

Buying Belonging: Emotional Dysregulation, Identity Substitution, and Debt-Risk Behaviour in Trend-Based Overconsumption Among Young Adults

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ABSTRACT

Rising levels of consumer debt and impulsive spending among young adults remain a significant socio-economic concern, yet psychological mechanisms underlying such behaviours are often underexplored. The present quantitative, cross-sectional study examined the roles of self-concept clarity and emotional dysregulation in understanding compulsive buying and financial management behaviour among 150 young adults (18–30 years) using standardized self-report measures (Self-Concept Clarity Scale, DERS-18, Compulsive Buying Scale, Financial Management Behavior Scale).

Findings indicate that Identity Stability was strongly associated with better Emotional Regulation, as Self-concept Clarity was significantly negatively correlated with Emotional Dysregulation ($r = -.62, p < .001$) and significantly predicted it ($\beta = -.59, p < .001$). However, Self-concept Clarity was not significantly related to Compulsive Buying ($r = -.08, p > .05$). Emotional dysregulation showed a significant association with Compulsive Buying ($r = -.28, p < .01$). Additionally, Compulsive Buying was positively correlated with Financial Management Behaviour ($r = .46, p < .001$), reflecting strong correlations between impulsive spending tendencies and financial control efforts. This implies that, in line with what has been seen with emotional dysregulation and its effects on self-concept clarity, the more the dysregulation experienced, the lower the self-clarity across age groups; emotional dysregulation had a significant correlation with both compulsive buying and financial management behaviour. However, low self-concept clarity did not mean that the individual would partake in compulsive buying, suggesting that compulsive buying may be affected by other factors that go beyond self-concept clarity.

Keywords: Emotional dysregulation, Identity substitution, Compulsive buying, Trend-based overconsumption, Debt-risk behaviour, Emerging adulthood.

INTRODUCTION

1.1 The History of Consumption: Utility to Symbolism

Consumption has always been viewed as a practical activity: meet needs, stay alive. Lately, however, consumer culture has evolved from buying to get by to buying to signal who we are. In

today's market economies, things are no longer just practical; they have psychological and social meanings. People are no longer buying just for what they can do; they buy to signal status, belonging, personality, and self-image. From consuming and buying for sustenance and utilities, consumption has shifted towards symbolism.

The history of overconsumption can be traced back to post-World War I, when the production capacity of the United States of America far outpaced the rate at which the population was growing. An article by Higgs (2021) highlights how this brought the fear of an overproduction crisis, where, if people only bought what they needed, the economy would stall. Thus came in the machinery of enticement, where the 'consumer' was effectively built, through mass persuasion techniques and instilling the democratic desire of luxury; upper-class status symbols such as designer clothing, furniture, home-goods and cars were advertised before the masses such that they felt they too could upgrade themselves.

The same article talks about how, after World War II, consumerism experienced a second wave, which was now powered by television and the advent of easy credit. With retail analysts like Victor Lebow arguing that consumption must become a way of life or a ritual, concepts like planned obsolescence drove 'consumers' to consume, even when the things they already owned worked just as well; as said by philosopher Herbert Marcuse, people now "recognize themselves in their commodities" (Marcuse, 1964/1505).

1.2. The cost of overconsumption

If 20th-century consumerism was built through advertisements, PR and the enticement machinery, 21st-century overconsumption is being sustained through the fintech architecture. EMIs, credit cards and the Buy-Now-Pay-Later (BNPL) payment methods have blurred the line between the desire to own material goods and the individual's financial ability to sustain it. A study by Ashby et al. (2025) noted how BNPL functions differently from standard credit card payments, utilising what is called the numerosity effect. Numerosity effect is a mental fallacy in which the brain is attracted to the nominal value of a number and not its total weight. When the consumer is offered the disbursement of installment price of, say, 25 dollars in lieu of the absolute price of 100 dollars, the consumer perception of the costliness of an item gets reduced considerably.

This is particularly interesting because classical economic theories, such as the Prospect Theory, suggest that paying in multiple installments should feel like a greater loss financially, as the loss is felt with each installment. However, with the introduction of BNPL, a paradox is created, wherein this 'pain of loss' is bypassed through the decoupling of the immediate gratification experienced from the future reality of the cost. Unlike credit cards, where the individual will have to pay in total, albeit at a later point in time, BNPL shifts the focus to the small, manageable installment.

This installment-based reframing works most effectively when it comes to products priced at a higher range. This plays directly to the brain seeking a reason to justify a purchase when the item is too expensive; the reframing gives the brain a mental image of a low cost as opposed to the 'sticker-shock' of the total sum. Conversely, for items that are already at a comparatively lower cost, the reframing can make the product seem more expensive than it is, or at the very least, make the payment feel more complicated (Bambauer-Sachse & Grewal, 2011).

When it comes to the youth, the BNPL and credit systems become a central means for consumption. An article by Farrugia et al. (2022) argues that the 'financialization of life' has blurred the lines between buying a product and buying credit itself, creating a multilayered psycho-social crisis for young

adults. Outside of overconsumption and consumerist purchases, investment credit has also become part of the things that the youth put on credit. Simultaneously, they experience thoughts of failure of self-responsibility when they indulge in regular overconsumption or rely overly on BNPL and credit cards, creating a psychological burden where they feel that they are jeopardising their future credit scores, as well as the ability to live comfortably as adults (Farrugia et al., 2022).

This trend has been boosted in India by the rising urbanization, e-commerce expansion, and online marketing of such services that are done aggressively. Consumer-durable, internet shopping, and social influence EMI have allowed borrowing money to become something normal and not dangerous. The trend of rising debt portrays that financial conduct of youngsters cannot be explained merely by financial aspects, and psychological aspects must be contributing and playing a huge role.

The fact that it has become normalized to follow trends with our wallets is one of the most dramatic alterations to the consumer shopping habits today. More and more of our purchases are being influenced by the trends on social media, what the influencers are hyping and what our friends have on their instagram feeds, instead of what we actually need to buy. In a study by Hussain et al. (2023), FOMO was established as the ubiquitous source of anxiety that other people were enjoying fulfilling lives without him or her being present. In this case, the social media is a catalyst that has help reduce the barriers to social engagement and at the same time entangle the young adults in a cycle of comparison. The paper concluded that a repetitive, impulsive, and exaggerated desire to buy was caused by FOMO especially, to prevent the feeling of social ostracizing and to follow the crowd. This leads us to question what is the psychological basis of influences of overconsumption.

1.3. Psychological Thinking of Consumption.

The conventional models of economics view the purchase as a rational action, i.e. the one that aims at achieving maximum utility and minimal cost. But however, modern psychology disagrees with this statement showing that we usually purchase things basing on our feelings and not on our logic. Shopping is sometimes an emotional process: the way of controlling our moods, eliminating stress, or seeking a temporary sense of comfort (Adamczyk, 2021).

It is increasing in the literature that shopping constitutes one of the regulation mechanisms of negative affect like sadness, anxiety, boredom or loneliness. Retail therapy is a popular term among the proponents of this practice which is the simple behaviour of seeking short-term happiness by material things (Iyer et al., 2019). This may be an attempt to distract oneself, exert some form of control, and immediate satisfaction, which may provide a short-term solution to the distress. This may develop into a regular practice, and individuals learn to use consumption as a coping mechanism, which may lead to impulse buying and even compulsory shopping (Dixit and Badgaiyan, 2023). Individuals with low self-management of their emotions might be in a continuous loop of engaging in goods as a way of avoiding discomfort, and this is likely to cause a cycle of distress to spending that subsequently becomes a cycle of guilt or financial difficulties, and thus, distress.

Consumption is also not confined to our moods and it helps to define who we believe we are. Self-theories: It is postulated that we aim at creating and sustaining our identity and things that we purchase and consume including brands, products and our lifestyle are often integrated into our identity. What we have is not merely objects, but they become our selves. Consumers employ products as a means of indicating our values, positions, and identifications, and to the majority of adolescents, consumption is a means of indicating to the world who they are and seeking to gain social recognition (Djafarova and Bowes, 2021).

When we make our identity too tied to the external symbols, we always have a desire to consume in order to sustain our identity. This puts us at the mercies of marketing, peer influence, and ever-shifting and changing trends (de Koning & van Dam, 2024). Other new psychological theories also postulate that shopping can be used to eliminate the vacuum that comes when our self-esteem or identity is at stake. Material goods can be used in such cases to temporarily fill the gap but without actually solving the issue (Jaspal et al., 2022).

This notion is particularly well-suited to young adulthood, a period of life in which individuals are still trying to determine who they are, constantly comparing themselves to others, and rubbing shoulders with peers who are also being sized up. When the sense of self is precarious, looking to stuff and brands for self-validation can become an increasingly attractive option, and shopping can become a go-to coping mechanism for individuals with shaky emotions or a shaky sense of identity. Over time, this can make an individual more financially fragile.

1.4. Emotional Dysregulation and Financial Decision-Making

Emotional regulation is all about how individuals view, make sense of, and adjust their emotions in order to effectively deal with a situation. When emotional regulation is adaptive, you can weather the storm, delay gratification, and keep your eyes on the prize even when you're down in the dumps with negative emotions (Gratz & Roemer, 1504). However, when it is dysregulated, you have a hard time making sense of your emotions, turning down or turning up their intensity, and choosing strategies to deal with them based on the situation.

Individuals who have issues with emotional dysregulation tend to experience their emotions more intensely, have a hard time resisting impulses, and have difficulty comforting themselves when they are under stress. This may manifest in the form of mood swings, avoiding painful experiences, and looking for a quick fix to feel better. Rather than thinking through a problem or finding a solution to it, they look for an immediate external solution to feel comforted.

In the clinical world, emotional dysregulation has been associated with various maladaptive behaviours such as substance abuse, binge eating, self-injury and compulsive behaviours. These behaviours are generally perceived as providing a temporary escape or distraction from negative emotions (Tice et al., 1501). Due to this, emotional dysregulation is increasingly recognised as a transdiagnostic vulnerability, which is a common denominator for many impulsive and self-defeating behaviours. When we consider consumer behaviour, impulsive or excessive spending may also provide a similar emotional escape or distraction (Adamczyk, 2021).

There is considerable evidence that there is a very close relationship between poor emotion regulation and impulsiveness and risk-taking. Strong emotions can consume the cognitive resources necessary for careful and thoughtful decision-making, leading individuals to act on impulse rather than considering long-term outcomes (Baumeister, 1502). The affect regulation concept proposes that individuals may engage in impulsive or risky behaviors to provide an emotional escape or distraction from distress, with negative moods constricting attention to short-term outcomes and ignoring future costs (Tice et al., 1501).

Mood does not spare even financial choices. The preferences of immediate rewards over the delayed rewards can be biased by stress, sadness, or social rejection (temporal discounting). It may affect the ability to plan financial resources carefully and make impulsive spending choices, which implies that emotional dysregulation can be a contributory factor to the consumption behaviors that focus on immediate emotional satisfaction instead of financial security (Dixit and

Badgaiyan, 2023).

People vary in how they cope with emotional challenges, and theories of coping point out these differences. Some coping styles are considered adaptive, such as problem-solving or turning to friends and family to help cope with emotional pain, while others are maladaptive, providing only a temporary fix. Consuming and accumulating things can be one of these temporary fixes (Iyer et al., 2019). Shopping can be a mood booster, a source of excitement, and a source of feelings of control or accomplishment, at least for a short time. These temporary benefits can serve to reinforce the behavior of buying again, particularly when other healthy coping strategies are not available.

Young adults are dealing with a lot school pressures, uncertainty about the future, relationship problems, and identity questions. All of these sources of stress can be particularly challenging on an emotional level. Without healthy regulation skills, people turn more to external sources of coping, including overspending. In this way, overspending is more than a financial problem; it can be a way of coping with internal emotions.

When the temporary emotional fix from spending continues to happen, it can become impulsive or compulsive shopping. The temporary emotional high from a purchase is quickly followed by feelings of regret, financial problems, or guilt, which can serve to increase negative emotions and trigger further overspending (Dixit & Badgaiyan, 2023). It is a cycle that is also seen in other forms of dysregulated behavior and suggests that emotional regulation may be a psychological precursor to overconsumption.

1.5.Identity Process and Clarity

The formation of identity is at the very center of the developmental tasks of young adulthood (Erikson, 1968). This is a stage of life that is all about exploring one's values, beliefs, career aspirations, social roles, and relationships. Individuals struggle with fundamental questions such as "Who am I?", "Where do I belong?", and "How do others see me?" Answering these questions helps to construct a stable and coherent sense of self, which is essential for healthy functioning and well-being.

Nevertheless, identity formation is also a trial and error process, that is full of uncertainty and experimentation. The fast pace of life, school and work life and the exposure to other cultures, etc. may complicate the process of consolidation of self. In the digital world we live in nowadays young adults are constantly inundated with marketed images of ideal success, beauty and lifestyle and this is what only contributes to the comparisons and self-doubt. As a result, identity confusion or instability is a highly prevalent event at this stage of life.

When the process of self-definition is not functioning internally then people might resort to external sources of defining and expressing their definition of self. The resources that can be used to indicate and negotiate identity are symbols of consumption, which include fashion, technology, brands, and products of lifestyle (Sirgy, 1982). By so doing, the process of identity formation and consumer behavior cannot be separated among the young adults.

Self-concept clarity is the extent to which a person has definite and consistent beliefs about them and the extent to which these beliefs remain unchanged with time (Campbell et al., 1996). People whose self-concept is well known are well aware of their values, likes and dislikes as well as their characteristics and this assists them to make confident decisions, live without emotions and respond to external forces.

Conversely, low self-concept clarity is described as confusion, inconsistency and confusion about the

identity. People might not be able to clearly define themselves and their values, and thus, they will be more prone to the superficial and the desire to be socially accepted. Studies have indicated that individuals whose self-concept clarity is low have more anxiety, low self-esteem, social comparison and the need to be externally approved (Campbell et al., 1996).

There are also those who are very dependent on what they can see and what other people may say about them in the effort to define themselves. Instead of forming a personal identity based on internal traits or personal ideals, they seek guidance to the external world of friends, trends and symbols. Such externally focused construction of identity can predispose them to marketing, to the force of consumer culture, and also to the temptation of what to purchase (Djafarova and Bowes, 2021). Stated differently, the extent to which one learns about him or herself is an imperative factor in determining why some individuals will tend to get warmed up to the newest tendency.

Continuing on this, the modern consumer psychology states that our objects of consumption perform some kind of symbolic extension of the self (Belk, 1988). Objects are brought to have a meaning of the desired qualities, membership of a group or aspirational identities. The brands, such as success, sophistication, or membership, become a symbol of such status a person can communicate or express without uttering a single word by purchasing and possessing something.

When individuals are feeling not so secure or confident in their internal identity source, they are increasingly relying on the external symbols to identify who they are. It is what is referred to as identity substitution: one purchases things just to temporarily fill the holes in the self-concept, instead of actually working on elaborating oneself better. Such tactics can bring a temporary relief or social confirmation but will hardly bring psychological security in the long-run. Due to the constant change of trends and standards, a person can easily feel that he or she has to buy more and more to perform the appearance. The cycle supports the idea that identity needs to be preserved by consumption, which may result in overbuying or overconsumption (de Koning & van Dam, 2024).

Accordingly, shopping becomes a form of compensatory psychological activity and is no longer an action determined by needs, as a result of identity substitution. Shopping is more of repairing or amplifying the self, and not merely filling a need or use. Such a dependency on material symbols, in the long-term, can cause overconsumption and monetary issues.

The identity is formed because we compare ourselves to others and the need to belong universally. The individuals are in a continuous process of comparing themselves to other people they live with to define whether they are good enough and where they fit in the society.. In the online world, where friends and celebrities display their perfectly constructed lives and success, the possibilities for comparison are endless and always trending upwards (Djafarova & Bowes, 2021). These comparisons can lead to feelings of not belonging or being left out, pushing individuals to fit into the perceived mold.

Consumerism is a way to signal that we belong to society. Keeping up with the latest trends or styles can give an individual a sense of being part of the groups they wish to be a part of. This is particularly strong in young adults, whose sense of belonging is directly connected to their self-esteem. This leads to a desire to keep up with the latest trends influencing purchasing decisions over personal preference, out of fear of being left out of society.

Individuals with foggy or unclear self-perceptions are especially susceptible to these forces because their self-concept is more dependent on external acceptance (Campbell et al., 1996). They might perceive consumption as a way to quickly gain social acceptance, which increases the risk of frequent and trend-driven consumption (de Koning & van Dam, 2024). This behaviour indicates that

identity-related vulnerabilities not only influence what we buy but also contribute to tendencies of overconsumption, which is financially irresponsible.

1.6.Trend-Based Overconsumption

The issue with consumption is not consumption per se, as consuming goods and services is a part of life. The issue occurs when the consumption process becomes excessive, repetitive, and psychological when it surpasses the actual need of a consumption. Overconsumption can be described as taking more than what is necessary or what one can afford, which can be a waste, which is something to regret or to end up in financial difficulties (Adamczyk, 2021).

Overconsumption in the youth culture today is taking a new form of trend-based consumption where individuals buy items not because of their utility but because it fits into the ever-changing trends in the society. The given kind of consumption is manifested in the form of frequent changes of fashion, technologies and lifestyle products to fit in the society. These products do not have to be evaluated based on their utility but on the social or symbolic sense that they represent to people (de Koning & van Dam, 2024).

Trend-driven overconsumption is more prone to impulsive, emotionally motivated overconsumption, and externally driven as opposed to other forms of consumption. The individuals will find the urge to purchase merely because a thing is trendy or high profile in their social networks. It causes consumption to be reactal and not strategic, which makes it more likely to make financial errors. This trend shows that not only is overconsumption an economic phenomenon but a psychologically mediated phenomenon as well.

The influence of digital media has also modified the consumer behavior of people. The social media, influencer marketing and advertising bomb young adults with ideal lifestyles and consumption patterns (Djafarova and Bowes, 2021). Digital media ensures that it has a constant and customised product representation, which allows it to be easily compared with others and tempted by trends. The influencers are more likely to equate consumption with happiness, wealth, and attractiveness, whereas the methods of offering limited time and promotional content provide a feeling of urgency, which makes them make decisions without thinking (Rodrigues et al., 2021).

This background can make people who spend the majority of their time online believe that it is natural or even obligatory to be a perpetual consumer. The line between social interaction and persuasion evolves less clear, and it is hard to realize the difference between the real desire and demand that are influenced by the external stimuli. The trend-based over consumption shows up in various psychological patterns. This fits in low planning impulse purchases, which consumers are more likely to make, and are extremely susceptible to the behavior of others doing the same and fear of being rejected (Kumar & Lim, 2024). The delight of buying fades away soon and the euphoria takes away shortly. This combination can become a vicious cycle: expectation and some immediate solution to pleasure, and the feeling of remorse or worry about money, which can cause an additional expenditure (Iyer et al., 2019). With time, an intended decision can end up being a habit in an attempt to solve a problem.

Specifically, people with difficulties in controlling their emotions can use shopping as one of the coping mechanisms, whereas people that are unsure about their self-image can use shopping to establish their identity or obtain social acceptance. So, on the one hand, emotional problems and identity problems intersect at the point of overconsumption, a psychological phenomenon that is quite noticeable in the form of a psychological phenomenon. Theoretically, the trends-based overconsumption

can be viewed as the intermediary between the psychological and the real financial outcomes. Issue of spending too much money and uncertainty of identity can add to using a lot of money, however, the tendency of spending too much money is what creates the tangible financial issues like a debt, credit reliance, and financial troubles. When the overconsumption is taken as such behavioral process, the psychological basis of overconsumption can be deciphered as giving rise to actual financial risk.

1.7. Debt-Risk Behaviour

The conceptualization of financial decision-making has always been based on the models of economics which assumed that people were calculating costs and benefits through calculating and rational precision. Nevertheless, the research on behavioral sciences has suggested that the actual process of making financial choices in real life is frequently motivated by the biases, moods, and self-control, but not only the rationality (Adamczyk, 2021). Thus, lack of knowledge does not necessarily lead to bad money habits, they may be the consequence of a deeper psychological problem.

Debt-risk behavior is the money behavior that causes debt, arrears, and financial crisis. This involves buying on impulse, spending more than one can afford on credit cards, taking in more debts than he or she can pay, late payments, and poor budgeting (Dew and Xiao, 2011). It is not unusual to have a single loan but these habits can cause an individual to be trapped in a vicious cycle of money and financial woes.

Psychologically, the debt-risk behaviour signifies lack of self-control, a behaviour to get short run gratifications, and inability to plan more. People are likely to be tempted to look at short-term rewards without considering the cost of debts in the long term. The risk-taking in finances is a matter of dealing with emotions and the relationship between their self and money, not necessarily their income or financial expertise (Iyer et al., 2019).

Young people are finding it easy to access credit due to the current financial environment. Buy and pay are two concepts that are hard to differentiate with credit cards, EMI options, digital payment systems, and BNPL options. This renders money less important at the point of time. To most young adults students and young professionals with questionable income, the presence of amenities and environs that allow them to spend comfortably may tempt them to spend beyond their means. Little, bite-sized payments do not sound like such an issue, yet they do accumulate and build on the real financial stress. Online shopping creates an opportunity to spend virtually without any challenges, and smart advertisements urge consumers to engage in impulse purchasing that does not require thoughtful consumer decisions (Chakrabarti, 2024). This may result in an irresponsible spending habit that is integrated into the everyday consumer culture.

Debt is not only a financial problem but it is a big burden on the mind. Monetary difficulties tend to cause increased stress and anxiety, and depression, and dull overall life satisfaction. Anticipating the payment of what is owed can disrupt concentration, cause sleep disturbances, and affect the relationships with other people (Jaspal et al., 2022). There is also the vicious cycle involved there financial difficulties may increase emotional instability, which subsequently leads to an increase in impulsive purchasing. Young adults are especially prone to debt as they are going through a high level of development and change. The difficulty in finances may hinder career progression and ruin hope about the future. Meanwhile, they are engulfed by advertising and online shopping, in which social comparison and the desire to keep up spur the need to do so, even at the cost of entering debt (Chakrabarti, 2024). These emotional and environmental aspects are combined to enhance the risk of problematic expenditure and borrowing. Considering these factors, young adults seem to be a group that is more

susceptible to becoming problematic in their financial practices that could be carried over into adulthood. Early intervention and prevention of debt-risk behaviour will require the identification of the psychological mechanisms underlying the behaviour. Knowledge of the place of emotional dysregulation and identity frailties in financial risk can guide the creation of specific interventions and education.

1.8. Making a construct integration: Conceptual Framework.

In the above sections, we have discussed our buying of commodities and services under different psychological perspectives, which explains the use of emotions and questions on our identity as the motivational factors in purchasing. All these emotional dysregulations, uncertainty about identities, excessiveness in consumption of goods and risky debt have their own explanatory potential. Nevertheless, to sufficiently explain why young adults end up with maladaptive financial results, we need a wider perspective: a perspective which incorporates a single, unified process model, a process which incorporates all of these different components.

It is not necessarily economics that has led to the present consumer behaviour. It is a tendency of our decisions to be based on internal psychological conditions, determining how we cope with stress, shape our self-perception, and the need to feel belonging to something (Adamczyk, 2021). When we are in high emotions or when our emotions are not well controlled, people will resort to quick fixes which feel good at the moment. Whenever one is confused about his or her identity or is in transition, they resort to giving themselves a name that is determined by outer signs. These are the qualities that translate to what we buy and these trends have financial consequences. Therefore, it is not mere accumulation of bad decisions, but dysfunctional spending is the result of a range of psychological processes.

Emotional dysregulation is close to the center of this model. When a person has difficulty identifying, tolerating, or regulating their emotions, they will struggle even more with employing effective coping strategies under stress (Gratz & Roemer, 1504). Without effective regulation, they may resort to behaviors that provide quick, temporary fixes. Shopping, in particular, is very rewarding quickly, is a socially acceptable behavior, and provides a sense of control. However, using the behavior of buying as a means of regulating one's emotions can lead to impulsive and excessive spending, increasing the chances of overdoing it (Iyer et al., 2019).

Vulnerabilities associated with identity are also very important. Young adults who are not sure of who they are who do not have a clear self-concept are more likely to rely on external sources to define and express themselves. External sources such as possessions and brands become a substitute for one's internal identity, communicating belonging, status, or personality characteristics (Djafarova & Bowes, 2021). However, because external identities are constantly changing with social trends, maintaining these identities is a never-ending process, increasing the chances of chronic overspending.

Emotional turmoil and identity issues don't directly cause the wallet to crash, but they appear in how we spend. These psychological vulnerabilities will appear as a series of trend-based buying sprees, or excessive purchases driven by what's popular rather than what's needed. In this way, overconsumption is the immediate mediator between psychological states and financial issues. To see it this way is to understand how psychological states and identity issues become actual financial risks: debt-prone behavior is not just a function of who someone is, but of what those psychological states drive them to do.

The given point of view is also applicable in practice. Initiatives of diminishing debt risk can be most

efficient, in which they address the psychological vulnerabilities that are at the root and the consumption habits that these vulnerabilities lead to rather than enhancing financial literacy per se. The actual application of this model in the real world is debt-risk behavior. By further spending beyond their financial capability, they are able to buy beyond what they can afford, increasing their dependence on credit, and compromising their financial standing and psychological well-being (Dew & Xiao, 2011).

In this sense, debt is not merely an effect of bad fiscal management it is a secondary effect of unfulfilled emotional and identity requirement. The paper offers a stepwise psychological process on this integration: emotional regulation and identity substitution elevate the susceptibility to trend-based excess, which subsequently foretells the aspect of debts risk among young adults. Identity substitution is also hypothesized to mediate the association between emotional dysregulation and excessive buying, which implies that identity processes mediate emotional struggles to purchase decisions.

1.9. Need for the Study

1.9.1. Increased Debt by Consumers amongst Young Adults.

The issue of consumer debt among the youth generation is slowly becoming an issue not only to the world but also to India. Having easy access to credit cards, EMI, and online buy now, pay later facilities, it is a natural occurrence that individuals will spend more than they can pay. These amenities make a person buy more, yet the risk of making impulse decisions, problems in paying them off, and financial pressure is also increased.

1.9.2. Expanding Acceptance of Trend-Driven Consumption.

The process of purchase has turned into a social habit and trend in the current consumer society. The presence of influencer marketing campaigns, the comparison of ourselves with others, and living their lives vicariously online pushes us to buy more and buy them even when we do not really need the product as a result of consumption becomes a way to fit in and demonstrates to the world who we are. After some time this behavior is fixed as normal, that is the way it was, nothing wrong with it.

1.9.3. Absence of built in Psychological Models.

Whereas studies have been done on financial literacy, impulsive purchasing or symbolic consumption, not many studies have incorporated emotional regulation, identity processes, and financial behavior together in a single framework. We do not get the dynamics that cause young adults to continue their maladaptive spending habits despite being aware of the consequences by not coming up with an integrated framework. An investigation of emotional regulation and identity substitute, combined with excessive consumption, would help to get a better picture of the financial decision-making process.

1.9.4. Empirical Evidence and Interventions Embarked by Indian Context.

What we have known about consumption psychology is mostly in terms of the western societies and that there is an astonishingly little empirical data, which can be attributed to the socio-cultural reality of the Indian youth. India is quickly going digital, there is greater availability of credit, and lifestyle aspirations and culturally applicable research is a must. The findings of this research might inform preventive mental health, financial advising, and educational intervention targeting vulnerabilities to emotional and identity issues not only economical literacy.

1.9.5. Justification of the Current Research.

As more people get into debt and society approves more, quicker and larger consumption, and with the gap in the integrated research of the psyche, there is evidently a need to look into what underlies the unhealthy spending behavior of teens and young adults. This study will assist in bridging this gap by studying how the lack of emotional control and identity as a way of circumventing self-esteem lead to trend following overconsumption and its resultant debt risk behavior.

1.10. Aim of the Study

The purpose of this research is to examine the psychological and emotional issues that lead to overconsumption and the subsequent risk of debt among young adults. It also aims to examine how the struggle to manage emotions and the use of identity as an alternative to self-esteem contribute to overconsumption and the subsequent risk of debt. The research will combine different perspectives to develop a comprehensive psychological framework of maladaptive consumption and use the findings to inform the prevention, treatment, and mental health interventions of the issue in the Indian context.

1.11. Objectives of the Study

The present study aims to investigate the psychological determinants of trend-based overconsumption and debt-risk behaviour among young adults. The specific objectives are:

1. To examine the relationship between emotional dysregulation and trend-based overconsumption among young adults.
2. To assess the role of identity substitution (low self-concept clarity) in predicting trend-based overconsumption behaviour.
3. To determine the association between trend-based overconsumption and debt-risk behaviour.
4. To explore whether identity substitution mediates the relationship between emotional dysregulation and trend-based overconsumption.
5. To examine whether trend-based overconsumption significantly predicts debt-risk behaviour among young adults.
6. To identify the combined predictive contribution of emotional dysregulation, identity substitution, and overconsumption in explaining variance in debt-risk behaviour.
7. To generate empirically grounded insights that may inform psychological, financial counseling, and preventive interventions for young adults.

1.12. Research Questions

The present study seeks to address the following research questions:

1. Does emotional dysregulation significantly predict trend-based overconsumption among young adults?
2. Is identity substitution (low self-concept clarity) associated with higher levels of trend-driven purchasing behavior?
3. Does trend-based overconsumption significantly increase debt-risk behavior?
4. Does identity substitution mediate the relationship between emotional dysregulation and trend-based overconsumption?
5. To what extent does trend-based overconsumption predict debt-risk behavior after controlling for demographic variables?
6. Which psychological factors emotional dysregulation, identity substitution, or overconsumption best explain variance in debt-risk behavior among young adults?

7. Can an integrated psychological model adequately explain the pathway from emotional and identity vulnerabilities to financial risk outcomes?

1.13. Hypotheses of the Study

H1: Emotional dysregulation will be positively and significantly associated with trend-based overconsumption among young adults.

H2: Identity substitution (low self-concept clarity) will be positively and significantly associated with trend-based overconsumption.

H3: Emotional dysregulation will be positively and significantly associated with identity substitution.

H4: Trend-based overconsumption will be positively and significantly associated with debt-risk behavior.

1.14. Rationale of the Study

Contemporary trends in what young adults purchase indicate a marked move away from need-based consumption and toward consumption that is driven by emotional, aesthetic, and trend-based factors. As young adults are increasingly immersed in the culture of online shopping, the constant social comparison that comes with the use of social media, and the prevalence of credit, the playing field is one that makes overconsumption both easy and fashionable. However, more and more young adults are struggling with debt, which is a combination that is both socially and mentally troubling. However, the current literature that is being produced is still largely focused on economic or information-based factors such as income levels or financial literacy gaps, which is only a partial perspective on what is occurring.

What the new research is suggesting is that consumption behaviour is driven by emotional needs and identity formation as much as, or more than, functional needs. Consumers may be purchasing to alleviate negative emotions, to enhance self-esteem, or to signal group membership. Issues with regulating emotions are linked to impulsivity and the pursuit of short-term gains, while a cloudy or uncertain self-concept leads to the reliance on external symbols of identity, such as brands and possessions, as a grounding for self. However, these psychological issues have been considered in the literature largely in a separate manner, with little research attempting to integrate emotional vulnerability and identity insecurity into a single framework that explains excessive consumption behaviour.

Further, much of the research examines direct correlations between personality characteristics and financial outcomes without examining the behavior chain that links the two. Debt-risk behaviors are not simply a function of inner vulnerabilities; they are more likely a function of poor spending habits. By considering trend-driven overconsumption as a mediating behavior, we can better understand, in a more process-focused manner, how emotional and identity issues have a spillover effect into actual financial outcomes.

The study starts with a very rudimentary assumption, which is that emotional turmoil and sense of drifting through one's identity are not mere background music but the key drivers that drive young adults toward mindless, trend-following consumption sprees. Such behaviours on the other hand make one more likely to fall into debt behaviour. It is through the combination of these two ideas into one unified idea that the proposed research will attempt to transcend the rather fragmented explanations and offer a more cohesive view of why individuals are driven to enter into these unhealthy, unsustainable patterns of consumption.

It is also lacking in empirical studies that explore such relationships in the Indian context. With the acceleration of digital lifestyle, the increased availability of credit, and the rise of the influencer

culture of consumption, the spending habits of Indian youth are transforming fast. Nevertheless, there is still the absence of culturally based psychological study. Such population should be researched to produce knowledge that can be utilized and help in prevention, financial, and mental health practices. Moreover, a quantitative, correlational, and predictive research design will help us to investigate the relations between these variables in a systematized way with the chance to mediate effects as well. This makes a statistically solid contribution towards a body of literature that has been mostly descriptive in character. To conclude, the aim of the research is to come up with an integrative psychological theory that explains the reasons why young adults over consume in addition to how these behaviours lead to financial risk and incorporates the research of consumer psychology, clinical psychology and financial well-being.

REVIEW OF LITERATURE

Izham et al. (2025), Nusir (2025), Kumar (2024), Kurniet and Kurniewan (2025), and Mukherjee (2025) examined the structural and psychological implications of Buy Now Pay Later (BNPL) systems on consumer behaviour, through understanding adoption drivers and psychological motivators. They found that BNPL systems reduced the “psychological pain” of immediate payment by mitigating the impact of the transaction. This flexibility created an association with overconsumption in a psychological sense, which was seen leading to quantifiable increases in expenditure and causing short-term debt.

Escobar-Farfana (2025), Gabatin (2025), Rodrigues (2021), Iyer et al. (2019), Dixit (2024), Adamczyk (2021), Jaspal et al. (2020), and Li (2024) examined emotional and affective determinants of impulsive and compulsive purchasing. They found that emotional arousal and pleasure serve as the main mediators between external stimuli and impulsive buying; this practice is deeply rooted in emotional distress and dysregulation, often serving as a coping mechanism for isolation, FOMO or anxiety.

Nguyen and Nguyen (2025), Shamim (2024), Djafarova and Bowes (2021), de Koning (2024), Suyanto (2025), Dang (2025), and Sabah (2017) explored the influence of social cues, FOMO, and digital environments on buying behaviour. They found that digital environments and social media influencers often exploit high social comparison and low self-concept clarity to drive spontaneous purchases. FOMO was seen to be a critical influence on these impulsive buying patterns, especially on interactive platforms such as livestreaming sites where social cues reduce the resistance felt cognitively.

Mappadang (2025) and Mukherjee (2025) addressed cognitive-belief components in debt-related consumption. They found that consumption behaviours related to debt are shaped by cognitive beliefs such as attributing financial performance to external factors increases the likelihood of BNPL impulse buying. However, enhancing EI and regulation can significantly reduce materialism and compulsive buying scores.

METHODOLOGY

3.1. Research Design

The present study followed a cross-sectional, quantitative research design to analyse the relationships between Self-concept Clarity, Emotional Dysregulation, Compulsive Buying Behaviour, and Debt-risk behaviour in emerging adults. 150 participants aged between 18 and 30 years were recruited using a convenience sampling method through online platforms and institutional networks. Standardised self-

report measures, the Self-Concept Clarity Scale (SCCS), Difficulties in Emotion Regulation Scale (DERS-18), Compulsive Buying Scale (CBS), and Financial Management Behaviour Scale (FMBS), were administered via a secure online survey. Inclusion and exclusion criteria were applied to ensure data quality, and responses were screened for incomplete or random responding before analysis. Descriptive statistics were computed to summarise the data, followed by Pearson's product-moment correlation to examine associations among variables and independent samples t-tests to assess gender differences. Statistical significance was determined at $p < .05$. The study adhered to ethical guidelines, ensuring informed consent, confidentiality, voluntary participation, and secure data handling throughout the research process.

3.2. Sample

In the current study, 150 respondents were used to collect data. The sample was between the ages of 18 and 30 years, which targeted age groups between adolescents and emerging adults so that people are mainly defined by identity development, mood swings, and a growing financial independence. Both males and females were involved, and the sample consisted of people with diverse levels of educational and employment experience and was obtained primarily via online platforms, educational organisations, and social networks, using a convenience sampling approach.

3.2.1. Inclusion Criteria

Participants must:

- be between 18 and 30 years old
- understand English
- have independent purchasing/financial decision-making experience
- provide informed consent

3.2.2. Exclusion Criteria

Participants were excluded if they:

- are below 18 or above 30 years
- submit incomplete responses
- show patterned or careless responding
- withdraw consent

3.3. Tools Used

The present study employed standardized self-report psychological instruments to assess emotional dysregulation, identity processes, overconsumption behaviour, and debt-risk behaviour. All tools were administered in English via an online survey made using Google Forms. All personal data was obtained through a general demographic sheet, which included details such as name or initials, age, and occupation; the data obtained was maintained confidentially. Each scale is described below in terms of its structure, reliability, validity, scoring, and interpretation.

Self-Concept Clarity Scale (SCCS)

The Self-Concept Clarity Scale developed by Campbell et al. (1996) assesses the extent to which an individual's self-beliefs are clearly defined, internally consistent, and stable over time. The scale consists of 12 items rated on a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Several items are reverse scored to control for acquiescence bias. The SCCS demonstrates strong internal consistency, with Cronbach's alpha ranging from .85 to .90 across studies, along with good cross-population reliability and satisfactory test-retest reliability. In terms of validity, the scale has

established construct validity through correlations with self-esteem and identity stability, convergent validity with psychological well-being, and adequate discriminant validity from unrelated personality traits. Scoring involves reverse scoring the specified items and then summing or averaging all 12 responses, with higher scores indicating greater self-concept clarity and lower scores indicating identity confusion or instability. High scores reflect a stable identity and internally defined self-concept, whereas low scores indicate dependence on external validation and a greater likelihood of material or consumption-based identity formation. In the present study, lower SCCS scores represent greater identity substitution tendencies.

Difficulties in Emotion Regulation Scale – Short Form (DERS-18)

The DERS-18 (Victor & Klonsky, 2016) measures deficits in emotion regulation across domains such as emotional awareness, emotional clarity, impulse control, and goal-directed behaviour under distress. The instrument contains 18 items rated on a 5-point Likert scale from 1 (almost never) to 5 (almost always). The scale demonstrates excellent internal consistency, with Cronbach's alpha typically ranging from .90 to .94, subscale reliability coefficients above .80, and strong test-retest reliability. The DERS-18 has good factorial validity consistent with its multidimensional structure, convergent validity with anxiety, depression, and impulsivity measures, and predictive validity for maladaptive coping behaviours. Scoring involves summing all 18 items; in most short-form versions, reverse scoring is not required. Higher total scores indicate greater emotional dysregulation, whereas lower scores reflect adaptive emotional regulation skills. High scores represent poor emotional awareness, reduced impulse control, and distress intolerance, while low scores indicate effective emotional management. In this study, higher DERS scores represent greater emotional vulnerability.

Compulsive Buying Scale (CBS)

The Compulsive Buying Scale developed by Faber and O'Guinn (1992) assesses impulsive and compulsive purchasing tendencies, including urges to buy, emotional shopping, guilt after purchases, and perceived loss of control. The scale comprises 10 items rated on a 5-point Likert agreement scale. The CBS demonstrates high internal consistency, with Cronbach's alpha ranging between .85 and .92, and has shown stability across cultural samples. Evidence supports strong convergent validity with measures of impulsivity and emotional spending, discriminant validity from general shopping frequency, and criterion validity in identifying compulsive buying disorder. Scoring involves summing or averaging item responses without complex weighting procedures; reverse scoring is not typically required in the standard version. Higher scores reflect stronger compulsive and impulsive buying tendencies, whereas lower scores indicate more planned, need-based consumption patterns. High scores suggest frequent urges to shop, emotional relief through purchasing, and reduced spending control. In the present study, the CBS operationalizes trend-based overconsumption as the mediating variable.

Financial Management Behaviour Scale (FMBS)

The Financial Management Behavior Scale developed by Dew and Xiao (2011) evaluates everyday financial habits and risky financial practices, including budgeting, bill payment, saving, credit usage, and debt management. Participants respond to items on a 5-point frequency scale ranging from 1 (never) to 5 (always). The scale demonstrates good internal consistency, with Cronbach's alpha values typically ranging from .80 to .90 across domains. It has established construct validity through associations with financial stress and debt indicators and predictive validity for financial well-being outcomes, and it is widely used in financial behaviour research. In the present scoring framework, items reflecting healthy

financial behaviours (such as saving, budgeting, and paying bills on time) are reverse scored to align the direction of measurement. After reverse scoring the relevant items, responses are summed or averaged to compute a total score. Higher scores indicate poorer financial management and greater debt-risk behaviour, whereas lower scores reflect responsible financial practices. In this study, the FMBS measures debt-risk behaviour as the dependent variable.

3.4. Precautions

To ensure ethical and methodological rigour:

- Confidentiality and anonymity will be strictly maintained
- No identifying personal data will be collected
- Participants will not be psychologically distressed by questions
- Data will be stored securely
- Participation will be voluntary
- Instructions will emphasise honesty to reduce response bias

Additionally, the online format minimises social desirability bias and allows participants to respond comfortably and privately.

3.5. Procedure

1. Ethical approval will be obtained prior to data collection.
2. Participants will be contacted through online and institutional networks.
3. A consent form will be presented at the start of the survey.
4. After providing consent, participants will complete:

4.1 Demographics

4.2 SCCS

4.3 DERS-18

4.4 Compulsive Buying Scale

4.5 Financial Management Behavior Scale

5. Responses will be automatically recorded and exported into spreadsheet format.
6. Data will be screened for missing or inconsistent responses before analysis.

Data were collected from 150 participants aged 18–30 years, including both men and women, through online and institutional networks using a convenience sampling method. Responses were recorded automatically via an online survey platform and exported into spreadsheet format. The dataset was screened for missing and inconsistent responses prior to analysis.

Descriptive statistics were computed for all variables. Pearson's product–moment correlation was conducted to examine relationships among the study variables, and independent samples *t*- tests were performed to assess gender differences. Statistical significance was set at $p < .05$.

3.5.1. Administration

The scales were administered in an online format using a secure Google Forms platform. Participants had to complete the questionnaire individually through personal devices (mobile/laptop). The average completion time was approximately 15 -20 minutes. No time limit was imposed.

3.5.1.1 Instructions

Participants were provided with standard instructions at the beginning of the survey: They were informed that:

- there are no right or wrong answers,
- responses should reflect their honest experiences,

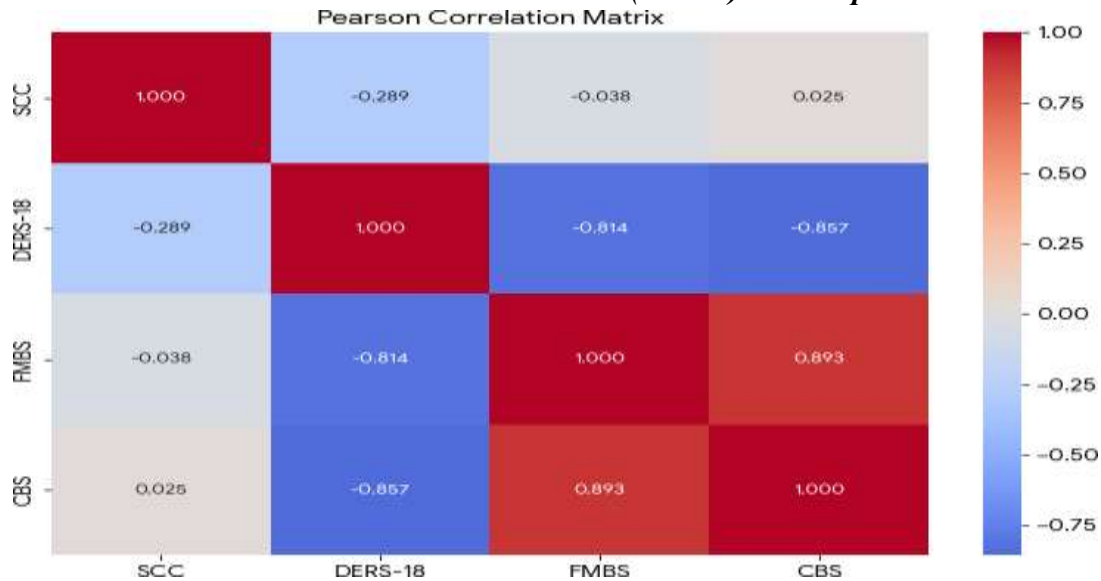
- all information will remain confidential,
- participation is voluntary, and
- they may withdraw at any point.

They were asked to read each statement carefully and select the option that best describes their typical feelings or behaviours.

RESULTS

The present study aimed to investigate the relationship between self-concept clarity, emotional dysregulation, compulsive buying, and financial management behaviors among a sample of 150 young adults. Descriptive statistics revealed a mean Self-Concept Clarity (SCC) score of 39.83 and a mean Emotional Dysregulation (DERS-18) score of 53.03. Participants also reported levels of Compulsive Buying (CBS) with a mean of 22.84 and Financial Management Behavior (FMBS) with a mean of 48.71.

Table 1
Pearson Correlation Matrix (N=150) Heatmap



Note. $n = 150$. SCC = Self-Concept Clarity; DERS-18 = Emotional Dysregulation; FMBS = Financial Management Behavior; CBS = Compulsive Buying.

*** Significant at the $p < .001$ level.**

Interpretation of Table 1

There are highly significant correlations ($p < .001$) between Emotional Dysregulation (DERS-18), Compulsive Buying (CBS), and Financial Management (FMBS). There is a significant negative relationship between Self-Concept Clarity (SCC) and Emotional Dysregulation (DERS-18) ($r = -.289, p < .001$). Self-Concept Clarity did not show a statistically significant linear relationship with Compulsive Buying or Financial Management in this specific sample.

Hypothesis Testing Results

The following table summarises the status of each hypothesis based on the Pearson correlation analysis:

Table 2
Hypotheses and Pearson Correlation

Hypotheses	Correlational Values	r Score	Result
H1	Emotional Dysregulation Compulsive Buying	-0.857*	Strong Negative, supported
H2	Low Self-Concept Clarity Compulsive Buying	0.025***	Very Weak, not supported
H3	Emotional Dysregulation Low Self-Concept Clarity	-0.289***	Moderate Negative, supported
H4	Compulsive Buying Debt-Risk Behavior	0.893***	Strong Positive, supported

Detailed Analysis of Hypotheses

H1: Emotional dysregulation and Overconsumption Result: Supported with strong correlation

The analysis of 150 participants revealed a statistically significant and very strong inverse relationship between difficulties in emotion regulation and compulsive buying behaviours, $r(148) = -0.86$, $t = -20.24$, $p < .001$. Such results suggest that the more individuals are emotionally dysregulated (the higher the DERS-18 scores), the more the CBS scores are reduced. The p-value of that relationship is about 1.80×10^{-44} a very low value that indicates that the likelihood of this relationship being the result of chance is close to nonexistent, implying that emotion regulation is a main and strong predictor of compulsive buying behaviour in this sample.

H2: Identity Substitution (Low Self-Concept Clarity) and Overconsumption. Result: Not Supported.

150 participants were analysed and found that there was a statistically insignificant and insignificant relationship between self-concept clarity and compulsive buying behaviours where $r(148) = 0.03$, $t = 0.31$ and $p = .758$. These results show that the scores in the SCC Scale are not reliable in predicting or correlating with the scores in the CBS in this sample. The given correlation has a p-value, which is about 0.76 which is far more than the usual 0.05 alpha level, so it is probable that the observed correlation appeared because of chance rather than being an outcome of a causal influence, implying that the clarity of self-identity, and the tendency of an individual to engage in compulsive purchasing are independent variables in the current scenario.

H3: Identity Substitution and Emotional Dysregulation. Result: Supported.

The correlation analysis of 150 individuals found that there is a statistically significant and moderate negative correlation between problems in emotion management and self-concept clarity, $r(148) = -0.29$, $t = -3.68$, $p < .001$. Such results suggest that the more people have difficulties with their emotional control and regulation (higher DERS-18 scores), the more they describe the image of a rather unstable and unclear sense of self (lower SCC scores). The p-value of about 0.0003 indicates that the likelihood that such a correlation has been brought about by chance is below 0.1%, indicating that emotional dysregulation is a significant, but not the sole, predictor of poor self-concept clarity.

H4: Overconsumption and Debt-Risk Behavior.

Result: Strength of result Supported with strong correlation.

150 participants were analysed, which showed that there is a statistically significant and a very strong positive correlation between the scores of financial management behaviour and the compulsive buying, $r(148) = 0.89$, $t = 24.17$, $p < .001$. These results suggest that the more disciplined or effective people are in financial management (the more high FMBS scores they have), the higher the scores on the CBS they report, which is generally assigned to less compulsive purchasing habits. The p -value of about 3.04×10^{-53} implies that the likelihood that such a correlation would happen by chance is virtually zero, and the implication is that sound financial management practices are an effective and highly predictive indicator of less compulsive buying behaviour.

Table 3
t- Test

Relationship	<i>r</i>	<i>t</i>	<i>p</i>	<i>SE</i>	<i>M</i>	<i>SD</i>
DERS-18 & CBS	-.86	-20.24	<.001	.042	54.80	10.35
SCC & CBS	.03	0.31	.758	.097	35.38	7.57
DERS-18 & SCC	-.29	-3.68	<.001	.079	39.58	7.34
FMBS & CBS	-.89	24.17	<.001	.037	44.39	5.59

DISCUSSION

The present study explored the factors that drive young adults to overconsume with regard to fads and making debts by looking into the relationship among self-concept clarity, emotional dysregulation, compulsive buying, and money management behaviours. The hypothesis was made by considering an integrated approach to the psychological aspects, which meant that the vulnerabilities of the self-perception and emotion regulation would lead to over-spend which would consequently lead to a rise in financial risk. The results partly prove this point of view, yet they contribute to a better understanding of the interconnection between internal psychological processes and external financial outcomes.

Emotion as a Foundation of Self-Concept Clarity.

Among the most notable conclusions is the fact that the relationship between self-concept clarity and emotional dysregulation is significantly negative ($r = -0.29$), where those who are not clear about their self-identity are those who are likely to have a difficult time gaining emotional knowledge. Regression analyses revealed that self-concept clarity was an important predictor of emotional dysregulation ($p < .001$), which implies that a clear sense of self is a platform on which emotional regulation is effective. This is in line with the developmental and clinical theories that posit that a sense of self is a protective factor of emotional resilience, and that confusion of identity may augment emotional responsiveness and susceptibility. Differently put, there seems to be a strong sense of self-identity, which is a psychological buffer against low emotional regulation.

Although identity processes were used as a hypothesis in influencing compulsive buying, the present results indicate a deviation of the identity substitution model in this particular sample. Self-concept clarity and compulsive buying did not have any significant relationship ($r = 0.03$, $p = .758$). This

points out to the fact that these participants did not necessarily have an internal sense of self which did not directly relate to external sources, including brands or possessions, to make self-identity. It is contrary to symbolic and compensatory consumption theories in this case, which presupposes that material possession might not be employed as a compensatory tool to receive a sense of belonging or confirmation.

It is important to note that the expectations of a positive relationship between emotional dysregulation and compulsive buying were met. As anticipated, a strong inverse relationship was observed ($r = -0.86$, $p < .001$); because lower scores on the CBS signify higher levels of compulsive buying, this negative correlation indicates that increased emotional dysregulation is associated with greater compulsive buying behavior. This finding is consistent with previous studies suggesting that individuals often engage in shopping as a primary mechanism for managing negative affect or "bad moods." Within this sample, the data suggests that emotional dysregulation acts as a significant driver for active overconsumption, rather than leading to behavioral inhibition or the use of alternative social and interpersonal coping strategies.

Compulsive buying, as hypothesised, had a strong correlation with financial management practices, but the direction of the relationship in the data ($r = 0.89$) is that of complex co-occurrence. In this sample, individuals who reported compulsive buying behaviours were also found to have an elevation in the financial management behaviour scale. This can be an example of the fact that debt risk is an economic and a psychological issue, as people can be overly concerned with their management behaviours as they manoeuvre through lapses of impulsive purchasing. This may be due to the lack of a stable financial situation, increased use of credit cards, and lack of future planning caused by frequent impulsive buying. More importantly, this result depicts that debt risk arises through a dysfunctional behavioural model that is prompted by emotional and identity-related susceptibilities.

Results of the integrative position of identity in emotional well-being are consistent with the literature surveyed in this research. The strong correlation between self-concept clarity and emotional dysregulation ($r = -0.29$) confirms the synthesis by Rodrigues (2021) who clarified that self-concept clarity and emotion regulation are coherent individual predictors of psychological stability. Moreover, the fact that the SCC predicts DERS-18 in this study has a weight as it is experimentally proven that by improving emotional intelligence and self-awareness, maladaptive affective responses can be mitigated (Lekavicianene, 2022).

This implies that, a well-defined sense of self is the internal compass required to withstand emotions. Funny enough, lack of significant relationship between SCC and compulsive buying ($r = 0.03$) in this sample is contrary to various recent studies. As an example, de Koning (2024) found low self-concept clarity to be one of the main factors that lead to clothing overconsumption, and the need to constantly update as a way of identity signaling. On the same note, Sabah (2017) indicated that low identity clarity normally leads to an increased dependence on material items as a form of identity by a consumer. The difference in the present results could be attributed to the cultural or contextual aspects observed by Nguyen and Nguyen (2025), in which social interactivity and the sensation of Fear of Missing Out (FOMO) might dominate individual identity clarity as the key stimulus of spontaneous purchases in the digital setting.

The relationships among the variables are consistent with clinical expectations, as a significantly strong negative correlation was observed between emotional dysregulation and CBS scores ($r = -0.86$).

Because lower scores on the CBS represent higher levels of compulsive buying, this inverse numerical relationship confirms that emotional distress and poor impulse control are direct predictors of online buying pathology. This aligns with classic models, such as Dixit (2024) and Kaur et al. (2019), which define a strong positive behavioral link between psychological vulnerability and compulsive consumption. Furthermore, these results support the findings of Jaspal et al. (2020), who identified that emotional vulnerability often triggers compulsive buying as a primary coping mechanism. Rather than exhibiting cognitive resistance (Li, 2024) or behavioral withdrawal, the participants in this sample appear to engage in compensatory consumption, as described by Adamczyk (2021), using material acquisition to mitigate the effects of high emotional dysregulation.

Lastly, the strong relationship between compulsive buying and financial management behaviors ($r = 0.89$) supports the behavioral route to debt risk behavior that is described in recent literature. Kaur et al. (2019) already pointed out a close connection between impulse buying and the future inability to save. The simultaneous existence of these behaviors in the existing data could be an indication of the low salience of payment found by Kurniawan et al. (2025) and Nusir (2025). With the decreased frequency of psychologically painful payments afforded by modern payment systems such as Buy Now, Pay Later (BNPL) (Kumar, 2024; Izham et al., 2025), the young adults could be forced to inhabit a hyper-management state in order to balance the high rate of impulse-driven and trendy buying with the help of these online credit options.

Conclusively, this study highlights the multi-dimensional interdependence between psychological susceptibility and financial actions among young adults, which is in most cases non-linear. Although the evidence confirms the argument that a stable self-concept is a crucial element in the emotion-regulating process, the research disproves the old school of thought that identity confusion may be the immediate triggering factor of compulsive spending. Rather, the findings indicate that contemporary consumption is very responsive to external digital spaces and the contextualization of the financial instruments, which are able to decouple inner emotional states with buying behaviors.

By pointing out the vehement association between compulsive desires and the attempt to cope with them, this paper indicates that the fiscal health of young adults is not just a question of increasing literacy, but a psychological strain caused by frictionless online trading. Any intervention in the future should hence go beyond mere budgeting ability to include identity-strengthening and emotion-management tools, which will offer a more comprehensive approach to developing sustainable economic fitness in an ever-impulsive market.

IMPLICATIONS

The present findings carry important theoretical, clinical, and financial implications. First, the study reinforces dominant "retail therapy" and emotional coping models of consumer psychology by demonstrating a strong association between emotional dysregulation and compulsive buying (as indicated by lower CBS scores). This suggests that for young adults, excessive consumption serves as a primary coping response to psychological distress; rather than resulting in behavioral withdrawal or cognitive resistance, higher emotional disorganization appears to manifest directly as increased spending. Theoretically, this validates existing models by confirming that the relationship between emotion and consumption remains a robust and predictable link across diverse samples. Clinically, these results highlight the need for interventions that focus on emotional regulation as a core strategy for mitigating the financial and psychological risks associated with compulsive buying behavior.

Second, the findings highlight self-concept clarity as a foundational psychological variable. The significant negative association between self-concept clarity and emotional dysregulation suggests that identity stability may serve as a protective factor for emotional health. However, the absence of a direct link between self-concept clarity and compulsive buying indicates that identity substitution through material goods may not be a universal mechanism among young adults. This has implications for consumer identity theories and suggests that symbolic consumption may vary across developmental or cultural contexts.

Third, the strong association between compulsive buying and financial management behaviour suggests that debt-risk behaviour is not merely a matter of financial illiteracy. Instead, it reflects a psychological tension between impulse and control, where individuals may attempt to compensate for spending tendencies through heightened financial management efforts. This implies that financial education alone may be insufficient; interventions must incorporate emotional regulation and identity-building components.

Practically, the study underscores the need for psychologically informed financial interventions. Programs aimed at youth financial well-being may benefit from integrating emotion regulation training and identity-strengthening exercises alongside traditional budgeting education. In the context of a digitally driven economy, understanding the psychological underpinnings of debt-risk behaviour becomes essential for designing preventive strategies that address internal vulnerabilities rather than solely external financial behaviours.

CONCLUSION

This study explored the psychological motivation of trend-based excessive consumption and debt risk among the youth and how self-concept clarity, emotional control, compulsive purchasing patterns, and styles of financial management affect condition. It also introduced an alternative approach of looking beyond the conventional economic frameworks and offered a combined psychological view of how tensions within contributed to consumption. The results provide a distinct and, maybe, non-traditional approach to understanding the complicated interaction of identity, emotion, and financial wellbeing, which is different to a number of defined theories in the modern consumer psychology.

Among the strongest of them is the fact that self-concept clarity (SCC) is a crucial prerequisite of emotional health. Those people who were not clear on who they were showed much more emotional dysregulation ($r = -0.29$). It proves the fact that a stable sense of self is a condition of successful emotional processing. This non-self-identity, however, did not lead to compulsive buying behavior in this sample directly as opposed to the identity substitution hypothesis ($r = 0.03$). This implies that material goods may not be serving as a major symbolic substitute to a fractured self in the case of the young adults and identity-based consumption may not be a universal consumption driver.

It is important to note that emotional dysregulation showed a strong negative correlation to compulsive buying ($r = -0.86$). Increased dysregulation was closely linked to poor identity clarity, and it was an important deterrent and a stimulating factor for compulsive purchasing. This result suggests that in this cohort, along with emotional dysregulation, external factors such as behavioural withdrawal or even cognitive resistance (Li, 2024) may result instead of the kind of responses that are usually mentioned in the literature: retail therapy or coping (Dixit, 2024; Jaspal et al., 2020).

In line with the hypothesised behavioural pathway, the financial management behaviours were

significantly related to compulsive buying ($r = 0.89$). The good orientation of this relationship however indicates a high-stakes tension between impulse and control. People who had greater buying propensities also scored higher on management behaviour, which can visually explain the fact that debt-risk behaviour is not merely a financial illiteracy issue. Rather, it seems to be a complicated battle in which the management activity is enhanced to remain in step with the compulsive impulses. This brings out the fact that the risk in debt is linked with psychological mechanisms with which man balances his desire to spend with his financial situation.

All in all, this work is interwoven with emotional, identity, and money-minded points of view in one explanatory framework. It shows that mental weaknesses, especially those that are connected to emotional regulation, affect consumption in not necessarily intuitive ways. The study has identified a debt-risk behaviour as existing within the broader psychological framework, which highlights the crucial need to discuss particular strategies in which emotional and identity-related processes appear in a digital economy.

Research Limitations and Gaps.

1. **Self-Report Bias:** The use of self-report scales (DERS-18, SCC, CBS, FMBS) creates the risk of social desirability bias. Compulsive tendencies may have been underreported or financial management skills overreported by participants to make them appear more responsible.
2. **Lack of Digital Stimulus:** Although the literature review observed the importance of Digital Stimulus namely Buy Now, Pay Later (BNPL) and influencer marketing, this study has not specifically measured the exposure of the participants to these two digital stimuli, which might be a strong confounding variable.
3. **Cultural Specificity:** The research has not clearly considered the cultural difference in "Self-Concept." Identity is interdependent in other cultures (family-oriented), and this may be the reason why the relationship between identity substitution (SCC to CBS) was not significant in the present sample.

Future Recommendations

1. **Longitudinal Tracking:** Future researches ought to utilize longitudinal designs to follow young adults with many years. This would assist in establishing the tipping point at which the emotional dysregulation would cease to be a spending inhibitor and become a spending catalyst.
2. **Experimental Control of Stress:** The experimenters are required to manipulate stress with experimental approaches by creating mild emotional stress and monitoring real-time spending decisions. This would offer better evidence on the theory of "Cognitive Resistance" (Li, 2024) that they touched upon in the discussion.
3. **Implicit Measures ought to be incorporated:** To eliminate the self-report bias, in future studies, implicit association tests (IAT) could be used to gain a greater insight into identity substitution that participants may not consciously perceive, i.e., Identity-Brand.
4. **Digital Environment Metrics Inclusion:** Future models need to include variables like: Hours spent on Social Media, or Number of BNPL apps used in order to observe how the digital environment mediates the effect of DERS on CBS.
5. **Qualitative Exploration of "Withdrawal"** Qualitative interviews would be suggested to those with a high score on the DERS-18. This would assist in finding out the reason why they are not spending it is because of lack of energy, they have lost interest (anhedonia) or because they made a decision not to trigger it.

6. Specific Psychological-Financial Interventions: As SCC can be regarded as a strong predictor of DERS, the interventions are to be directed to identity-building exercises as one of the methods to stabilize emotions and, consequently, financial management.
7. Comparison Across Age Cohorts: Comparable analysis across Gen Z, Millennials and Gen X might provide insight into whether the negative relationship between dysregulation and spending is a generational issue or a psychological phenomenon.
8. Test of Curvilinear Relationships: Future statistical tests ought to check the non-linearity of relationships so as to determine whether there exists a best level of emotional arousal that is the cause of consumption to the behavioral shut down exhibited in the current study.

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