



## **Analysis Of The Impact Of Social Media, Fear Of Missing Out (FOMO), And Income On The Consumer Behavior Of Millennials In Medan City**

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**Abstrak** : This study investigates the influence of social media and income on consumer behavior among millennials in Medan City, with Fear of Missing Out (FOMO) serving as a mediating variable. The research is motivated by the growing trend of digital consumerism and the psychological pressure faced by the younger generation in maintaining social relevance. Utilizing a quantitative approach, the study employs Partial Least Squares Structural Equation Modeling (PLS-SEM) through SmartPLS 4.0 to analyze data collected from 100 respondents—millennials who are active social media users and have engaged in online shopping within the last three months. The findings reveal that social media significantly affects both FOMO and consumer behavior. Income does not directly influence consumer behavior, but significantly impacts FOMO. Furthermore, FOMO fully mediates the relationship between income and consumer behavior, and partially mediates the relationship between social media and consumer behavior. These results highlight FOMO as a key psychological mechanism driving consumption in the digital era, often overriding traditional economic rationality. This study contributes to the growing literature on digital consumer psychology by integrating economic and psychological variables within a unified model. Practically, the findings offer insights for policymakers, educators, and marketers to design effective interventions that promote financial literacy and responsible digital consumption among youth.

**Keywords:** Social Media, FOMO, Income, Consumer Behavior, Millennials, Digital Psychology

## INTRODUCTION

Social media has become one of the main drivers in the transformation of consumption behavior. Platforms like Instagram, TikTok, and YouTube have become virtual social spaces where millennials share their consumption experiences while also gaining social validation. Consumption among the younger generation has shifted to symbolize social status and the desire to be part of a community deemed relevant (Saavedra & Bautista Jr., 2020). Social media algorithms that amplify viral content accelerate this process by continuously shaping new needs through exposure to engaging visual content.

This phenomenon is also very evident in Medan City, the third largest metropolitan city in Indonesia. The high penetration of the internet and the active participation of the younger generation in social media make this city a fertile ground for the development of a consumerist lifestyle. Nearly 60% of the city's population is of productive age, the majority of whom are millennials (BPS, 2023). A survey by the Institute for Social and Economic Research at USU shows that 63% of millennials in Medan make purchases influenced by social media, and 58% of them admit to being driven by the fear of missing out on trends (USU, 2023).

Fear of Missing Out (FOMO) is a psychological phenomenon that arises due to digital social pressure. FOMO describes a psychological condition where someone feels they must continuously engage in social activities or consumption to avoid falling behind their environment. FOMO is a strong driver of consumption among millennials and Generation Z, as consumption decisions are often based on the desire to appear relevant, rather than actual needs (Pane et al., 2024).

FOMO is also closely related to impulsive buying. FOMO is the main cause

of over-spending among young people, where consumption is no longer rational but emotional (Tippmann, 2023). The pressure of FOMO can also trigger anxiety and loneliness, which ultimately exacerbates the cycle of consumption as a psychological escape (Bernard, 2020). On the other hand, income remains an important economic factor in shaping purchasing power. However, in the context of FOMO and social media, income can function as a moderating variable. High-income millennials may be able to directly satisfy their consumer impulses, while those with lower incomes tend to utilize alternative financing facilities such as paylater services. Low financial literacy causes many young people to use paylater services to support a consumer lifestyle that does not match their financial capabilities (Pratama et al., 2024).

This shift has created conditions where consumption is no longer merely about fulfilling needs, but has become an existential instrument continuously shaped and influenced by the digital environment. The city of Medan, with its multi-ethnic characteristics, complex social structure, and rapidly developing urban lifestyle, becomes an interesting context for further research.

Previous studies have extensively discussed the relationship between social media, FOMO, and consumption, but most have not integrated income aspects as an important variable in explaining consumer behavior. For example, the influence of social media on purchase intentions was studied in the context of Balinese culture (Dwisuardinata & Darma, 2023). Other research focuses more on the psychological aspects of FOMO, without explicitly including economic factors (Pane et al., 2024). The study by Saavedra and Bautista Jr. is cross-cultural and does not directly address the local

dynamics of Indonesia (Saavedra & Bautista Jr., 2020).

Therefore, this research aims to fill the academic gap by examining the influence of social media and income on the consumption behavior of millennials in Medan City, with FOMO as a mediating variable.

The quantitative approach with path analysis is used to map direct and indirect causal relationships between variables. This model allows researchers to understand not only whether there is an influence but also how that influence occurs and through which pathways the effects operate.

This research is expected to provide theoretical contributions to the development of digital consumer behavior studies, as well as practical contributions for stakeholders in designing educational policies for the younger generation, including the enhancement of digital and financial literacy. More broadly, the findings of this research will be relevant not only to the city of Medan but also to other major cities in Indonesia that are experiencing similar dynamics in the current digital era.

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However, there remains a notable gap in the literature namely, the absence

of integrative studies that examine how psychological (FOMO) and economic (income) variables simultaneously influence consumer behavior within the framework of social media exposure. Most existing studies treat these variables in isolation, ignoring their potential interactive effects, especially in urban settings like Medan City where digital penetration and youth consumerism are rapidly expanding (Dwisuardinata & Darma, 2023; Pane et al., 2024; Saavedra & Bautista Jr., 2020).

This study aims to fill that gap by proposing a mediational model that places FOMO as a psychological bridge between social influences (social media) and economic capacity (income), thereby explaining how digital-era consumption patterns emerge among Indonesian millennials. This approach not only advances theoretical integration but also enhances contextual relevance by focusing on a highly dynamic, yet understudied, urban population in Indonesia (Bernard, 2020; Tippmann, 2023).

## LITERATURE RIVIEW

### Theory of Consumer behavior

Consumer behavior is a pattern of excessive consumption of goods or services without considering real needs and economic rationality, and it prioritizes emotional or symbolic aspects (Assael, 2001). Consumption is no longer merely about fulfilling basic needs, but has transformed into a means of expressing identity, social status, and self-existence.

From the perspective of consumer psychology, impulsive buying is usually preceded by external stimuli such as advertisements or social media content, and reinforced by internal stimuli such as momentary emotions, the urge to be accepted in a social group, or the fear of

missing a particular moment (Azalika, Iqbal, & Susanti, 2025).

### **Social Media as a Driver of Consumer Behavior**

Social media plays an important role in shaping consumer behavior, especially through features such as viral content, influencer marketing, and live shopping. Social media creates an environment that constantly exposes users to a consumptive lifestyle, which in turn shapes the social perception that consumption is a means of self-actualization.

On the other hand, (Bernard, 2020) states that intensive use of social media is also related to increased feelings of loneliness and social pressure. In this context, consumption becomes an emotional compensation for individuals who feel left out of their group.

### **Fear of Missing Out (FOMO) as a Psychological Variable of Consumption**

The concept of FOMO is defined as the fear of missing out on experiences or information that others are having, which drives individuals to always stay connected and follow ongoing trends. This phenomenon has become very dominant in the digital era, where information spreads very quickly and

creates a unique psychological pressure for its users (Tippmann, 2023).

FOMO has also been studied in the Islamic context by (Alvi, 2024), which shows that this phenomenon has ethical and religious dimensions. In the perspective of Islamic economics, FOMO can trap individuals in attitudes of *israf* (excessiveness) and *tabdzir* (wastefulness), both of which are prohibited in the principles of *shariah muamalah*.

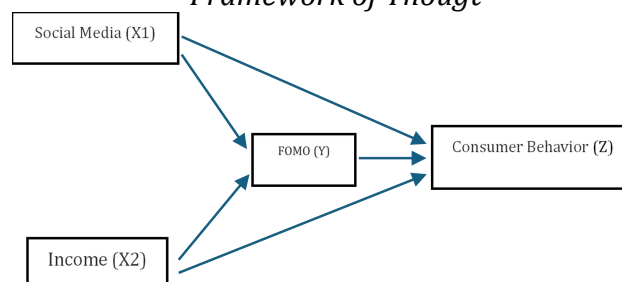
### **Income and Consumption Capacity of Millennials**

Income is a rational determinant in consumption behavior. According to classical Keynesian theory, the higher the income, the greater the likelihood of consumption. However, in the modern context, especially among the millennial generation, consumption does not always correlate directly with actual income.

This phenomenon was also observed by (Aziz, 2023), who showed that even low-income millennials continue to invest or consume aggressively due to FOMO, despite the fact that such actions are economically irrational.

### **Theoretical Framework (Synthesis)**

Figure 1.  
*Framework of Thought*



### **METHOD**

This research uses a quantitative approach with an associative causal design to examine the influence of social media, Fear of Missing Out (FOMO), and income on the consumer behavior of

millennials in Medan City. The analysis was conducted using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method with the help of SmartPLS 4.0 software due to its ability to handle predictive models with small

samples and without the assumption of normal distribution (Hair et al. , 2019).

The research population consists of millennials (aged 29–44 years) residing in Medan City, active on social media, and with online shopping experience in the past three months. A sample of 100 respondents was determined using purposive random sampling, in accordance with the minimum limits recommended by Roscoe and Hair et al (Hair et al. , 2019).

Data were collected through an online questionnaire using a five-point Likert scale. The indicators for each variable were developed from previously validated research. Data analysis includes testing the validity and reliability of the instrument using outer loading values, AVE, Cronbach’s Alpha, and Composite Reliability. Next, hypothesis testing will be conducted using the bootstrapping technique.

## RESULTS AND DISCUSSION

### Testing Data Quality Through Outer Model Assessment (Measurement Model)

Data Quality Testing Through Outer Model (Measurement Model) Assessment  
The data analysis technique using SmartPLS involves several criteria used to assess the outer model or measurement model, namely: convergent validity, discriminant validity, and consistency reliability (Hair, 2010).

#### Convergent Validity

The initial step taken in this research aims to measure the extent to which the construct measure positively correlates with an alternative measure of the same construct. This assessment can be conducted using data that has been processed through the loading factor value. The initial stage of this research involves the development of a measurement scale by setting the loading factor value at 0.7 (Vinzi et al., 2010). After setting the loading factor threshold at 0.7, an analysis was conducted on the data processed using SmartPLS, the results of which can be seen in the following table.

Table 1.  
*Convergent Validity*

	X1	X2	Y	Z
X1.1	0.830			
X1.2	0.884			
X1.3	0.864			
X1.4	0.871			
X1.5	0.826			
X2.1		0.877		
X2.2		0.809		
X2.3		0.799		
X2.4		0.868		
X2.5		0.803		
Y1.1			0.812	
Y1.2			0.910	
Y1.3			0.891	
Y1.4			0.952	
Y1.5			0.907	
Z. 1				0.830
Z. 2				0.780
Z. 3				0.875
Z. 4				0.866
Z. 5				0.819

Based on the table above, it can be seen that all indicators meet the 7% significance value requirement and have loading factor values above 0.7. Thus, the construct is considered valid and meets the validity criteria because its loading factor is above 0.7. The next step is to assess convergent validity through the

AVE (Average Variance Extracted) value. If a model has an AVE value above 0.6, then the model is categorized as having high convergent validity. After eliminating the factor loadings below 0.6, this model produces the following AVE values (Hair, 2010).

Table 2.  
*Average Variance Extracted*

	<b>Cronbach's alpha</b>	<b>Composite reliability (rho_a)</b>	<b>Composite reliability (rho_c)</b>	<b>Average variance extracted (AVE)</b>
<b>X1</b>	0.909	0.917	0.931	0.731
<b>X2</b>	0.889	0.895	0.918	0.692
<b>Y</b>	0.937	0.940	0.953	0.802
<b>Z</b>	0.891	0.891	0.920	0.697

Based on the table above, the AVE (Average Variance Extracted) value of each construct in the model shows results above 0.6. This indicates that the data used in this study have met the requirements for convergent validity. The combination of outer loading assessment and AVE test indicates that the data in this study is convergently valid and can proceed to the next stage of analysis.

#### **Discriminant Validity Test**

Discriminant validity testing is an important step in ensuring that the

indicators used in the research variables have unique values and are only related to the intended construct, and are not mixed with indicators from other variables. To ensure good discriminant validity in the research model, two main stages need to be carried out, namely cross loading analysis and the Fornell-Larcker Criterion. The results of the cross-loading test using SmartPLS in this study can be seen as follows:

Table 3.  
*Discriminant Validity Test*

	<b>X1</b>	<b>X2</b>	<b>Y</b>	<b>Z</b>
<b>X1.1</b>	0.830	0.578	0.766	0.636
<b>X1.2</b>	0.884	0.532	0.805	0.596
<b>X1.3</b>	0.864	0.493	0.630	0.548
<b>X1.4</b>	0.871	0.611	0.606	0.576
<b>X1.5</b>	0.826	0.581	0.496	0.526
<b>X2.1</b>	0.569	0.877	0.558	0.691
<b>X2.2</b>	0.382	0.809	0.484	0.680
<b>X2.3</b>	0.415	0.799	0.514	0.590
<b>X2.4</b>	0.660	0.868	0.572	0.830
<b>X2.5</b>	0.635	0.803	0.664	0.780
<b>Y1.1</b>	0.565	0.533	0.812	0.691
<b>Y1.2</b>	0.684	0.692	0.910	0.754
<b>Y1.3</b>	0.763	0.603	0.891	0.629
<b>Y1.4</b>	0.788	0.605	0.952	0.663
<b>Y1.5</b>	0.715	0.594	0.907	0.698

	X1	X2	Y	Z
Z.1	0.660	0.868	0.572	0.830
Z.2	0.635	0.803	0.664	0.780
Z.3	0.516	0.662	0.634	0.875
Z.4	0.485	0.659	0.612	0.866
Z.5	0.504	0.591	0.710	0.819

Based on the table above, the method used to measure cross loading shows that the indicators of each construct have higher values compared to the indicators of other constructs. This indicates that each construct has good discriminant validity. The next stage in the analysis is to test the research data using the Fornell-Larcker Criterion. To

ensure good discriminant validity in a research model, the square root of the AVE (Average Variance Extracted) for a construct must be higher than the correlation between the construct and other latent variables. The results of the Fornell-Larcker criterion obtained in this study can be seen in the table as follows.

Table 4.  
*Fornell-Larcker*

	X1	X2	Y	Z
X1	0.855			
X2	0.652	0.832		
Y	0.788	0.678	0.895	
Z	0.678	0.868	0.766	0.835

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#### **Composite Reliability**

According to (Hair, 2014) The CR (Composite Reliability) value that is specifically acceptable in research is between 0.70 and 0.80. A construct can be said to have high reliability if its value is 0.70. The table of composite reliability values is as follows. As for the composite reliability value table, it is as follows.

Table 5.  
*Composite Reliability*

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
X1	0.909	0.917	0.931	0.731
X2	0.889	0.895	0.918	0.692
Y	0.937	0.940	0.953	0.802
Z	0.891	0.891	0.920	0.697

Based on the table above, it can be concluded that all constructs in this study are reliable, with composite reliability

and Cronbach's alpha values above 0.70. This indicates that all variables in the research model have good internal

consistency reliability. Based on the results from the previous table, this study also has good convergent validity, discriminant validity, and internal consistency reliability.

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### Structural Model Testing (Inner Model)

The testing of the structural model (Inner Model) aims to determine the relationships between constructs, significance values, R-square, and the overall research model. The Partial Least Squares (PLS) method is used to evaluate the model, starting with examining the R-square value for the dependent variable. R-square measures the proportion of variability that can be explained by the independent variables in the model.

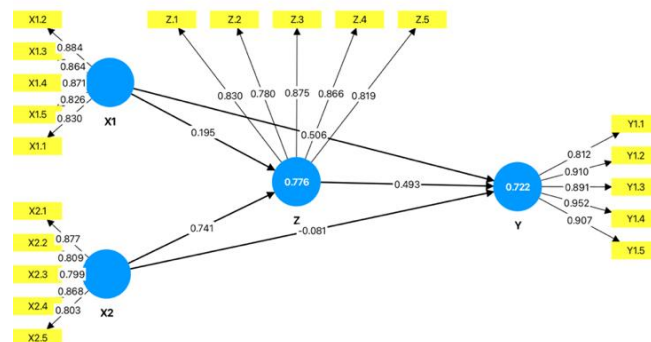
Table 6.  
*R-square*

	R-square	R-square adjusted
Consumer Behaviour (Y)	0.722	0.713
FOMO (Z)	0.776	0.771

The table above shows an R-Square value for the FOMO variable of 0.776, which means that 77.6% of FOMO variability can be explained by income and social media, while 23.4% is influenced by other factors not examined in this study. Meanwhile, for consumer

behavior, an R-Square of 0.722 indicates that 72.2% of the variation in consumer behavior can be explained by income, social media, and FOMO, while 27.8% is influenced by other factors not included in this study.

Figure 2.  
*Structural Model Testing*



### Hypothesis testing

In hypothesis testing, the indicator used is the value found in the output path coefficients resulting from the structural model estimation using the bootstrapping method in the SmartPLS application.

The bootstrapping process is carried out to produce a more robust distribution of t-statistics by repeatedly resampling the data. The output generated shows the relationships between variables in the

structural model, where the path coefficients indicate the strength of the relationships between variables, while the p-value and t-statistic are used to test the significance of those relationships.

Here is the estimation output table for the structural model testing, which illustrates the relationships between variables and the significance of each relationship:

Table 7.  
*Hypothesis testing*

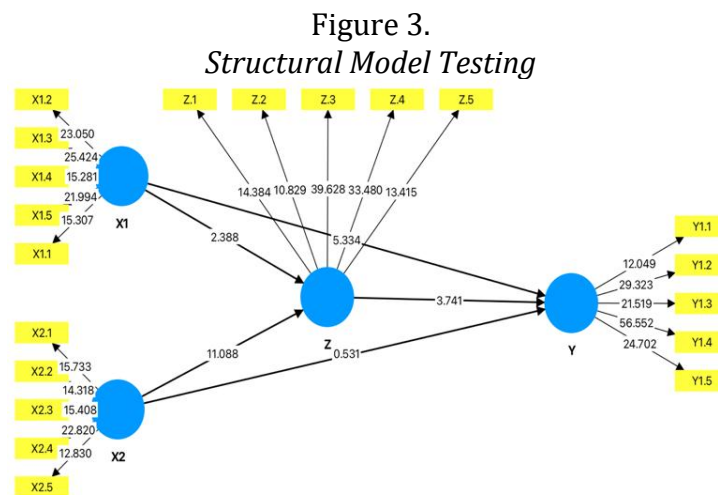
	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values
X1 -> Y	0.506	0.493	0.095	5.334	0.000
X1 -> Z	0.195	0.203	0.082	2.388	0.017
X2 -> Y	-0.081	-0.091	0.152	0.531	0.596
X2 -> Z	0.741	0.735	0.067	11.088	0.000
Z -> Y	0.493	0.499	0.132	3.741	0.000
X1 -> Z -> Y	0.176	0.206	0.089	2.699	0.001
X2 -> Z -> Y	0.365	0.364	0.091	4.026	0.0

Based on the table above, the hypothesis can be concluded as follows:

1. Testing Hypothesis H1 (It is suspected that social media significantly influences consumer behavior). Based on the table above, it can be seen that the p-value is 0.000 and the t-statistic or T-value is 5.334. Because the p-value < 0.05, H1 is accepted. So social media influences consumer behavior.
2. Testing Hypothesis H2 (It is suspected that social media significantly influences FOMO). Based on the table above, it can be seen that the p-value is 0.000 and the t-statistic or T-value is 2.388. Because the p-value < 0.05, H2 is accepted. So social media has a significant impact on FOMO.
3. Testing Hypothesis H3 (It is suspected that income does not significantly affect consumer behavior). Based on the table above, it can be seen that the p-value is 0.596 and the t-statistic or T-value is 0.531. Because the calculated T value < T Table 0.531 < 1.660 and the p-value 0.596 > 0.05, H3 is rejected. So income does not affect consumer behavior. This is because everyone will continue to consume something to meet their needs, whether they have an income or not.
4. In the H4 hypothesis test, which examines the assumption that income significantly affects FOMO, the analysis results show a p-value of 0.000 and a t-statistic (T-value) of 11.088. Because the p-value is less than 0.05, hypothesis H4 is accepted. Thus, it can be concluded that income has a significant influence on FOMO, indicating that the higher a person's income, the greater the likelihood they will experience FOMO in their consumption behavior.
5. Testing Hypothesis H5 (It is suspected that FOMO significantly affects consumer behavior). Based on the table above, it can be seen that the p-value is 0.000 and the t-statistic or T-value is 3.741. Because the p-value < 0.05, H5 is accepted. So FOMO has a significant impact on consumer behavior.
6. Testing Hypothesis H6 (It is suspected that social media significantly influences consumer behavior through FOMO). Based on the table above, it can be seen that the p-value is 0.016 and the t-statistic or T-value is 2.699. Because the p-value < 0.05, H6 is accepted. So social media influences consumer behavior through FOMO. FOMO provides a partial mediation effect as seen from the data, with the direct relationship value of social media on consumer behavior having a p-value of 0.00, while the indirect relationship value has a p-value of 0.001.

7. In the testing of hypothesis H7, which examines the assumption that income significantly affects consumer behavior through FOMO, the analysis results show a p-value of 0.000 and a t-statistic (T-value) of 4.026. Because the p-value is less than 0.05, hypothesis H7 is accepted. This indicates that income

does indeed have a significant impact on consumer behavior through FOMO. FOMO acts as a full mediating variable, where the direct relationship between income and consumer behavior shows a p-value of 0.000, while the indirect relationship has a p-value of 0.001.



### Discussion of Research Results The Relationship Between Social Media And Consumer Behavior

The research results show that social media has a positive and significant influence on the consumer behavior of the millennial generation in Medan City. The t-value of 5.334 > t-table 1.660 with a significance of 0.000 indicates that the more intensively someone uses social media, the higher their tendency to engage in consumer behavior. Social media has become the main medium in shaping lifestyles, generating desires, and driving instant purchasing decisions.

These findings are in line with the research by (Dwisuardinata & Darma, 2023), which shows that social influence through digital media increases purchase intentions. (Pane et al., 2024) also assert that social media encourages the emergence of FOMO, which impacts consumer behavior. (Saavedra and Bautista, 2020) add that Gen Z tends to

buy branded products as a form of social existence. Meanwhile, (Bernard, 2020) and (Tippmann, 2023) found that FOMO due to social media contributes to impulsive buying and overspending.

Thus, the use of social media not only affects communication patterns but also becomes an important factor in the formation of digital consumer behavior.

### The Relationship Between Social Media And FOMO

The analysis results show that social media has a significant influence on the emergence of the Fear of Missing Out (FOMO) phenomenon among millennials in Medan City. This is indicated by a t-statistic value of 2.388, which is greater than the t-table value of 1.660, and a p-value of 0.017, which is below the significance threshold of 0.05. This means that the higher the intensity of social media use, the greater the likelihood that individuals will experience FOMO, which

is the fear of missing out on trends or social experiences of others.

This finding is in line with the study by (Pratama et al., 2024), which states that social media is the main trigger of FOMO, subsequently influencing financial decisions and consumption behavior. (Gen Z. Lamba, 2021) also emphasizes that social media plays an important role in creating social pressure among millennials through excessive exposure to the lifestyles of others. A similar point was made by (Fitriyani & Akbar, 2024).

### **The Relationship Between Income And Consumer Behavior**

The research results show that the income variable does not have a significant influence on the consumer behavior of millennials in Medan City. This is indicated by the t-statistic value of 0.531, which is smaller than the t-table value of 1.660, and a p-value of 0.596, which is above the significance threshold of 0.05. These findings indicate that the level of a person's income is not the main factor in determining their consumption behavior. In other words, individuals continue to consume goods and services even in conditions of limited income, which may be caused by social pressure, emotional needs, or a lifestyle influenced by the digital environment.

This phenomenon is relevant to (Putri, 2023) findings, which state that the financial behavior of Generation Z is not always controlled by income levels, but rather influenced by psychological aspects such as love of money, FOMO, and self-control. A similar point is also explained by (Khoirunnisa, 2024), who shows that in the context of personal financial management, emotional and social aspects are actually more dominant than income factors.

(Rini, 2024) and (Azalika et al., 2025) also reinforce that the urge to shop impulsively is often not based on real

financial capability, but rather triggered by promotions, social conformity, and the fear of missing out on trends. Therefore, these results affirm that in the digital era, the consumer behavior of the younger generation is more driven by non-economic factors than by conventional financial rationality.

### **The Relationship Between Income And FOMO**

The research results indicate that income has a significant influence on the level of Fear of Missing Out (FOMO) among millennials. These findings indicate that the higher an individual's income, the greater the likelihood of engaging in trend-following behavior or contemporary lifestyles influenced by FOMO. Income becomes the main determinant in enabling individuals to respond to FOMO impulses, either through direct consumption or by utilizing financing alternatives such as personal savings, paylater services, or loans from other parties.

This result is in line with (Haeruddin, 2023) research, which emphasizes that the consumer behavior of the millennial generation is largely driven by their financial capabilities, enabling them to actively follow social trends.

### **The Relationship Between FOMO And Consumer Behavior**

The research results show that Fear of Missing Out (FOMO) has a significant influence on consumer behavior. FOMO, as a psychological condition characterized by the fear of missing out on trends or experiences of others, drives individuals to make impulsive purchases to maintain social existence or self-identity in the digital space. This phenomenon becomes increasingly apparent in the context of a digital society that is heavily influenced by the rapid flow of information through social media.

This finding aligns with (Sulianta, 2025), who states that the digital society is experiencing a shift in consumption values driven by social pressure, one of which stems from FOMO that develops due to exposure to digital content. (Rafi, 2023) even highlights that the consumerist lifestyle and conspicuous consumption among Gen Z are closely related to the need for social recognition, which is often triggered by the feeling of FOMO.

Furthermore, Hanuun in his research also explains that investment decisions through digital platforms are not separate from herding behavior and social impulses, including FOMO, which lead individuals to make decisions based on emerging trends. This is reinforced by (Manurung, 2023), who mentioned that the phenomenon of flexing on social media also triggers consumer behavior due to the pressure to conform to the social standards displayed by others.

#### **The Relationship Between Income And Consumer Behavior Through FOMO**

This research shows that income affects consumer behavior, with FOMO as a significant mediating variable. This means that although income affects consumption capacity, the urge to keep up with social trends (FOMO) becomes a psychological factor driving consumer behavior, especially among the younger generation. These findings are in line with (Assyarofi & Utami, 2024), who state that lifestyle and the use of fintech also influence students' financial behavior.

(Pardede, 2023) emphasizes the importance of economic literacy so that individuals can control their consumer impulses. Low literacy makes someone more vulnerable to FOMO. Therefore, income does not automatically lead to high consumption without the presence of psychological and social factors such as

FOMO, which reinforces consumer tendencies in the current digital era.

#### **The Relationship Between Social Media And Consumer Behavior Through Interest**

The research results indicate that social media has a significant influence on consumer behavior through the mediation of Fear of Missing Out (FOMO). This means that high exposure to social media content can create a fear of missing out on certain trends or moments (FOMO), which ultimately drives consumers to make purchases as a form of psychological response. In this context, FOMO acts as a psychological mechanism that reinforces the influence of social media on consumption decisions.

These findings are in line with the study by (Dwisuardinata & Darma, 2023), which shows that social influence through digital media, combined with FOMO, has a significant contribution to consumer purchase intentions. Social media creates social pressure and lifestyle expectations that encourage individuals to conform to trends in order to maintain their self-image.

Thus, it can be concluded that social media, through the mediating role of FOMO, has a strong impact on shaping modern consumer behavior. This mechanism reflects the complex psychological and social dynamics within today's digital ecosystem.

The results of this study indicate that social media has a significant direct influence on both FOMO and consumer behavior among millennials in Medan City. This confirms the hypothesis that increased exposure to social media content, particularly content promoting trends, lifestyle, and material possession—can intensify individuals' fear of being left out. These findings align with those of (Saavedra & Bautista Jr, 2020), who emphasized that FOMO

triggered by digital platforms leads to impulsive consumption among Generation Z. It also supports the notion that the social comparison mechanism inherent in social media drives users to conform to perceived social standards, even at the expense of financial rationality (Pane et al., 2024).

Furthermore, the study shows that income does not directly affect consumer behavior but significantly influences FOMO. This suggests that millennial purchasing decisions are not solely determined by their financial capacity, but rather by the psychological pressures experienced when navigating social media environments. The higher one's income, the more opportunities they have to participate in consumption-related social interactions, which in turn enhances their susceptibility to FOMO. These results are consistent with the findings of (Bernard, 2020), who argued that FOMO is not necessarily limited to lower-income individuals but can be exacerbated by increased economic flexibility.

One of the most critical insights from this study is that FOMO fully mediates the relationship between income and consumer behavior and partially mediates the relationship between social media and consumer behavior. This mediation pattern highlights the pivotal role of psychological constructs in bridging economic and technological influences on consumption. While income and media exposure provide the resources and stimulus, FOMO functions as the cognitive-emotional filter that converts these into actual consumption behavior. This confirms the theoretical framework proposed by (Tippmann, 2023), who posited that FOMO operates as a motivational force that overrides rational financial planning.

In terms of implications, these findings carry several practical and academic contributions. First, they offer empirical evidence that psychological variables particularly FOMO should not be underestimated in consumer behavior models, especially in the digital era. Second, they suggest that public campaigns to enhance digital and financial literacy among young people must incorporate emotional awareness and media literacy to build resilience against manipulative marketing and social pressure. Lastly, marketers and content creators should consider the ethical implications of designing campaigns that intentionally trigger FOMO, particularly when targeting financially vulnerable millennials.

Taken together, the study reaffirms the urgent need for interdisciplinary approaches in understanding consumption behavior combining insights from behavioral economics, psychology, and digital sociology. In contexts like Medan City, where youth engagement with social media is intensifying, and economic aspirations are rapidly shifting, the intersection between social influence, income, and emotion-driven behavior becomes a fertile ground for further academic inquiry and policy innovation.

## **CONCLUSION**

This study concludes that social media and FOMO significantly influence consumer behavior among millennials in Medan City, while income only has an indirect effect through FOMO. Social media not only acts as a communication platform but also functions as a powerful psychological trigger that fosters Fear of Missing Out (FOMO), which in turn drives impulsive and sometimes irrational consumption decisions. FOMO emerges as a full mediator between income and consumer behavior and as a partial

mediator between social media and consumer behavior, confirming its central role in the digital consumption cycle. From a theoretical perspective, this research contributes to the existing literature by integrating economic (income), social (social media), and psychological (FOMO) variables into a unified path model that explains modern consumer behavior. It expands the understanding of how digital-era psychological constructs such as FOMO can override traditional consumption models that rely solely on income or rational decision-making. From a practical standpoint, the findings have important implications for policymakers, educators, and financial institutions. Efforts to improve digital and financial literacy are crucial to help the younger generation navigate the psychological pressures of the online environment. Interventions that promote mindful consumption, critical media engagement, and emotional self-regulation can serve as preventive strategies to mitigate the negative impacts of FOMO-induced behavior. Additionally, marketers and content creators should consider the ethical dimensions of triggering FOMO in their campaigns, especially when targeting financially vulnerable demographics.

Overall, the study emphasizes the urgent need to address the psychological consequences of hyperconnectivity in shaping consumerism among millennials, offering both scholarly insight and actionable recommendations for stakeholders in the digital economy.

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