

Exploring the Impact of Financial Literacy, Smart BNPL Solutions and Financial Well - Being on Consumer Buying Behavior in Kalutara District, Sri Lanaka

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Abstract

Introduction: The rapid advancement of technology has revolutionized the financial services industry, giving rise to innovative solutions such as Buy Now Pay Later (BNPL) services. However, the effective utilization of these services is contingent upon consumers' financial literacy and overall financial well-being. This research delves into the interplay between these factors, exploring how they influence consumer buying behavior in the context of Sri Lanka.

Methodology: A quantitative research methodology was employed, utilizing structured questionnaires to collect data from a sample of [number] respondents residing in the Kalutara District. Key variables such as fintech literacy, BNPL usage, financial well-being, and consumer buying behavior were measured using validated scales. Statistical techniques, including correlation and regression analysis, were utilized to analyze the data and test the formulated hypotheses.

Findings and Discussion: The findings reveal significant positive relationships between fintech literacy, BNPL usage, and financial well-being, and their subsequent impact on consumer buying behavior. Individuals with higher levels of financial literacy were found to be more likely to use BNPL services responsibly, such as paying on time and using them for planned purchases. Conversely, lower financial literacy was associated with impulsive buying behavior and potential financial difficulties. Additionally, higher financial well-being was linked to more prudent financial decisions and a reduced likelihood of financial difficulties associated with BNPL usage.

Conclusion: The study underscores the importance of financial education initiatives to enhance fintech literacy and promote responsible use of BNPL services. By fostering a more financially literate population, policymakers, financial institutions, and educators can empower consumers to make informed financial decisions and mitigate the potential risks associated with digital financial innovations.

Keywords: fintech literacy, BNPL, financial well-being, consumer behavior, Kalutara District.