

The Impact of E-Commerce Online Loans on Mental Health Among Young Adults: Retail Therapy or Financial Stress?

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Abstract

The rapid growth of e-commerce and fintech lending services has transformed consumer behavior globally. Online loan systems, particularly Buy Now Pay Later (BNPL) and digital credit facilities integrated into e-commerce platforms, provide immediate purchasing power and financial accessibility. The rapid expansion of fintech lending systems, Buy Now Pay Later (BNPL) services, and digital shopping platforms has transformed consumer purchasing behavior globally. While online loans provide convenience and short-term financial flexibility, excessive borrowing behavior has increasingly been associated with psychological distress, compulsive shopping, financial stress, anxiety, depression, and psychosocial dysfunction. This study aims to examine the relationship between e-commerce online loan usage and mental health outcomes, specifically investigating whether online borrowing behaviors function as a form of retail therapy or contribute to financial stress among young adults. This systematic literature review (SLR) examines the relationship between online loans, e-commerce behavior, and mental health outcomes. Using PRISMA 2020 guidelines, this review synthesized evidence from Scopus, ScienceDirect, PubMed, Google Scholar, and SpringerLink. The findings of 17 eligible articles demonstrate that impulsive buying behavior, social media influence, consumerism, emotional purchasing motivations, and low financial literacy significantly contribute to problematic online borrowing behavior. Furthermore, financial stress, debt burden, social stigma, and aggressive debt collection practices negatively affect mental health and psychosocial well-being. Protective factors such as financial literacy, emotional regulation, self-control, social support, and responsible borrowing behavior were identified as important moderators of psychological outcomes. This review highlights the need for integrated financial literacy programs, mental health interventions, and stronger fintech regulations to reduce the harmful effects of online loan dependency. Although online loans may offer temporary emotional satisfaction, long-term dependency on digital borrowing is more strongly associated with adverse mental health consequences. Strengthening financial literacy, responsible lending regulations, and psychological support systems is necessary to reduce the harmful psychosocial impact of e-commerce online loans.

INTRODUCTION

The expansion of e-commerce and fintech industries has significantly altered global consumer behavior and financial practices. Online lending systems, including Buy Now Pay Later (BNPL) services and digital installment payments, have become increasingly integrated into e-commerce platforms, allowing consumers to purchase goods immediately without upfront payment obligations (Riyanto et al., 2025). These services are especially popular among millennials and Generation Z populations due to their accessibility, convenience, and minimal procedural requirements.

Globally, fintech-based lending has grown rapidly following the COVID-19 pandemic as consumers increasingly shifted toward online shopping and digital transactions. In Indonesia, online loans (*pinjaman online* or *pinjol*) have become widely accessible through mobile applications and e-commerce platforms. While such systems improve financial inclusion, concerns have emerged regarding their impact on consumer financial behavior and mental health (Safari et al., 2026).

One important psychological concept associated with online shopping behavior is retail therapy. Retail therapy refers to purchasing behavior motivated by emotional needs, such as stress reduction, mood enhancement, or emotional coping (Atalay & Meloy, 2011). Consumers may use online shopping as a mechanism to manage anxiety, sadness, loneliness, or boredom. The integration of online loans into e-commerce platforms further facilitates impulsive buying behaviors by removing immediate financial barriers.

However, although online loans may provide short-term emotional relief, studies increasingly demonstrate that excessive borrowing contributes to debt accumulation, financial stress, anxiety, depression, and psychosocial problems (Adam et al., 2024). Easy access to online loans may reinforce compulsive shopping patterns and maladaptive coping mechanisms.

Previous studies have primarily examined financial technology adoption, consumer behavior, or debt-related economic outcomes separately. Limited studies have comprehensively explored the dual psychological role of online loans as both emotional coping mechanisms and sources of mental distress. Therefore, this article aims to analyze whether e-commerce online loans function predominantly as retail therapy or as contributors to financial stress and mental health problems.

METHODS

Study Design

This study employed a Systematic Literature Review (SLR) based on PRISMA 2020 guidelines.

PICO Framework

| Component | Description |
|------------------|--|
| Population (P) | Consumers and online loan users |
| Intervention (I) | Online loans, BNPL systems, e-commerce borrowing |
| Comparison (C) | Conventional purchasing or non-borrowing consumers |
| Outcome (O) | Financial stress, anxiety, depression, impulsive buying, psychosocial outcomes |

Search Strategy

A systematic literature search was conducted using five electronic databases of Scopus, ScienceDirect, PubMed, Google Scholar and SpringerLink. The search covered publications from January 2019 to February 2026. Searches were conducted using combinations of keywords related to online loans, fintech lending, e-commerce behavior, and mental health outcomes. Boolean operators (AND, OR) and phrase searching were used to improve search precision.

The following search strategies were applied:

PubMed ("online loans" OR "fintech lending" OR "Buy Now Pay Later" OR BNPL) AND ("e-commerce" OR "online shopping" OR "digital shopping") AND ("mental health" OR anxiety OR depression OR stress OR "financial stress") AND ("impulsive buying" OR "compulsive shopping" OR "retail therapy")

Scopus TITLE-ABS-KEY (("online loans" OR "fintech lending" OR "Buy Now Pay Later" OR BNPL) AND ("e-commerce" OR "online shopping" OR "digital shopping") AND ("mental health" OR anxiety OR depression OR stress OR "financial stress") AND ("impulsive buying" OR "compulsive shopping" OR "retail therapy"))

ScienceDirect ("online loans" OR "fintech lending" OR BNPL) AND ("e-commerce" OR "online shopping") AND ("mental health" OR stress OR anxiety OR depression)

Google Scholar "online loans" mental health e-commerce impulsive buying BNPL

SpringerLink ("online loans" OR BNPL OR "fintech lending") AND ("mental health" OR anxiety OR depression OR stress) AND ("e-commerce" OR "online shopping")

The search process followed PRISMA 2020 guidelines. Duplicate records were removed before title and abstract screening. Studies were included if they: 1. Discussed online

loans or fintech lending systems; 2. Examined mental health or psychological outcomes; 3. Focused on e-commerce or digital shopping behavior; 4. Were published in English; 5. Were peer-reviewed journal articles or credible institutional reports. Studies were excluded if they: 1. Focused exclusively on traditional banking systems; 2. Did not discuss psychological or behavioral outcomes; 3. Were editorials or opinion articles; and 4. Were duplicate publications.

Data Analysis

Thematic synthesis was used to analyze findings across selected studies. Themes included: 1. Impulsive buying behavior 2. Retail therapy and emotional purchasing 3. Financial stress and debt burden 4. Anxiety, depression, and psychosocial effects 5. Moderating factors affecting mental health outcomes. The review identified studies from five databases. Duplicate articles were removed before title and abstract screening. Eligible full-text articles were analyzed and synthesized into thematic categories.

Figure 1. PRISMA Flow

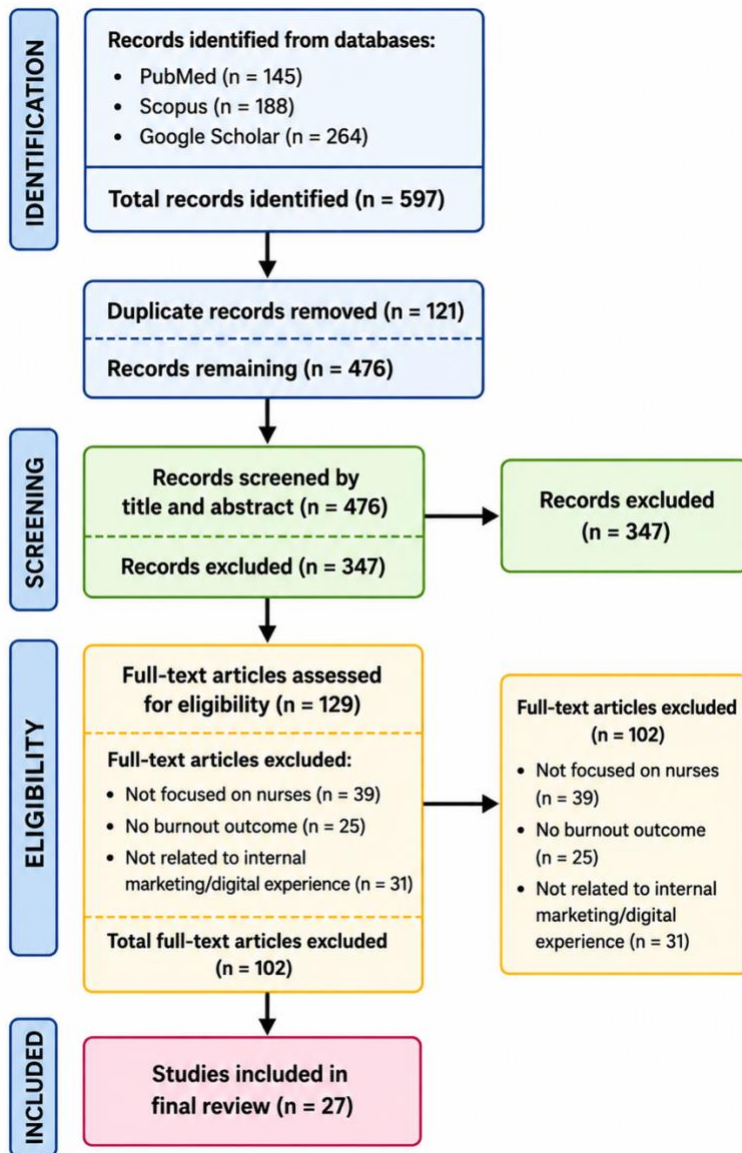


Table 1. Summary of Included Studies

| No | Author(s) & Year | Main Focus | Key Findings |
|----|--------------------------|-------------------------------------|--|
| 1 | Adam et al. (2024) | Online loan users and mental health | Online borrowers experienced depression, anxiety, and stress |
| 2 | Atalay & Meloy (2011) | Retail therapy | Shopping temporarily improves mood |
| 3 | Baumeister et al. (2007) | Self-control | Weak self-control increases impulsive behavior |
| 4 | Cohen & Wills (1985) | Social support | Social support buffers stress |

| | | | |
|----|--------------------------------------|-------------------------------------|---|
| 5 | Festinger (1954) | Social comparison theory | Social comparison influences consumption behavior |
| 6 | Gross (1998) | Emotional regulation | Emotional regulation influences coping behavior |
| 7 | Kahneman & Tversky (1979) | Behavioral economics | Consumers prioritize short-term rewards |
| 8 | Lusardi & Mitchell (2014) | Financial literacy | Financial literacy protects against debt problems |
| 9 | Poernama et al. (2025) | Consumerism and online loans | Materialistic lifestyles increase online borrowing |
| 10 | Purwaningdyah & Pratminingsih (2025) | Social media stress | Social media stress increases impulsive buying |
| 11 | Riyanto et al. (2025) | Generation Z borrowing behavior | Low financial literacy increases online loan interest |
| 12 | Safari et al. (2026) | Psychosocial impact of online loans | Borrowers experienced chronic stress and emotional exhaustion |
| 13 | Sirola et al. (2026) | Shopping addiction and debt | Shopping addiction is associated with indebtedness |
| 14 | Sweet et al. (2013) | Debt and health | Household debt worsens mental health |
| 15 | Verplanken & Herabadi (2001) | Impulse buying tendency | Impulsive consumers are vulnerable to excessive spending |
| 16 | Xiao & Porto (2017) | Financial satisfaction | Financial education reduces stress |
| 17 | Zhao et al. (2026) | BNPL and financial stress | BNPL increases problematic spending behavior |

RESULTS & DISCUSSION

Growth of Online Loans in E-Commerce

The literature consistently demonstrates rapid growth in fintech-based online lending integrated into e-commerce systems. BNPL services and instant credit features are increasingly used among young adults due to convenience and ease of access (Riyanto et al., 2025). Poernama et al. (2025) found that consumptive lifestyles and materialistic

attitudes significantly increase interest in online borrowing among Generation Z consumers.

Several studies have identified multiple psychological, social, and economic factors that significantly contribute to the increasing use of online loans and Buy Now Pay Later (BNPL) services in e-commerce environments. These factors are interconnected and often reinforce consumers' tendencies to engage in digital borrowing behaviors: impulsive buying behavior; social media influence; consumerism; low financial literacy; and emotional purchasing motivations.

Impulsive Buying Behavior

Impulsive buying behavior is one of the strongest predictors of online loan usage. Impulsive buying refers to spontaneous and unplanned purchasing decisions driven primarily by emotions rather than rational evaluation (Rook, 1987). In digital shopping environments, consumers are continuously exposed to flash sales, limited-time offers, and personalized product recommendations that stimulate immediate purchasing desires.

The integration of online loans into e-commerce platforms reduces the immediate psychological burden of payment, making impulsive purchases easier to justify. Consumers are more likely to engage in unplanned spending when payment can be postponed through installment systems or BNPL services. Research by Purwaningdyah and Pratminingsih (2025) found that stress induced by social media exposure significantly increases impulsive online shopping behavior among Generation Z consumers. Similarly, Sirola et al. (2026) reported that impulsive online shopping behavior is strongly associated with indebtedness and compulsive buying tendencies.

Previous literature in consumer psychology also explains that impulsive buying is associated with reduced self-control and increased emotional vulnerability (Verplanken & Herabadi, 2001). In online environments, easy access to digital credit further amplifies these behaviors because consumers perceive less immediate financial risk.

Social Media Influence

Social media plays a major role in shaping consumer spending behavior and online loan usage. Platforms such as Instagram, TikTok, Facebook, and YouTube expose users to influencer marketing, lifestyle comparisons, and targeted advertising that encourage material consumption.

Social comparison theory suggests that individuals tend to evaluate themselves based on the lifestyles and possessions of others (Festinger, 1954). Exposure to curated online lifestyles may create pressure to maintain social status through consumption, even when individuals lack sufficient financial resources.

Recent studies have shown that social media exposure significantly increases emotional spending and interest in online borrowing. Purwaningdyah and Pratminingsih (2025) demonstrated that social media-induced stress contributes to impulsive buying behavior among young consumers. Zhao et al. (2026) further found that the combination of social media exposure and BNPL services increases financial stress and problematic spending behavior.

Influencer culture also normalizes excessive consumption by presenting luxury lifestyles as attainable and desirable. As a result, many consumers rely on online loans to finance purchases intended to support social identity and online self-presentation.

Consumerism

Consumerism refers to a social and cultural orientation that emphasizes material acquisition as a source of happiness, success, and identity. Modern e-commerce systems are heavily driven by consumer culture, encouraging individuals to continuously purchase products to achieve satisfaction and social validation.

Poernama et al. (2025) found that consumerism significantly predicts online borrowing behavior among Generation Z users in Indonesia. The study explained that materialistic lifestyles and pressure to maintain trends contribute to increasing dependency on digital lending services.

Consumer culture theory suggests that individuals in highly commercialized societies often associate self-worth with ownership and consumption (Baudrillard, 1998). E-commerce platforms reinforce this culture by constantly promoting new products, discounts, and personalized shopping experiences.

The convenience of online loans strengthens consumerism because it enables consumers to acquire desired products immediately without sufficient financial preparation. Consequently, individuals may prioritize short-term satisfaction over long-term financial stability.

Low Financial Literacy

Low financial literacy is another important factor contributing to excessive online loan usage. Financial literacy refers to an individual's ability to understand financial concepts, budgeting, debt management, interest rates, and responsible financial decision-making.

Consumers with poor financial literacy are more likely to underestimate the risks associated with online loans, including interest accumulation, late payment penalties, and long-term debt burden. Riyanto et al. (2025) reported that low financial literacy significantly influences interest in online loan usage among Generation Z consumers in Indonesia.

Many users of BNPL systems incorrectly perceive installment-based purchasing as financially harmless because payments appear smaller and more manageable. However, repeated use of multiple lending platforms may lead to debt accumulation and financial stress.

Research in behavioral economics also demonstrates that consumers often exhibit present bias, meaning they prioritize immediate rewards while underestimating future financial consequences (Kahneman & Tversky, 1979). Low financial literacy intensifies this tendency, making consumers more vulnerable to impulsive borrowing behaviors.

Emotional Purchasing Motivations

Emotional purchasing motivation refers to buying behavior driven by emotional needs such as stress relief, mood enhancement, loneliness reduction, or emotional coping. Many consumers engage in online shopping not because of practical necessity, but because purchasing activities temporarily improve emotional well-being.

Retail therapy theory explains that shopping may function as a coping mechanism for negative emotions (Atalay & Meloy, 2011). Consumers experiencing stress, anxiety, boredom, or sadness may turn to online shopping to regain emotional comfort and a sense of control.

Online loans strengthen emotional purchasing behaviors by removing immediate financial constraints. Consumers can obtain instant gratification without immediate payment obligations, making emotionally driven purchases easier to perform.

Safari et al. (2026) found that many online borrowers initially used digital loans to cope with emotional distress and financial insecurity, but later experienced worsening anxiety and stress due to repayment burdens. Similarly, Adam et al. (2024) reported elevated levels of depression, anxiety, and stress among online loan users in North Sulawesi.

The dopamine reward system also contributes to emotional purchasing behavior. Shopping activities stimulate neurological reward pathways associated with pleasure and anticipation, reinforcing repetitive spending behaviors even when they create long-term financial difficulties.

Online Loans as Retail Therapy VS Financial Stress and Psychological Distress

Multiple studies indicate that online shopping behaviors are frequently associated with emotional coping strategies. Consumers experiencing stress, loneliness, boredom, or sadness often engage in online shopping to improve mood and obtain temporary emotional relief.

The relationship between emotional distress and shopping gratification can be conceptualized as follows:

Emotional Distress → Impulsive Buying → Temporary Emotional Relief

Verywell Health (2022) reported that retail therapy can provide short-term mood enhancement and emotional comfort. Similarly, Purwaningdyah and Pratminingsih (2025) found that stress associated with social media exposure significantly predicts impulsive online shopping behavior among Generation Z users.

Consumers often perceive BNPL systems as psychologically attractive because deferred payment mechanisms reduce the perceived pain of spending. This allows consumers to focus on immediate emotional gratification rather than future financial obligations.

Although online loans may initially provide emotional satisfaction, the majority of studies reported negative long-term psychological consequences.

Safari et al. (2026) found that online loan borrowers commonly experience: financial anxiety; chronic stress; emotional exhaustion; sleep disturbances; and social pressure related to repayment obligations.

The relationship between debt burden and mental stress can be represented conceptually as:

Mental Stress \propto Debt Burden + Financial Insecurity

Adam et al. (2024) reported that online loan users in North Sulawesi demonstrated moderate to severe levels of depression, anxiety, and stress based on DASS-42 assessments.

Several studies also highlighted compulsive buying disorder and online shopping addiction associated with excessive e-commerce borrowing behaviors. Sirola et al. (2026) found that online shopping addiction is significantly associated with indebtedness and decreased subjective well-being.

Psychosocial Consequences of Online Loan Dependency

The psychosocial consequences of online loan dependency include: family conflict; social withdrawal; reduced self-esteem; shame; and interpersonal stress. Debt collection practices and public social pressure further intensify psychological distress among borrowers. The increasing dependence on online loans and Buy Now Pay Later (BNPL) systems has generated substantial psychosocial consequences among borrowers. Beyond financial difficulties, online loan dependency affects emotional well-being, interpersonal relationships, family dynamics, and social functioning. Research consistently demonstrates that prolonged debt exposure is associated with psychological distress, social stigma, and reduced quality of life (Safari et al., 2026; Adam et al., 2024).

Family Conflict

One of the most commonly reported psychosocial consequences of online loan dependency is family conflict. Financial difficulties resulting from excessive borrowing often create tension within households, especially when borrowers struggle to meet repayment obligations or conceal debt from family members. Debt-related stress may increase arguments between spouses, reduce trust within relationships, and disrupt family stability. In many cases, borrowers experience pressure from family members due to declining household finances and repeated loan repayments. According to Nuraini and Assiva (2025), online loan dependency contributes significantly to psychosocial problems within families, including emotional instability, communication breakdown, and interpersonal conflict.

Financial strain theory suggests that economic hardship negatively affects family functioning by increasing emotional tension and reducing coping capacity (Conger et al., 1990). When borrowers allocate substantial portions of income toward debt repayment, family needs such as food, education, and healthcare may become neglected, intensifying domestic stress. Furthermore, secrecy surrounding online debt often worsens family conflict. Borrowers may hide loan activity due to fear of criticism or shame, which damages trust when financial problems are eventually discovered.

Social Withdrawal

Online loan dependency is also associated with social withdrawal and reduced social participation. Individuals experiencing financial stress may isolate themselves from social environments due to embarrassment, fear of judgment, or inability to maintain social expectations. Safari et al. (2026) found that many borrowers avoided social interactions because of anxiety related to debt repayment and collection pressure. Borrowers may stop participating in community activities, reduce communication with friends, or avoid social gatherings to escape discussions about financial difficulties.

Social withdrawal may also emerge as a coping mechanism for psychological distress. According to psychological stress models, individuals experiencing chronic stress often

reduce social engagement to avoid additional emotional burden (Lazarus & Folkman, 1984). However, prolonged social isolation may worsen depression and anxiety symptoms.

In digital culture, social comparison through social media may further intensify withdrawal behaviors. Borrowers who perceive themselves as financially unsuccessful compared to others may experience feelings of inferiority and avoid social interaction.

Reduced Self-Esteem

Debt dependency frequently contributes to reduced self-esteem and negative self-perception. Borrowers may perceive themselves as financially irresponsible, unsuccessful, or incapable of managing personal obligations.

Research on financial stress indicates that debt-related problems are strongly associated with diminished psychological well-being and self-worth (Sweet et al., 2013). Individuals who repeatedly fail to repay loans may internalize feelings of inadequacy and personal failure. Adam et al. (2024) reported that online loan users experiencing financial difficulties demonstrated elevated levels of depression and emotional distress, conditions commonly associated with reduced self-esteem. Constant exposure to debt reminders, repayment notifications, and collection practices may reinforce negative self-evaluation. Additionally, cultural expectations regarding financial independence may intensify self-esteem problems. In many societies, the inability to manage finances is perceived negatively, causing borrowers to feel socially inadequate or unsuccessful.

Shame

Shame is another major psychosocial consequence associated with online loan dependency. Shame differs from guilt because it involves negative evaluations of the self rather than specific behaviors (Tangney & Dearing, 2002). Borrowers may feel ashamed not only because they owe money, but because debt affects their identity and social image.

Public stigma surrounding debt contributes significantly to emotional suffering among borrowers. Individuals may fear being labeled irresponsible, careless, or financially incompetent. These feelings are especially severe when borrowers receive repeated debt collection messages or public exposure from lending agencies.

Safari et al. (2026) found that many online borrowers experienced emotional humiliation and psychological pressure due to aggressive collection practices. In some cases, borrowers reported fear that debt collectors would contact family members, coworkers, or social networks, thereby exposing their financial problems publicly. Shame associated with debt may also discourage individuals from seeking psychological support or financial counseling, worsening long-term mental health outcomes.

Interpersonal Stress

Online loan dependency can substantially disrupt interpersonal relationships. Debt-related anxiety often affects communication patterns, emotional regulation, and trust between individuals. Financial stress may increase irritability, emotional sensitivity, and conflict within personal relationships. Borrowers experiencing repayment pressure may become emotionally reactive, defensive, or withdrawn when discussing finances.

Interpersonal stress is further intensified when debt collectors repeatedly contact borrowers through phone calls, messages, or social networks. Some studies in Indonesia have documented psychological distress caused by intrusive debt collection practices, including harassment, intimidation, and social embarrassment (Pertiwi & Talatov, 2025).

The family stress model developed by Conger et al. (1990) explains that financial pressure indirectly damages interpersonal relationships through increased emotional distress and reduced coping abilities. Chronic stress related to debt may therefore weaken relationship quality and social functioning over time.

Debt Collection Practices and Public Social Pressure

Aggressive debt collection practices significantly intensify the psychosocial burden experienced by online borrowers. Unlike traditional banking systems, some online lending platforms have been criticized for unethical collection methods, including repeated phone calls, threatening language, public humiliation, and unauthorized access to personal contacts.

Research in Indonesia has shown that borrowers frequently experience fear, panic, and emotional exhaustion due to continuous collection pressure (Safari et al., 2026). Public social pressure becomes particularly severe when collectors contact family members, employers, or friends regarding unpaid debts.

This form of public exposure may create social stigma and reputational damage, increasing anxiety and emotional distress. Borrowers often report feelings of helplessness, loss of dignity, and chronic fear associated with repayment demands.

From a psychosocial perspective, the combination of financial stress, social stigma, and aggressive collection practices may create a cycle of worsening mental health outcomes. Individuals experiencing shame and social rejection may become more vulnerable to depression, anxiety disorders, and emotional exhaustion.

Moderating Factors Affecting Mental Health Outcomes Among Online Loan Users

The literature identified several factors moderating mental health outcomes: financial literacy, emotional regulation, self-control, social support, income stability, and responsible borrowing behavior.

Consumers with higher financial literacy levels were less likely to develop problematic borrowing patterns. The psychological impact of online loan usage does not affect all consumers equally. Existing literature indicates that several moderating factors influence whether online borrowing behaviors result in severe mental health consequences or remain manageable financial practices. These moderating variables include financial literacy, emotional regulation, self-control, social support, income stability, and responsible borrowing behavior. Together, these factors shape consumers' ability to cope with financial obligations, regulate spending behavior, and maintain psychological well-being.

Financial Literacy

Financial literacy is one of the most significant protective factors against problematic online borrowing behavior. Financial literacy refers to an individual's ability to understand financial concepts such as budgeting, debt management, interest rates, credit systems, and long-term financial planning (Lusardi & Mitchell, 2014).

Consumers with higher financial literacy are generally more capable of evaluating the risks and consequences associated with online loans and Buy Now Pay Later (BNPL) services. They are more likely to compare lending terms, calculate repayment capacity, and avoid excessive debt accumulation. In contrast, individuals with poor financial literacy often underestimate the long-term financial burden of repeated borrowing and installment-based purchasing.

Riyanto et al. (2025) found that low financial literacy significantly increased interest in online loan usage among Generation Z consumers in Indonesia. Similarly, Xiao and Porto (2017) demonstrated that financial knowledge positively influences financial satisfaction and reduces financial stress.

Financial literacy also improves consumers' ability to distinguish between needs and wants, reducing impulsive spending tendencies. According to Lusardi and Tufano (2015), individuals with low debt literacy are more likely to engage in high-cost borrowing behaviors and experience financial difficulties.

In psychological terms, financial literacy functions as a cognitive protective mechanism that reduces uncertainty and increases perceived control over financial situations. Consumers who understand financial systems tend to experience lower anxiety and greater confidence in managing debt-related decisions.

Emotional Regulation

Emotional regulation refers to an individual's ability to manage emotional responses effectively, especially during stressful situations (Gross, 1998). Emotional regulation plays a critical role in determining whether consumers engage in impulsive or emotionally driven borrowing behaviors.

Many individuals use online shopping and online loans as coping mechanisms to manage stress, loneliness, sadness, boredom, or anxiety. Consumers with poor emotional regulation skills may rely on retail therapy and impulsive purchasing to temporarily relieve emotional discomfort.

Research by Atalay and Meloy (2011) demonstrated that shopping behaviors are frequently used as mood regulation strategies. However, when emotional coping depends excessively on consumption and borrowing, psychological distress may worsen due to debt accumulation and repayment stress.

Individuals with stronger emotional regulation skills are better able to tolerate emotional discomfort without resorting to maladaptive coping behaviors such as compulsive shopping or excessive borrowing. Emotional regulation therefore reduces vulnerability to financial stress and online shopping addiction.

Furthermore, psychological resilience and adaptive coping strategies help consumers respond more effectively to financial pressure. Lazarus and Folkman's (1984) stress-coping theory suggests that adaptive emotional coping mechanisms reduce the negative psychological effects of stressful life events, including debt-related stress.

Self-Control

Self-control is another major factor influencing mental health outcomes among online loan users. Self-control refers to the ability to regulate impulses, delay gratification, and resist temptations (Baumeister et al., 2007).

Digital shopping environments are intentionally designed to stimulate impulsive purchasing through personalized advertisements, flash sales, instant checkout systems, and BNPL payment features. Consumers with weak self-control may struggle to resist these stimuli and are therefore more likely to engage in excessive borrowing and compulsive spending.

Verplanken and Herabadi (2001) found that low self-control is strongly associated with impulsive buying tendencies. Similarly, research in behavioral economics demonstrates that consumers often prioritize immediate rewards over future consequences, a phenomenon known as present bias (Kahneman & Tversky, 1979).

Consumers with stronger self-control are more likely to: delay unnecessary purchases, evaluate repayment capacity, follow personal budgets, and avoid emotionally driven spending. Self-control also reduces the likelihood of developing compulsive buying disorder and online shopping addiction, both of which are associated with increased psychological distress and indebtedness.

Social Support

Social support serves as an important protective factor against financial stress and mental health deterioration. Social support refers to emotional, informational, and practical assistance received from family, friends, partners, or communities (Cohen & Wills, 1985).

Individuals experiencing financial difficulties often cope better psychologically when they receive emotional understanding and practical support from supportive social networks. Social support may reduce feelings of isolation, shame, helplessness, and anxiety associated with debt problems.

Research consistently demonstrates that strong social support buffers the negative effects of stress on mental health. According to Cohen and Wills (1985), social support functions as a “stress-buffering” mechanism that protects individuals from the harmful psychological effects of stressful experiences.

In the context of online loan dependency, supportive family relationships and healthy communication may help borrowers seek assistance earlier before financial problems worsen. Conversely, individuals lacking social support may experience greater emotional distress and social withdrawal.

Safari et al. (2026) found that borrowers who lacked family support reported higher levels of emotional exhaustion and psychosocial stress related to online debt burdens.

Income Stability

Income stability significantly influences both borrowing behavior and psychological outcomes among online loan users. Individuals with stable income sources are generally better able to manage loan repayments and maintain financial security.

In contrast, consumers with unstable income, irregular employment, or economic insecurity are more vulnerable to problematic borrowing patterns. Financial instability increases the likelihood that consumers will rely on online loans to meet daily needs or cope with emergency expenses.

Economic strain theory suggests that financial insecurity contributes directly to psychological distress by increasing uncertainty, reducing perceived control, and creating chronic stress (Pearlin et al., 1981). Individuals facing unstable income conditions

may therefore experience heightened anxiety regarding repayment obligations and future financial survival.

Sweet et al. (2013) found that household debt is strongly associated with poorer mental and physical health outcomes, particularly among financially vulnerable populations. Similarly, online borrowers experiencing income instability are more likely to experience chronic financial stress, depression, and emotional exhaustion.

Stable income functions as a protective factor because it increases repayment confidence and reduces fear associated with debt obligations.

Responsible Borrowing Behavior

Responsible borrowing behavior is another important moderating factor influencing mental health outcomes. Responsible borrowing refers to the ability to use credit wisely, borrow according to financial capacity, and maintain repayment discipline.

Consumers who use online loans strategically and within manageable limits are less likely to experience severe psychological consequences. Responsible borrowers typically: understand loan terms and interest rates, avoid multiple simultaneous loans, prioritize essential spending, and maintain repayment schedules. In contrast, irresponsible borrowing behaviors such as overborrowing, borrowing for impulsive consumption, or using new loans to repay existing debts significantly increase the risk of financial stress and mental health problems.

Research on debt management suggests that consumers with healthier borrowing habits experience lower levels of anxiety and financial strain (Xiao et al., 2014). Responsible borrowing also strengthens financial self-efficacy, which improves psychological resilience when facing financial challenges. Moreover, financial self-efficacy – the belief in one's ability to manage finances successfully – has been associated with better mental health and reduced stress levels (Lown, 2011). Consumers who feel confident in managing debt obligations are less likely to experience helplessness and panic related to online loans.

Overall, these moderating factors demonstrate that the mental health impact of online loans is not solely determined by borrowing itself, but also by the psychological, social, and economic resources available to consumers.

This review demonstrates that online loans serve dual psychological functions within e-commerce environments. On one hand, online loans facilitate retail therapy by enabling emotionally motivated purchases that temporarily improve mood and reduce stress. On the other hand, excessive dependence on online borrowing contributes substantially to financial stress and mental health problems.

The findings support the stress-coping theory proposed by Lazarus and Folkman (1984), which explains that individuals often engage in emotion-focused coping strategies to manage psychological discomfort. Online shopping may function as a maladaptive coping mechanism when consumers use purchasing behavior to escape emotional distress.

The dopamine reward system also explains repetitive online shopping behavior. Digital shopping environments stimulate reward pathways through anticipation and gratification processes, reinforcing impulsive buying patterns. This mechanism is strengthened by personalized advertisements, flash sales, and social media marketing.

However, while retail therapy may provide temporary emotional relief, the long-term consequences are predominantly negative when borrowing behavior becomes excessive. Debt accumulation increases financial insecurity, anxiety, depression, and psychosocial dysfunction. The findings align with previous studies demonstrating strong associations between indebtedness and mental health deterioration.

Importantly, the results suggest that online loans themselves are not inherently harmful. Rather, negative outcomes emerge when financial vulnerability, emotional distress, and low financial literacy interact with easy access to digital credit systems.

The findings have important implications for healthcare professionals, policymakers, educators, and fintech providers. Mental health interventions should address financial stress as an emerging psychosocial issue. Additionally, stronger regulations regarding lending transparency and ethical advertising are necessary to protect vulnerable consumers.

CONCLUSION

Online loans integrated into e-commerce platforms represent a growing global phenomenon that significantly influences consumer psychological behavior. While online borrowing may initially function as retail therapy by providing emotional relief and instant gratification, excessive use is strongly associated with financial stress, anxiety, depression, compulsive buying behavior, and psychosocial dysfunction.

The evidence suggests that the negative long-term mental health effects of online loans outweigh their short-term emotional benefits when borrowing becomes uncontrolled. Financial literacy, emotional regulation, and responsible lending practices play critical roles in reducing harmful outcomes.

Future empirical studies should investigate longitudinal mental health outcomes associated with BNPL systems and evaluate interventions designed to promote healthier digital financial behavior.

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