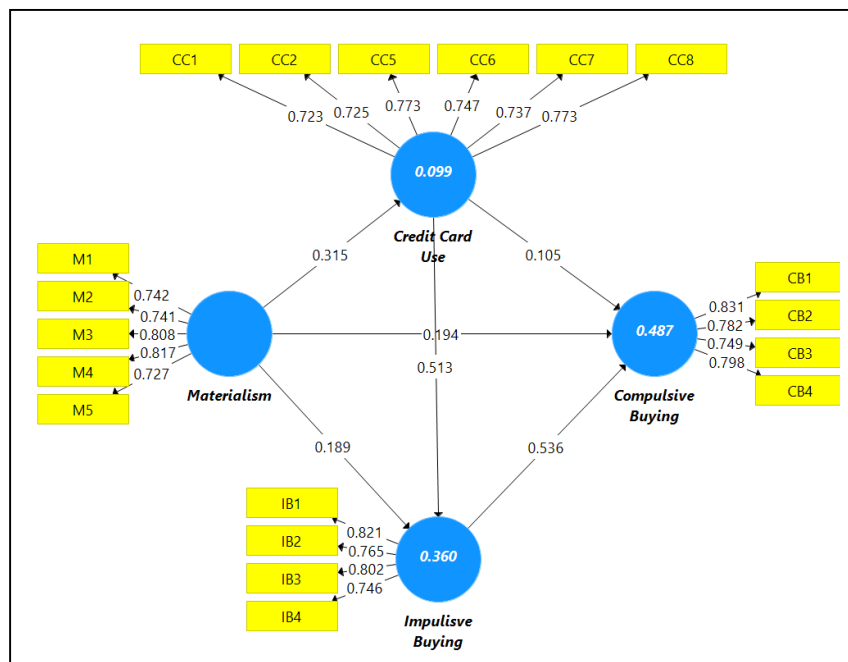


Figure 2. Structural Equation Modeling Diagram

The stability and precision of measuring devices are tested; in this case, a reliability test is performed. Composite reliability > 0.7 indicates that all items in the variable passed the reliability test. The HTMT test result revealed that all variables were less than 0.9. As a result, it is possible to infer that all variables satisfied the conditions of the discriminant validity test. Lower numbers suggest stronger convergent consistency and the capacity to differentiate across constructs.

Table 2. Reliability and Validity Tests

Variable	CR	AVE	HTMT			
			CB	CC	IB	M
Compulsive Buying	0.869	0.625	-	-	-	-
Credit Cards Use	0.883	0.558	0.567	-	-	-
Impulsive Buying	0.864	0.615	0.817	0.693	-	-
Materialism	0.878	0.590	0.498	0.365	0.421	-

Table 3 shows the hypothesis test. The hypothesis was investigated in this study using the suggestions of Hair et al. (2018). There are five acceptable hypotheses and one rejected for hypotheses having direct effects. Meanwhile, for hypotheses with mediating effects, three are accepted and one is rejected.

Table 3. Hypothesis Tests

Variable	Original	Mean	SD	T	P	Result
Credit Card Use -> Compulsive Buying	0.105	0.102	0.104	1.010	0.313	Rejected
Credit Card Use → Impulsive Buying	0.513	0.51	0.076	6.790	0.000	Accepted
Impulsive Buying → Compulsive Buying	0.536	0.54	0.084	6.347	0.000	Accepted
Materialism → Compulsive Buying	0.194	0.189	0.061	3.183	0.002	Accepted
Materialism → Credit Card Use	0.315	0.315	0.074	4.235	0.000	Accepted
Materialism → Impulsive Buying	0.189	0.198	0.071	2.662	0.008	Accepted
Materialism → Credit Card Use → Compulsive Buying	0.033	0.033	0.036	0.925	0.356	Rejected
Credit Card Use → Impulsive Buying -> Compulsive Buying	0.275	0.275	0.059	4.631	0.000	Accepted
Materialism → Impulsive Buying → Compulsive Buying	0.101	0.107	0.043	2.334	0.020	Accepted
Materialism → Credit Card Use → Impulsive Buying	0.162	0.164	0.055	2.931	0.004	Accepted

Hypothesis 1 is accepted, and the findings contrast with prior research by Zainudin et al. (2019) in Malaysia, who produced findings that materialism in credit card use is significant in Generation Y. Generation Y is said to be a materialistic generation, as seen by their lifestyle and social media usage, which can be classified as more materialistic than Generation X and Baby Boomers. Respondents from generations X and Y predominate in this survey, which is slightly different from the age of the respondents. Respondents who work in Jakarta, the State Capital with a more modern lifestyle and culture, influence Generation Y to be more materialistic and need to display their existence. Even if the Y generation should be deemed more mature in conduct and thought, they no longer need to demonstrate their presence. An individual's innate materialism is not directly impacted by their age. The social environment—

community, friends, place of residence, or work—has a stronger impact on a person's materialism.

The following hypothesis is supported, and the findings is consistent with prior studies (Atulkar & Kesari, 2018; Landa-Blanco, 2022; Omar et al., 2014; Rashid et al., 2019), which investigates the effect of materialism on impulsive purchasing. Several previous studies and this study found that materialism influences a person's style or shopping habits, which is consistent with Watson's (2003) research that materialistic customers spend more rashly than other types of customers. because they constantly want to improve their social position through material possessions. The innate materialistic tendency of a person might urge that person to be more impulsive in purchasing in order to meet the wants of self-existence. Materialistic individuals conduct their lives with the goal of having something and being admired by others for what they have.

The following hypothesis (H3) is acknowledged, and the findings of this study correspond with those of numerous earlier studies that investigated how materialism promotes compulsive buying (Harnish et al., 2019; Moon & Attiq, 2018). Materialistic customers or individuals are urged to overindulge in order to obtain instant satisfaction. Materialistic customers prefer to own a thing rather than use it. Individuals with obsessive buying habits rarely use the products they purchase; hence, materialism leads to the development of compulsive buying habits at shopping malls. The materialistic nature and self-esteem of a person have a bigger influence on compulsive purchasing behavior; the higher the materialistic nature, the stronger the compulsive buying behavior.

This study's hypothesis 4 is accepted, and various prior studies have explored and discovered a lot about the influence of credit card use on impulsive purchases (Gawior et al., 2022; Rashid et al., 2019). Credit card services make it possible for customers to make purchases even when their budget does not allow it. They can borrow money and pay it back in installments. According to the idea of impulsive buying outlined in the literature review, one of the hallmarks of impulsive buying is abrupt purchasing behavior. Credit cards help those in the lower-middle socioeconomic class purchase effortlessly without paying cash, as evidenced by the majority of respondents in this survey.

Hypothesis 5 is thus rejected. Previous studies found that credit card use has both good and negative impacts on compulsive buying. According to Park & Burns (2005), easy access to credit cards encourages excessive spending, prompting compulsive purchasing, but Pradhan et al. (2018) find that credit card use has no influence on compulsive buying. Credit card use has no influence on compulsive buying, according to one study. Situational circumstances have no effect on compulsive purchasing. Obsessive shopping is a diversion (Gogoi & Shillong, 2020). Even if there is no external stimulus, someone with this illness will engage in compulsive shopping (Gogoi & Shillong, 2020). Previous studies found that it is a more ingrained behavior than impulsive shopping, and that it is typically a result of a person's nature and does not depend on outside factors. The presence of a credit card, as well as the provision of benefits and discounts, will have no effect on someone's obsessive purchasing habit.

In this study, H6 is approved, and Darrat et al. (2016) discovered an indirect association between the effects of impulsive and compulsive buying in research. Impulsive buying may not be as detrimental as often assumed (Darrat et al., 2016), but if people are unable to manage their impulsive buying activity, it will tend to become obsessive buying behavior. Özdemir (2022) and Tokgoz (2020) revealed the findings of their study that impulsive buying influences compulsive buying. Gogoi and Shillong (2020) explained that although external variables have no effect on compulsive purchasing, impulsive buying behavior can, with an increase in impulsive buying producing a lack of self-control and eventually leading to shopping addiction.

In the study (Rook & Fisher, 1995), impulsive buying in daily life is defined as unplanned individual buying behavior influenced by external stimuli and demonstrated by individuals by purchasing unplanned things while neglecting better options in the scenario at hand. Individuals who engage in impulsive purchasing will become hooked on shopping and progress to the level of compulsive buying if they are unable to control their nature and continue to make impulsive purchases.

The following hypothesis (H7) is acceptable. In their study, Rashid et al. (2019) found that credit card usage is a partial mediator between two variables (materialism and impulsive buying), whereas Pradhan et al. (2018) found that credit card use is a full mediator between those two variables. According to this study, the availability of credit cards enables materialistic individuals to do spontaneous buying without considering their financial capacities. This study also focuses on those with moderate to lower social class, implying that their economic circumstances are not exceptional, but by utilizing a credit card, they may simply purchase beyond their means and take advantage of available payment options.

H8 is therefore rejected. Meanwhile, Pradhan et al. (2018) explained that credit card use mediate partially the materialism and compulsive buying. Materialism and compulsive buying are also mediated by credit card use in Cuandra & Kelvin's (2021) study. This study supports earlier researchers' interpretation of compulsive purchasing (O'Guinn & Faber, 1989), who stated that obsessive buying is an internal habit and that essentially nothing is triggered by external influences, such as the desire to make extravagant purchases. Obsessive purchasing is a disorder (Khare, 2014); if someone has the disorder, they will engage in obsessive purchasing regardless of other influences. As a result, credit card ownership and use had no influence on the connection between materialism and compulsive shopping. Materialistic people do not require a credit card to establish obsessive shopping habits. The impulse to shop originates inside him to satisfy the need to buy items for the enjoyment of others.

The following hypothesis (H9) is acceptable. The findings of this study support prior research by Cuandra & Kelvin (2021) and Özdemir (2022) that impulsive purchase functions as a mediator between materialism and compulsive shopping. According to Richins & Dawson (1992), materialism will demonstrate that the amount and types of items held alter materialistic people's identity and self-esteem. As a result, materialistic people will be pushed to behave impulsively by purchasing to fulfill the demands they desire, which, if not controlled and carried out consistently, will evolve into compulsive purchasing.

The last hypothesis (H10) is accepted; this study validated prior findings that impulsive buying works as a moderator in the association between credit card use and compulsive buying (Cuandra & Kelvin, 2021; Pradhan et al., 2018). The aforementioned theory contends that spontaneous purchases influenced by outside cues are more likely to occur in impulsive buying behavior (Rook & Fisher, 1995). According to Gogoi and Shillong (2020), while external influences do not affect compulsive purchasing, impulsive buying behavior can, with an increase in the prevalence of impulsive buying producing a loss of self-control and ultimately leading to shopping addiction. The findings of this mediation hypothesis are unequivocal: the association and effect of variables imply that impulsive purchasing behavior may be influenced by external influences, specifically credit cards. Discounts from stores that collaborate with credit card providers, as well as installment services provided by credit cards, will cause someone to engage in impulsive shopping, and if this behavior is not controlled, it will push someone to the level of obsessive buying.

5. Conclusion

The convenience of obtaining a credit card, as well as the services provided by credit card companies, make it simpler for materialistic individuals to obtain the property they desire without having to pay in cash or consider their financial capacities. Materialistic persons are prone to impulsive or even obsessive behavior. Compulsive purchasing is a problem that occurs in people who are unable to control themselves and make purchases without thinking. The desire to buy comes from inside him, eroding self-control. Unlike impulsive buying, this conduct is frequently the result of external pressures that motivate someone to make a purchase. Credit card ownership and use is one of the external variables that might impact impulsive purchasing behavior.

The use of credit cards as an external influence in this study demonstrates that it has no effect on compulsive buying behavior, which is defined as an internal problem. However, it is important to underline the influence of a credit card, which may encourage a person to be more impulsive in making purchases, and if this is not regulated, they will get imprisoned at the level of compulsive shopping. It has been demonstrated that impulsive purchases can buffer the link between the use of a credit card and compulsive buying behavior. This study addressed the many views that exist in society, particularly in Jakarta, that owning and using a credit card might encourage people to act more impulsively when making purchases.

5.1. Recommendation

Future study with a moderating influence on gender differences can be conducted to determine the amount of materialism, impulsive shopping, credit card use, and compulsive buying in certain genders. The credit card variable, on the other hand, can be substituted with the pay later variable, as can the materialism variable with hedonism.

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