



FOMO (Fear of Missing Out) – A New Strategy in Marketing Influencing Consumer Purchase Decision – Review Based Paper

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Abstract

The current paper contributes to the theoretical understanding as well as examination of FOMO in marketing and consumption field. The main aim of the study is to investigate the effects of FOMO tendencies on consumer consumption. This study will help firms to establish long-term and sustainable marketing plans through developed debates and discussions on FOMO being a factor influencing consumer purchase decisions.

Keywords – social media, fear of missing out and consumer purchase decision

Introduction

Many digital tools have emerged as a result of the information age. One of the tools is social media network sites like Facebook, Twitter, and Instagram, which are becoming increasingly popular around the world. A huge portion of the global population participates in social media activities, which has influenced people's lifestyles. Perhaps businesses must also adjust to this transformation by participating actively in social media.

Many consumers boost their social media engagement to take advantage of social media opportunities, resulting in FOMO (fear of missing out). Meanwhile, social media weariness refers to the sensation of being overburdened by social media use.

Consumer behaviour researcher Dan Herman created the term "FOMO" in 1996, before social media took over our lives. FOMO is the feeling of being left out or excluded from good events that others are having. We are now exposed to vast numbers of people who check in at restaurants, post vacation images, and post status updates boasting about the amazing party they just attended or the newest smartphone they just got thanks to social media.

The phenomenon has immense marketing potential and should not be overlooked. More than half of social media users say they're worried about missing something significant, such as breaking news, an event, or a status post, and they take precautions to avoid it. The acronym "FOMO" stands for "fear of missing out," and it refers to the worry that comes from reading other people's posts about where they are and what they're doing on social media. FOMO may be a useful tool for marketers, and it isn't just restricted to social media.

The current paper studies role of FOMO in influencing consumer purchase decision.

Research Objectives of the Study

1. The study aims to frame conceptual model on FOMO as an influential tool on consumer purchase decision.

Significance of the Study

Because FOMO has the capacity to affect consumers' experience-related attitudes and actions, marketing scholars and practitioners should be aware of FOMO and its potential to increase sales. The conclusion derived from the study is expected to benefit the global companies in understanding as to how to re design their marketing strategies to influence consumer purchase decisions and to face and beat the competitive market.

Limitations of the Study

Due to Time and Geographical constraint the study was restricted only to secondary data collection. The findings and conclusion of the study showcases the conceptual model of the study. As a road ahead the conceptual model can be tested with the conduct of primary source of data collection.

Research Methodology

The search for answers to the research questions calls for data collection. Data was collected from secondary sources. The researcher used research journals, research articles to extract the variables creating FOMO and learn the objectives of the study.

Review of literature on role of FOMO (Fear of Missing Out) to social media viewers influence their Purchase Decision.

Theoretical Background of Social Media and FOMO

Today, in the new-fangled generation, the web has become an significant tool for education, entertainment, communication, and information-sharing (Krishnamurty and Chetlapalli, 2015). It's noticed that the use of social media has also increased with the widespread use of internet within the individual life (Demir and Kumcağız, 2019). It's possible to define the concept of social media in the simplest terms as online platforms that people can interact with one another (Sayimer, 2008). Today, many networks with social media features are often mentioned. These mediums afford quick access to real-time information about the activities, events, and conversations happening across diverse social networks. (Przybylsk et al. 2013).

The degree of the usage of the internet and social media is growing day by day. In 2019 the amount of internet users within the world reached 56% of the world population. just one year ago, this rate was 53%. When it comes to social media, while in 2018 the usage rate was 42% of the planet population, in 2019 the speed increased to 45%. to precise approximately, it are often said that 3 out of 4 internet users also use social media.

Social media, which provides the opportunity to constantly receive information from the social environment, has also caused some problems. The Fear of Missing Out (FOMO) is one among these problems. FOMO is an anxiety or apprehension round the idea that others might be experiencing something that you're not. it is the fear that your experiences aren't ok when compared to those of others (Jones, 2016). In another study, defined as a pervasive apprehension that others could be having rewarding experiences from which one is absent,

FOMO is characterized by the will to stay continually connected with what others are doing (Przybylsk et al. 2013). FOMO is taken into account a form of social anxiety, a compulsive concern that one might miss an opportunity for social interaction, a completely unique experience, or another satisfying event, often aroused by posts seen on social media sites (Dossey, 2014). it's seen that the studies about the concept defined as FOMO are generally related to the use of the internet/social media. the rationale for this could be the fact that social media is seen as a platform that feeds FOMO.

In a study about FOMO, it's suggested that FOMO is the driving force behind the use of social media and that it is more common among young people. Also, it's stated that FOMO reduces general life satisfaction (Przybylsk et al. 2013). And in another study, it's identified that FOMO increases the impulse of buying (Çelik et al. 2019).

FOMO and its power to affect purchase decision and consumer consumption.

It has been observed that the relationship between FOMO and demographic characteristics has also been examined within the literature. In a study conducted in this context, it had been determined that FOMO was inversely proportional to age and education level (Özcan and Koç, 2019).

Moreover, although sometimes it's not noticed that it is caused by the effect of FOMO, it can be observed that folks can do the things they do not want to do in order not to miss out on something. (Dembling, 2011).

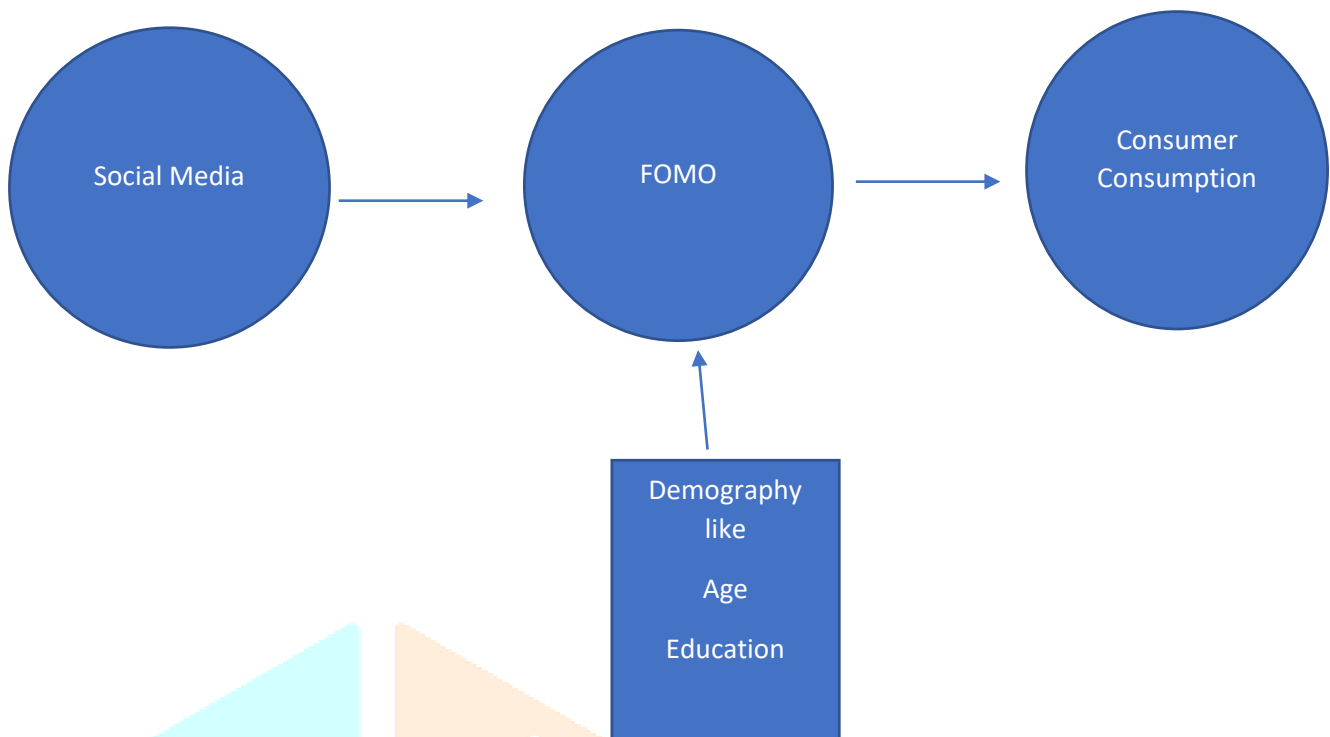
Furthermore, it's indicated that intense feelings of one "missing out" have the power to influence buying decisions. It had been stated that individuals could sometimes choose to buy more different or expensive products for fear of missing out.

Unlike the academic literature, the FOMO phenomenon has received a lot of attention in the business world. Commercial industries have capitalised on this concept, according to Hodkinson (2016), by deploying FOMO-based advertising appeals geared at the young adult market.

According to Hodkinson (2016), the FOMO phenomenon is creating momentous sales revenue in both items and services. FOMO is a motivational construct by nature, and as such, it can inspire customers to act in ways that result in positive consequences (University of Southern Queensland, 2017). When it comes to anticipating future FOMO, individuals may be motivated to act and participate in a social activity by either an inner want to connect with others or an extrinsic desire to avoid social punishment. FOMO can have a good impact on people by motivating them to step outside of their comfort zone, meet new people, and try new things.

FOMO can promote consumer expenditure since it motivates people to do more (Abel et al., 2016; Vaughn, 2012). Companies are currently using a lot of FOMO appeals in their advertising campaigns. At now, it had been observed that FOMO affected the behaviours of buying. Herman previously stated in 2000 that he feels FOMO as a motivation is one of the key drivers in the decrease of brand loyalty. It is therefore an important consideration for managers and marketers. "While understanding the fear of missing out has always been vital for marketers, it has become much more significant for businesses, as today's increased FOMO drives behaviours on social media sites and, as a result, real-world customer actions and self-perceptions" (JWT, 2012, p.13).

Conceptual Model of the study



Conclusion and Suggestions

Fear of missing out' (FOMO) is a current however widely identified phenomenon. Some emotional antecedents of FOMO, including anticipated elation and anticipated envy from different humans, can raise FOMO. Different emotional antecedents, along with comforting rationalizations, can lower FOMO. Due to the fact FOMO can affect consumers' revel in-associated attitudes and behaviors meaningfully, it behooves advertising and marketing pupils and practitioners to understand FOMO and the potential of FOMO-weighted down appeals to increase sales. Thus the review based research findings show that some events can lead to heightened emotions of FOMO and, as a result, higher purchase intent.

Suggestions

1. Capitalise on the Strength of FOMO

Brands should be engaged on social media to capitalise on the power of FOMO. It is suggested to the marketers to take advantage of Facebook live broadcasting chances.

2. Customer Centric

Allow customers to receive exclusive admission to an event to encourage them to interact with the company, making it one of the most popular types of social proof.

3. Use of Promotional Tools to Connect with FOMO

Using wait lists, restricted availability, and time constraints to create an appearance of exclusivity is a highly effective way to harness the power of FOMO.

4. FOMO an element as influencer on social media

FOMO can be a factor when it comes to social influencer marketing. When users start engaging with brand, they want to be a part of it. Using user-generated information, such as images and films shared on social media, is a good method to prevent causing animosity among those who can't attend.

5. Strike a Balance while incorporating FOMO in marketing

Remember to establish a balance when incorporating FOMO into a marketing strategy. Overdoing it can irritate customers, but doing too little is unlikely to yield results. FOMO in marketing may generate excitement and anticipation, prompting customers to act, allowing the brand to expand, improve sales, and enhance profits.

Road Ahead

Despite the study's novel character and evolutionary potential, it has numerous drawbacks. First, depending on the extent of Fomsumerism's maturation potential, more reasons and hypotheses could be included in FOMO-based consumption. In light of various possible explanations and ideas, the findings of this study suggest that researchers should analyse each component of this phenomenon separately.

Other purchasing patterns associated with this phenomenon, such as ostentatious consumption, the drive for uniqueness, and personality qualities, should be studied in the future. As a result, the theoretical framework given here may be insufficient to properly explain the occurrence. However, the fundamental goal of this research was to create a broad frame around the phenomena, which represents consumerism that emerges on the internet.

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