FOMO and the Checkout Cart: Exploring Gen Z's Spending Habits in the Age of Influence.

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Abstract

Social media, influencer marketing, and digital commerce have exploded, changing the buying habits of Gen Z customers. A major psychological factor contributing to this shift is the fear of missing out (FOMO), a syndrome defined as anxiety that one is not in the know about valuable experiences or opportunities or social trends. The purpose of this study is to examine the effect of FOMO on spending behavior of Generation Z in today's digital economy. This paper is a comprehensive literature review of recent studies related to social media platforms, influencer marketing, live shopping, flash sales and Buy Now Pay Later (BNPL) services in terms of their role in creating FOMO and influencing consumer buying behavior.

In this study, the Stimulus-Organism-Response (S-O-R) framework is applied to examine how digital marketing stimuli induce internal psychological states of fear of missing out (FOMO), emotional arousal, and social comparison, which subsequently lead to behavioral responses, such as impulse buying, purchase intention, and continued use of the platform. The review stresses that FOMO's effect on impulse buying is substantially elevated at the moment by the help of influencer marketing, scarcity marketing, and social commerce. The research describes important implications of FOMO-based consumption such as post-purchase regret, financial pressure, debt accumulation, and poor financial well-being of young consumers.

The results indicate that financial literacy, digital literacy and self-control are important protective factors which can reduce the negative effects of FOMO. On the other hand, high social media usage, strong parasocial relationships with influencers, hedonic motivation, and easy accessibility of BNPL services increase the probability of impulsive spending. The paper ends with the conclusion that there is a need for increased consumer awareness, ethical digital marketing practices and financial literacy initiatives to encourage sustainable consumption practices among Generation Z. This work adds to the literature on digital consumer behavior by elucidating the psychological processes linking FOMO and the spending behavior of the influence era.

Keywords: *Fear of Missing Out (FOMO), Generation Z, Consumer Behavior, , Influencer Marketing, Social Media, , Financial Literacy, Digital Marketing.*

1. Introduction and Theoretical Framework

1.1 Understanding Generation Z and the Digital Consumer Landscape

Generation Z (born approximately 1997-2012) is a demographic cohort that has come of age in an era of unprecedented connectivity and saturation of social media. This generation is different from previous generations with unique characteristics especially on their consumption pattern and how they interact with technology. Research indicates that Generation Z spends substantially more time on social media than on traditional media like television. Hence, digital content and online interactions have a significant influence on their buying decisions [1]. Gen Z are a force to be reckoned with, they are digital natives, naturally tech-savvy and highly engaged with e-commerce platforms, social media and influencer content [2]. They are a profitable market segment and a susceptible group of consumers to psychological marketing techniques.

The digital environment has moved from a simple communication tool to a complex ecosystem impacting identity, social cohesion and consumer behaviours. Gen Z consumers view this landscape with a critical eye but they are also highly receptive to emotional and social cues that can trigger impulse buying behaviours. The integration of e-commerce with artificial intelligence, big data analytics and personalised marketing techniques has increased the impulsive buying behaviour of such consumers [3]. Research findings reveal social media advertisements, influencer endorsements, promotional incentives and user friendly features of digital platforms significantly contribute towards financial equilibrium of Gen Z thus providing fertile ground for consumption behaviour which often overpowers rational financial planning [4].

1.2 Defining Fear of Missing Out (FOMO) in Consumer Behavior

The digital age has given rise to a prominent psychological phenomenon known as Fear of Missing Out (FOMO), which is the pervasive feeling that others are participating in rewarding experiences or opportunities that one is absent from. FOMO in consumer behaviour is more than envy, it is an anxiety-based motivation to stay hyper-connected to social media and consumption opportunities to avoid the psychological pain of being "left out" of social trends and experiences [5]. Social media platforms' architecture has amplified this exponentially, providing a constant stream of curated content displaying peers' experiences, purchases, and lifestyles, resulting in a never-ending flow of comparison opportunities and triggering the fear response [6].

Several disciplinary perspectives inform the theoretical foundation of FOMO in consumer research. Psychologically, FOMO is related to basic human needs for social belongingness and self-esteem. Individuals monitor experiences of others to assess their own social standing and adequacy [7]. From a behavioural economics perspective, FOMO is a cognitive bias that affects the rational decision-making process and drives the consumer to prefer instant gratification and social conformity to long-term financial well-being [6]. The research has indicated that there is a strong, positive relationship between FOMO and impulsive purchase behaviour of Generation Z with a correlation coefficient as high as 0.827, indicating that the higher the FOMO, the more likely Generation Z will buy impulsively. The phenomenon also demonstrates strong positive effects on the purchasing decision in several dimensions such as hedonic motivation, brand engagement and continuous platform usage [1].

1.3 Theoretical Models: The Stimulus-Organism-Response Framework

The most commonly used theoretical model for understanding the effect of FOMO and digital marketing stimuli on consumer behaviour among Generation Z is the Stimulus-Organism-Response (S-O-R) framework. The S-O-R model was first proposed in the area of environmental psychology. The S-O-R model posited that environmental stimuli (S) impact the internal states (O) of individuals, which comprise cognitive and affective internal states, resulting in behavioural responses (R) [8]. This framework provides a detailed structure for analysing how external marketing tactics induce psychological states such as FOMO in the context of digital consumer behaviour, which then induce specific purchasing behaviours.

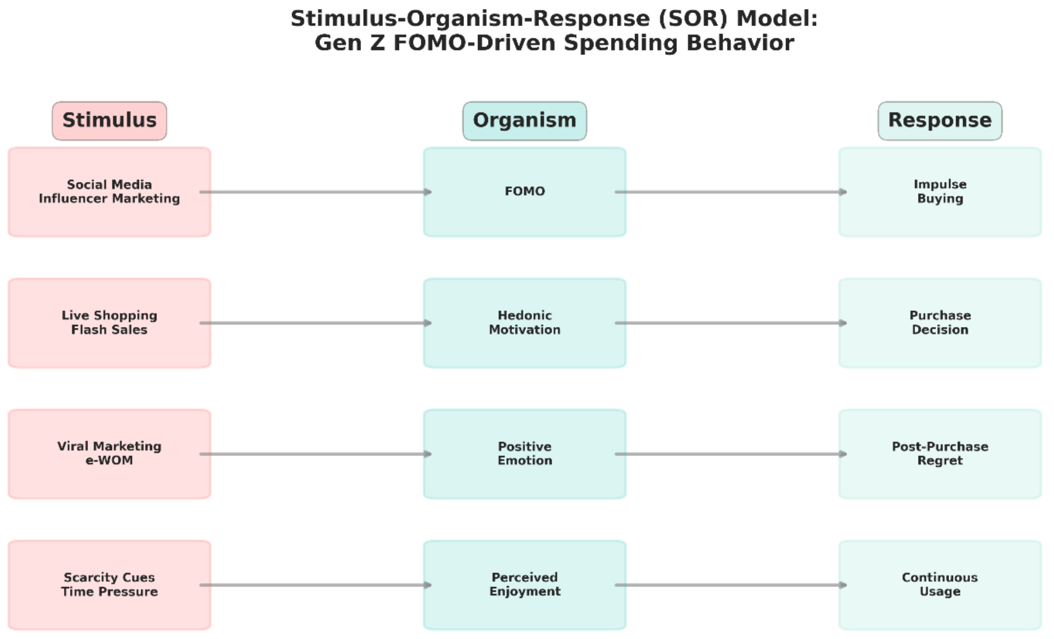

Figure 1: Stimulus-Organism-Response (SOR) Model Framework for Gen Z FOMO-Driven Spending Behaviour

Stimuli in this context include various types of digital marketing, such as influencer endorsement, live shopping, flash sales, viral marketing, electronic word-of-mouth (e-WOM), scarcity cues, and time-limited promotion. The stimuli are deliberately designed to evoke particular psychological organisms, mainly FOMO, but also hedonic motivation, positive emotions, perceived enjoyment, and arousal. Research has shown that these internal states have important mediating effects between marketing stimuli and behavioural responses such as impulse buying, purchase decisions, post-purchase regret and continued platform usage [9]. Flash sale promotions are a significant driver of impulse buying behaviour among Generation Z consumers as empirically demonstrated in multiple studies on Generation Z consumer behaviour. This relationship is mediated by FOMO, which provides evidence for the predictive validity of the framework [8].

1.4 Complementary Theoretical Perspectives

Apart from the S-O-R paradigm, other theoretical perspectives may also help to understand FOMO-driven consumption among Generation Z better. As per the Theory of Planned Behaviour (TPB) purchase intention is influenced by attitudes, subjective norms and perceived behavioural control and FOMO is an attitudinal and normative influence. Research in the light of TPB has revealed that social influence and subjective norms are important predictors of FOMO that affect purchase intentions [10]. The Technology Acceptance Model (TAM) offers additional explanatory power, especially in the case of the adoption of digital payment innovations such as Buy Now Pay Later (BNPL) services, where perceived usefulness and social influence interact with FOMO to enable usage intentions [11].

FOMO was conceptualised in relation to the basic psychological needs of autonomy, competence and relatedness within the Self-Determination Theory (SDT) framework. FOMO is thus, in part, fuelled by threatened needs for relatedness in social comparison situations [12]. In addition, behavioural finance theories suggest that FOMO is a cognitive bias that leads to sub-optimal financial decisions and is systematically different from rational economic decision making. FOMO relies on emotional and social influences instead of utility maximisation. The intersection of the various theoretical lenses provides a strong foundation for exploring the complex processes through which FOMO shapes Gen Z's consumption decisions in the current digital marketplace [13].

2. FOMO as a Psychological Driver of Spending Behavior

2.1 Mechanisms of FOMO in Digital Consumer Contexts

Generation Z consumers have high incentives to consume, which are triggered by a Fear of Missing Out (FOMO) and activate the psychological mechanisms that produce them. FOMO creates emotional stress and ambiguity in buying decisions due to fear of missing out on potentially valuable opportunities, exclusive deals or socially important consumption experiences [5]. This anxiety is not a passive worry, it is an active part of the decision making process. This anxiety tops any thought or rational assessment of purchases. The FOMO has been identified to have a significant positive impact on the decision difficulty of the Gen Z consumers. In other words, the psychological pressure of FOMO makes the purchase decision more complicated, not less. Paradoxically, FOMO can trigger hesitancy and impulsivity depending on contextual factors [5].

The neuropsychological basis of FOMO is associated with reward-seeking behaviours and processes of social comparison. People love content that shows what it's like to consume something. People love limited time opportunities. These things turn on neural reward systems. It affords anticipatory pleasure concerning a possible acquisition and at the same time anxiety concerning a possible exclusion. But the co-occurrence of approach motivation for reward and avoidance motivation from social exclusion is a particularly potent driver of impulsive action. Research has shown that the feeling of missing out (FOMO) can greatly increase the emotional arousal of consumers, and therefore influence their impulse buying tendencies and behaviours [14]. Social media sites such as TikTok are designed to deliberately exploit these psychological processes through their interactive features and algorithmic presentation of content [14]. This is further compounded by the 'flow state' that consumers experience during live shopping, where they lose all sense of time and self-awareness, making them more susceptible to FOMO-driven purchasing triggers.

2.2 Social Media Amplification of FOMO

Social media platforms are FOMO accelerants, creating environments engineered to optimize engagement by leveraging psychological triggers that exploit users' proclivities toward social comparison and fear of exclusion. The continuous stream of curated content showing idealised consumption experiences, exclusive products and trending items offers endless opportunities for social comparison, where people compare their own consumption behaviour with perceived peer behaviour [15]. Research shows that the FOMO is primarily from social media marketing and influencer marketing. This shows how the platform design and content strategies are deliberately engineered to foster these psychological states for the purpose of driving engagement and consumption [15].

Social media platforms are designed — algorithmic personalization, notification systems, infinite scroll, real-time updates — to keep users in a state of constant attention and anxiety about missing out on information or opportunities. Generation Z spends an average of nearly 240 minutes per day on social media and is constantly exposed and therefore in danger of FOMO triggers [7]. Instagram, TikTok and Facebook have different strategies to maximize FOMO. Instagram is primarily focused on the visual lifestyle curation while TikTok's algorithmic nature promotes content discovery and has contributed to the notion of fast trends that users need to follow in order to stay culturally relevant [1]. The algorithms powering these platforms generate filter bubbles that boost users' exposure to consumption-related content and reduce their awareness of alternative viewpoints that could counteract FOMO-driven impulses.

2.3 FOMO and Emotional Triggers in Purchasing Decisions

The emotional landscape surrounding FOMO-driven purchasing is complex, involving multiple affective states that interact to produce behavioral outcomes. Positive emotions such as excitement, anticipation, and pleasure coexist with negative emotions including anxiety, stress, and inadequacy, creating an emotional cocktail that drives impulsive action as a form of both reward-seeking and anxiety reduction [2]. Research demonstrates that FOMO triggers multiple emotional pathways: it enhances financial risk-taking, increases emotional arousal, and reduces self-control, with each of these psychological states serving as distinct predictors of purchase behaviors including impulsive buying, repeat shopping, and unplanned spending [16].

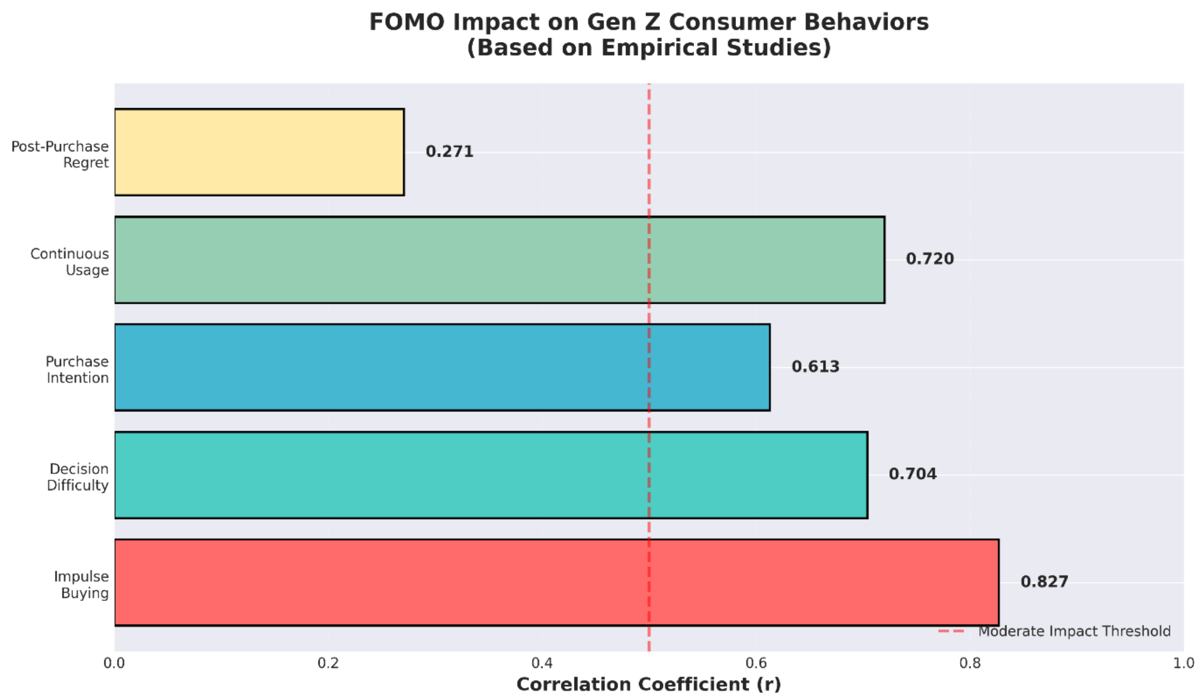

Figure 2: FOMO Impact on Gen Z Consumer Behaviors (Based on Empirical Studies)

All the studies that used Stimulus-Organism-Response model indicate that the relation between FOMO and purchase behaviour is mediated by emotional responses. It was found that FOMO's effect on impulsive buying was significantly mediated by positive emotional responses to live shopping experiences, where emotional gratification from purchase acts as an immediate reward and alleviates anxiety [17]. But this emotional dynamic creates a problematic cycle: buying can temporarily relieve FOMO-induced anxiety, but it can also lead to post-purchase regret, especially when purchases go over budget or fail to deliver the anticipated satisfaction. The positive and significant effect of FOMO-induced impulsive buying on post-purchase dissonance explains 27.1% of the variance of regret [18]. This emotional cycle perpetuates the cycle of FOMO as consumers try to "fix" the regret by consuming more.

2.4 Gender and Demographic Variations in FOMO Susceptibility

FOMO is not just a widespread phenomenon in Generation Z. Research has shown there are significant demographic and gender differences in the way FOMO is experienced and its impact on behaviour. The research found that the continuum of FOMO-choice difficulty-decision postponement shows a gender-specific difference, with a stronger correlation between FOMO and decision difficulty in males, and a stronger correlation between decision difficulty and decision postponement in females [5]. We find that FOMO is a source of gendered decision-making problems, with males experiencing more cognitive load when exposed to FOMO triggers and females being more likely to suffer from analysis paralysis due to the complexity that FOMO induces.

The studies on social media consumption patterns show that female gen z consumers spend much more time on social networks than their male counterparts, especially in the categories over 3-5 hours a day. Thus, FOMO stimuli exposure is different [19]. But the net impact on buying behaviour is more nuanced than this, due to increased exposure. Some studies have shown that there are no significant gender differences in the effect of FOMO on online impulse buying or post purchase dissonance, suggesting that even though the exposure to FOMO may be different, the psychological process behind it might be similar once triggered [18]. Age counts Generation Z younger members (18-22) are more vulnerable to FOMO and more active on social media than older members. However, these differences are reduced when observing actual buying behaviour, suggesting that the effect of FOMO can be more than just demographic [19].

3. Influencer Marketing and Social Commerce Dynamics

3.1 The Rise of Influencer Marketing in Gen Z Consumer Culture

What was a niche advertising technique has become a central part of how brands reach Gen Z consumers, fundamentally changing how they find, evaluate, and buy products. Unlike traditional celebrity endorsement, influencer marketing relies on perceived authenticity, relatability and parasocial relationships between followers and content creators on social media platforms [20]. The results show that influencer marketing, FOMO and hedonic motivation have significant positive effect on purchase decision. The power of the impact of influencer marketing [1] is further enhanced by the role of electronic word of mouth. The power of influencer marketing is that Gen Z trusts peer-like sources over traditional advertising. Data shows that 82.4% of Gen Z respondents learned about products through influencer marketing and the practice is ubiquitous in driving awareness and consideration of products [21].

The influencer ecosystem is divided into tiers: mega-influencers, macro-influencers, micro-influencers and nano-influencers. Each tier offers brands a different value proposition and has a different psychological effect on followers. Interestingly, micro-influencers (10,000 to 100,000 followers) seem to have a particularly strong influence on the behaviour of Gen Z, with some studies showing 71.2% of user preferences [21]. This preference is based on authenticity and relatability as micro-influencers are seen to be closer to their audiences and less commercialised than celebrity mega-influencers. Studies on parasocial relationships demonstrate that nano influencers (0-10,000 followers) are highly effective in establishing trust and emotional bonds, which consequently enhance parasocial relationships that increase purchase intention among Filipino Gen Z consumers. These trends are likely to be of cultural importance [22].

3.2 Parasocial Relationships and Their Influence on Purchase Intentions

Parasocial relationships, or one-sided emotional attachments that audiences develop with media figures, are emerging as important mechanisms through which influencers shape the consumer behaviour of Generation Z. These relationships generate psychological dynamics in which followers see reciprocal interactions, while the nature of relationships between influencers and followers is asymmetrical by definition [20]. Research shows that parasocial interaction and social commerce emotional motivation have a significant effect on impulse buying behaviour of Gen Z consumers in engaging with live-streaming social commerce, and the synergistic effect of the two factors is the most effective in promoting spontaneous purchases [23]. The strength of these parasocial bonds is based on multiple influencer characteristics including perceived expertise and credibility, social identification, self-disclosure and authenticity, and brand congruence between influencer values and product offerings.

Studies of the psychological mechanisms of parasocial relationships have revealed that these relationships satisfy the innate need for social identity in Generation Z and stimulate profound attachment rather than simple admiration [24]. When influencers are consistently engaging with their followers through content that feels authentic and personal, they are able to build trust and emotional investment that greatly impacts their followers' willingness to buy products that are being recommended. The Filipino "budol culture" (a term used to describe impulse buying induced by influencers) exemplifies how parasocial relationships translate into tangible consumption behaviours, where emotional relatability, cultural alignment, and consistent messaging contribute to heightened trust, loyalty, and purchase likelihood [20]. These parasocial dynamics reveal gender differences, with female respondents reporting higher levels of parasocial relationship, although differences in purchasing behaviour across genders are less pronounced, suggesting that while the relationship intensity varies, the ultimate behavioural impact works similarly once bonds are formed [22].

3.3 Platform-Specific Influencer Strategies: TikTok, Instagram, and Beyond

Different social media develop unique ecologies of influencer marketing and affordances that impact the ways in which FOMO is constructed and translated into purchase behaviour. In particular, TikTok has become a powerful platform for Gen Z influence marketing, combining short-form video entertainment with frictionless commerce through features such as TikTok Shop and live shopping [1]. The content discovery based on the algorithm on the platform leads to the rapid viral spread of product trends. Research shows that TikTok content virality has a significant impact on Gen Z purchase intentions, directly and indirectly through mediating variables like user engagement, emotional response, and trust/credibility [25]. TikTok's influence model works because it makes commerce feel organic, not commercial, weaving product promotion into entertaining content that users seek out, rather than passively tolerate.

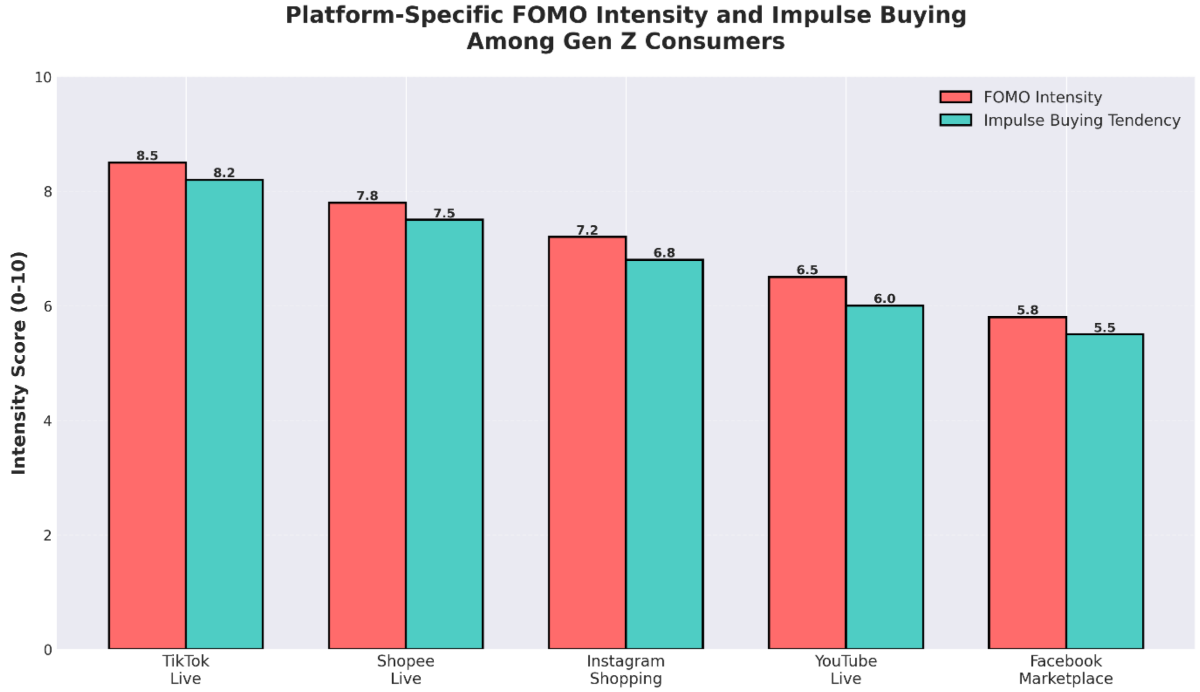

Figure 3: Platform-Specific FOMO Intensity and Impulse Buying Among Gen Z Consumers

Instagram has various mechanisms, but has a particular emphasis on visual aesthetics and lifestyle curation that places products in aspirational contexts. Research shows that Instagram and YouTube are the most appropriate platforms for Gen Z to purchase from, as they offer visual and storytelling capabilities that allow products to be showcased in detail and told [26]. Instagram influencer marketing works especially well for fashion, beauty and lifestyle products where image is important. The platform has Stories, Reels and Shopping tags, all of which are useful for creating a sense of FOMO and helping people buy the products. Youtube is another model with longer form content that allows detailed product reviews, tutorials and haul videos where credibility is built through detailed information and FOMO through showing extensive consumption.

And then there are others, such as Facebook and some of the newer ones. Facebook is good at community building with their groups and their marketplace feature is another way influencers can have an impact. The results of platform effectiveness comparisons show that Instagram and YouTube are the most effective in direct conversion, while TikTok has a unique advantage in speeding up trend adoption and viral spread, which are very effective in creating mass FOMO for specific products or brands [26]. The platform's live shopping merges live interaction with sales tactics rooted in scarcity to build a sense of urgency that plays off of FOMO more directly than traditional social media formats. Studies have shown that interactive features, discount promotions and FOMO are important factors influencing impulse buying behaviour in TikTok live shopping. FOMO is the most dominant among the three factors in spurring spontaneous purchases [27].

3.4 Authenticity, Trust, and Credibility in Influencer Marketing

Influencer marketing is heavily reliant on perceptions of authenticity with Generation Z consumers being much more sceptical of overtly commercial content and preferring influencers with authentic relationships with their audiences [28]. Studies on influencer traits have shown that trustworthiness, expertise, and attractiveness all contribute to building influencer credibility, but authenticity is the most important, with mean importance scores of 4.28 out of 5 [21]. This authenticity imperative puts influencers in a bind as they attempt to navigate commercial partnerships while remaining authentic to their followers. Excessive promotion, or inauthentic promotion, can be damaging to the parasocial relationship that makes influencer marketing work.

The credibility of the influencer has been shown to affect several dimensions such as attractiveness, expertise and trustworthiness, each of which plays a role in FOMO creation and purchase influence [29]. First attention goes to attractiveness and aspirational identification. Expertise demonstrates knowledge and builds confidence in recommendations. Acting on recommendations builds trustworthiness. Authentic self-presentation and the three credibility dimensions help influencers make the most impact on Gen Z buying decisions. But research has also found that the impact of credibility varies by type of influencer. Some platforms have stronger effects on consumers' intentions when they are influenced by top influencers than smaller content creators, while nano and micro-influencers have the advantage of building authentic trust and emotional connection [30]. Mega-influencers create general awareness and aspirational FOMO on the FOMO-purchase pathway, while micro-influencers encourage conversion through trust-based relationships, and different tiers of influencers serve different psychological functions.

4. Digital Platforms and Spending Mechanisms

4.1 Live Shopping and Real-Time Commerce

Live shopping has revolutionised the e-commerce experience by merging entertainment and immediate purchases, resulting in immersive experiences that significantly boost FOMO and impulse buying for Generation Z consumers. This format enables hosts to exhibit the products in the live and interact with the viewers directly through the chat functions to create the social presence and urgency that traditional e-commerce cannot achieve [31]. Research has shown that live streaming has a positive and significant impact on impulsive buying behaviour. Real-time interactivity results in compelling experiences and flow states where consumers lose track of time and are more susceptible to impulsive purchase decisions [32]. Live shopping works because it combines so many elements of FOMO – limited time offer, scarcity (number of viewers, stock indicator), social proof (other viewers' purchases shown in real time) and fear of missing out exclusive deals that last only during broadcast.

Studies in psychology have shown that the social presence in live shopping broadcasts, established through the product demonstrations of the livestream host and other viewers, can greatly enhance the perceived usefulness and positive emotions, which can then encourage impulsive buying urges and actions [33]. The live shopping interaction induces parasocial interactions that enhance emotional engagement. The research results indicate that perceived enjoyment has a positive and significant influence on the impulse buying behaviour of consumers in live streaming experience [34]. For example, live shopping events from beauty influencers can create unexpected purchase impulses and directly influence purchase decisions, and impulse buying plays a partial mediating role in this effect [31]. The format really thrives on platforms such as TikTok Shop where the live shopping feature is embedded within the entertainment-first DNA of the platform and where shopping is a natural extension of the content consumption experience as opposed to a separate activity.

4.2 Flash Sales and Scarcity-Based Marketing Tactics

Flash sales are one of the most powerful FOMO triggers in the digital commerce space. They leverage psychological principles of scarcity, urgency and loss aversion to drive quick buying decisions for Gen Z consumers. These promotional events are time-limited, creating a false sense of scarcity and a fear of missing out. Research shows that flash sales have a positive and significant relationship with impulsive buying behaviour in isolation and with other promotional tactics [32]. Flash sales first interfere with a more deliberative process by creating urgency through a time-limited opportunity. Second, the purchases in flash sale are impulsive, but the consumers think that the product is of very high value and the purchases are rational decisions. Third, the flash sale creates anxiety among consumers with the fear of the product being sold out if they do not make a decision right away.

Empirical studies of flash sales have shown that it stimulates Fear of Missing Out, which is a psychological trigger of impulsive buying behaviour. FOMO mediates the relationship between scarcity and discounts and impulsive buying [14]. The mediation pathway suggests that the effect of flash sales on purchasing behaviour is not mediated directly through rational price judgements but is mediated through the activation of FOMO to drive a behavioural response. Previous studies have demonstrated that flash sales in TikTok Shop with direct engagement with consumers through live streaming create a sense of urgency to buy and are an effective way to stimulate impulse purchases [32]. Some people are better at flash sales than others. For example, they are far more likely to impact Gen Z than older generations. This is because they are used to online shopping and being bombarded with messages to buy now or miss out. They are used to making split second decisions on time limited offers.

4.3 Buy Now Pay Later (BNPL) Services and Payment Innovation

The proliferation of Buy Now Pay Later (BNPL) services has emerged as a disruptive payment innovation, fundamentally changing the buying behaviour of Generation Z, by alleviating immediate financial pain and fostering new pathways to impulsive consumption. In BNPL services, users can defer payment without being charged interest initially, and the BNPL services can be easily integrated into e-commerce platforms and shopping apps to reduce the friction in the purchase process [35]. Perceived usefulness and social influence are significantly positive to intention to use BNPL. This underlines the importance of functional benefits and peer pressure on the adoption behaviour of Gen Z consumers [11]. Financial literacy has been inversely correlated to the intention to use BNPL services, which means that people with higher financial literacy are less likely to use these services, as they are more aware of the risk of incurring debts, while people with lower literacy are attracted to use BNPL without understanding its consequences [11].

BNPL's effect on consumer spending is significant and concerning. Research has shown that there is a strong relationship between the intention to adopt BNPL services and increased discretionary expenditure, which can be largely attributed to the accessibility and ease of use of BNPL services. Poor financial literacy and risk awareness often result in bad decision-making [35]. A research on Indonesian university students showed that BNPL services are predominantly used for fun and pleasure, not for basic needs, where 59% of usage is categorised as non-necessary [36]. How does BNPL allow you to overspend? Deferred payment creates a psychological distance between purchase and financial consequences. This reduces the pain of payment which normally restricts purchase. This distance means that consumers can enter into multiple BNPL commitments without fully appreciating the extent of their repayment obligations. This leads to heightened financial stress and defaults as obligations become due at the same time [37].

4.4 Digital Payment Ecosystems and Spending Facilitation

FOMO-driven spending is also encouraged by the huge digital payment system of e-wallets, mobile payment apps and seamless checkout mechanisms by reducing transaction friction and making transactions so easy. Research on digital payment systems suggests that these devices are useful in managing finances, e.g., tracking expenses and budgeting, and in reducing the psychological barriers to spend. 63% of users stated that they changed their spending behavior after using digital payment methods [38]. The convenience part is particularly powerful, as studies have shown that the use of digital payments has a positive impact on consumer behavior, suggesting that the ease of having transactions could lead to impulsive purchases by removing the intentional pause that is associated with traditional payment means [38].

Many digital payment platforms have introduced gamification features to improve spending behaviors. Additions such as cashback, loyalty points, achievement badges for reaching spending milestones and the ability to share transactions with friends on social media turn the act of purchasing entertainment into an activity in its own right, providing further layers of motivation beyond the products themselves. Research has shown that the impact of demographic factors on spending behavior is weaker than financial literacy and self-control for digital payment users. This implies that psychological characteristics are more important than age or income to differentiate between responsible use and overuse of digital payments [39]. The data reveal worrying indicators such as a negative correlation between digital financial services and impulsive buying in certain cases, which means that these platforms could help support financial management if users are proactive in using budgeting tools. This protection, however, requires active user involvement and financial literacy, which many of the Gen Z consumers lack [39].

5. Consequences and Impacts of FOMO-Driven Consumption

5.1 Impulse Buying Patterns and Post-Purchase Regret

The primary behavioural manifestation of FOMO among Gen Z consumers is impulse buying, defined as unplanned, spontaneous purchases made in response to immediate stimuli without deliberate consideration of needs or financial capacity. Research has found very strong correlations between FOMO and impulse buying with coefficients as high as 0.827, meaning that the higher the level of FOMO, the more dramatic the increase of the tendency to engage in impulsive purchasing behaviour [6]. We found such relationships across a variety of product categories and purchase contexts (e.g., fashion and beauty products, food products, and lifestyle products), indicating that the effect of FOMO on impulsivity is a fundamental shift in decision-making processes rather than a category-specific effect.

The FOMO-driven impulse purchase triggers a problematic purchase-regret cycle that harms financial wellbeing and psychological satisfaction. Studies on the effect of FOMO-based impulse buying showed that impulsive purchase has a significant positive effect on post-purchase regret, where FOMO and materialism significantly effect on online impulse buying which in turn causes post-purchase dissonance [18]. Many things can make you regret a purchase once it’s made: financial strain from unexpected expenses that blow the budget, cognitive dissonance when your buying habits don’t match your financial goals, disappointment when products don’t deliver the satisfaction or social benefits you were hoping for that made you want to buy them in the first place, and social embarrassment when impulse purchases are perceived as frivolous or financially irresponsible. Research shows that FOMO and materialism can explain 62.6% of the variance in online impulse buying, and that the impulse buying behaviour explains 27.1% of the post purchase dissonance, showing the psychological consequences extend far beyond the time of purchase [18].

5.2 Financial Implications and Debt Accumulation

But the financial fallout of FOMO-driven spending for Gen Z goes far beyond individual moments of buyer’s remorse, producing cycles of debt and financial stress that could have long-lasting implications on the health of the economy. Buy Now Pay Later research Subsequent application shows that BNPL has a deep impact on financial management behaviour and debt-taking behaviour of Gen Z users, in which the service accounts for 54.3% of the variance in financial management behaviour and 64.6% of the variance in debt behaviour [40]. These findings suggest that the convenience and psychological distance provided by deferred payment mechanisms fundamentally change the way young consumers make financial decisions, often with negative consequences. The ease with which multiple BNPL contracts can be entered into without immediate financial consequences creates situations where consumers are faced with unexpected payment obligations that are beyond their ability to pay. Studies have demonstrated that 50% of BNPL users report pending payments, which implies a possible financial vulnerability even at young ages [41].

More generally, consumption driven by FOMO produces what researchers call “doom spending” – impulsive buying as a coping mechanism of anxiety about the future, and ironic scenarios where financial anxiety leads to consumption that worsens financial positions. Research on doom spending and FOMO on Generation Z shows that both have a significant effect on financial management behaviour, and FOMO has a more significant effect on consumptive behaviour that is detrimental to savings and investment behaviour [42]. This problem is further compounded by the financial literacy gap amongst Gen Z consumers, many of whom do not have the knowledge and skills to identify the long-term effects of FOMO-driven spending habits. Previously it has been found that Gen Z wants to invest and save money but their financial balance is easily manipulated by social media adverts, influencer reviews and promotional offers, which results in FOMO leading to hedonism and impulsive attitudes that become doom spending [4]. This means that young adults start their productive years with accumulated debt, limited savings and consumption habits that are hard to change, leading to troubling trajectories.

5.3 Psychological Wellbeing and Mental Health Impacts

FOMO consumption has psychological and emotional costs besides the financial costs that are damaging to the overall well-being of Gen Z consumers. The constant checking of social media for opportunities to consume and the FOMO (Fear Of Missing Out) with trends or deals, creates a constant stress that puts mental health at risk. Research shows that the correlation between social media use and college students’ sleep patterns is that the fear of missing out causes students to sleep later, have more difficulty falling asleep, and sleep less and poorer quality sleep, which negatively affects their physical and mental health [43]. FOMO and psychological distress are reciprocally related. FOMO has been associated with purchasing behaviours leading to financial hardship and regret. On the other hand, people with anxiety and distress are more susceptible to FOMO signals as they seek emotional relief through shopping.

Social media fatigue refers to the feeling of being overwhelmed, fatigued and annoyed by social media use, and is strongly associated with FOMO, creating a vicious cycle of users feeling pressured to stay constantly connected despite negative emotional consequences [44]. FOMO has been shown to be a strong predictor of social media fatigue with the relationship mediated by information overload and obsessive use tendencies [44]. Psychological aspects: development of self-esteem and identity Repeated exposure to curated peer consumption experiences engenders feelings of inadequacy and social comparison anxiety. Other studies, however, provide a more nuanced picture, with some suggesting that in some cases, FOMO can have a positive effect on self-esteem, encouraging social engagement and helping individuals to remain relevant within their social circles [45]. This complexity means that the psychological consequences of FOMO are highly moderated by individual coping strategies, social support networks, and the extent to which consumption behaviours are aligned with authentic beliefs rather than simply reactive to social pressure.

5.4 Long-Term Behavioral Patterns and Habituation

The frequent buying habits of Gen Z based on FOMO teach them about long-term consumption patterns and financial decision-making habits. Studies on continuous intention of digital commerce platforms reveal that FOMO has a positive and significant impact on the intention of continuous use of platforms such as the TikTok Shop to create loyalty not to the products or brands but to the experience of consumption itself [46]. Such habituation converts FOMO-based purchases from one-off lapses of reason into normalized behavioural patterns that become progressively harder to change over time. This habituation is based on two psychological processes. First, it’s positive reinforcement; the relief and satisfaction that come with buying things that temporarily ease anxiety are reinforced. Second, negative reinforcement strengthens the discomfort of resisting FOMO triggers, creating a powerful conditioning effect that makes impulsive consumption the default response.

Research into the emergence of FOMO-driven consumption has been conducted, and the results are troubling: early adoption of such behaviours in adolescence and young adulthood has lasting implications for financial habits. Research has shown that social media marketing and influencer exposure are significant factors in the development of FoMO which in turn results in positive changes in consumer behaviour for a purchase decision [15]. Neuroplasticity means the brain’s reward system can be re-wired. But when you keep buying on impulse, you become less and less able to wait for something. You start hoping you would get it right away. Additionally, the social normalization of FOMO-based consumption among Gen Z peer groups creates contexts where restraint is the exception to the rule. Studies show that social norms and peer influence are important predictors of FOMO levels among young consumers [10]. But it takes more than individual willpower to break these patterns, it takes larger cultural shifts in the framing and valuation of consumption in Gen Z communities. Long term intervention in individual psychology and social context is required for effective FOMO reduction.

6. Moderating Factors and Intervention Opportunities

6.1 Financial Literacy as a Protective Factor

Financial literacy is one of the most important protective factors against FOMO-induced overconsumption, but its effectiveness depends on how knowledge translates into actual behavioural change. Research shows that financial literacy has a significant positive impact on the financial management behaviour of Gen Z consumers. The higher the level of financial literacy, the more cautious the decisions and the more resistant the consumers are to the triggers of impulsive buying [47]. Interestingly, studies exploring BNPL adoption show that financial literacy has negative relationships with the intention to use these services, implying that individuals with higher financial knowledge are aware of the debt risks associated with deferred payment systems and consciously avoid them even though they are convenient [11]. This protective effect is achieved through several mechanisms: enhanced capacity to assess true costs including interest and fees, increased consciousness of opportunity costs and trade-offs, a greater grasp of long-term financial implications, and improved capacity to differentiate between needs and wants.

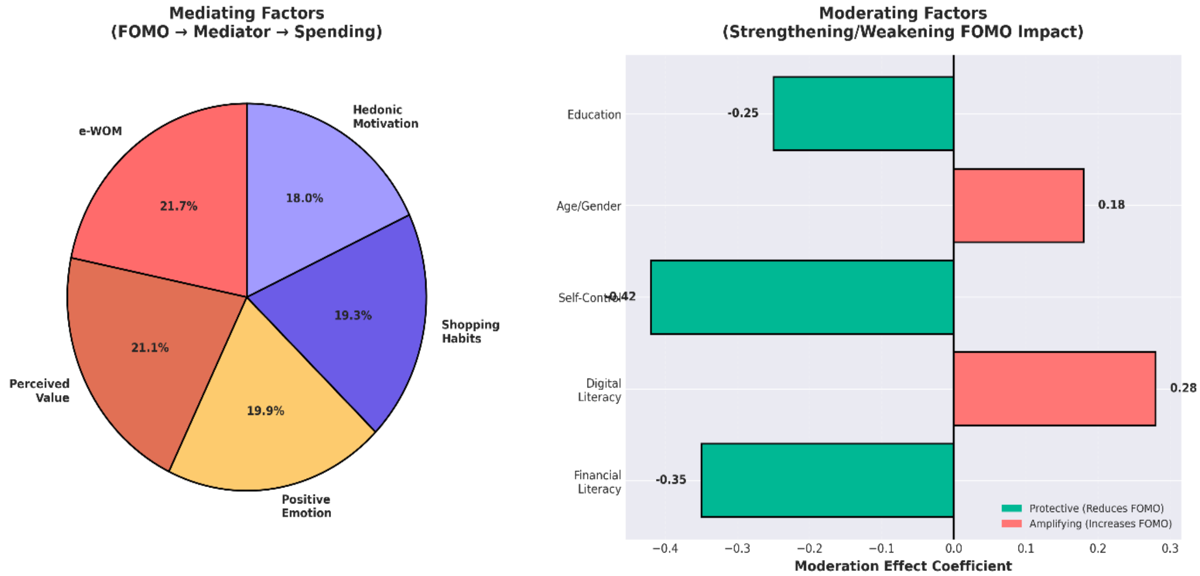

Figure 4: Mediating and Moderating Factors in the FOMO-Spending Relationship

The relationship between financial literacy and spending behaviour is not so straightforward that knowledge will necessarily result in action. Studies have shown that digital literacy affects positively the financial behaviour of Gen Z. However, at high levels of literacy, FOMO has no significant effect on the financial behaviour. Hence, enhancing digital literacy is essential to mitigate the adverse effects of FOMO [48]. Financial literacy is an important moderating factor of BNPL. Research suggests that financial literacy is a moderating variable that strengthens the relationship between dread spending, FOMO and financial management behaviour [42]. The practical implications are that the improving of financial literacy through education, training and digital media will help Generation Z to be more prudent in financial management and curb the excessive consumption behaviours due to doom spending and FOMO. However, the effectiveness is contingent on literacy programmes that integrate cognitive knowledge and emotional regulation skills [42].

6.2 Digital Literacy and Critical Media Consumption

In addition to financial literacy, broader digital literacy, which includes critical evaluation of online content, understanding of platform business models and recognition of persuasive techniques, serves as an important moderating factor in FOMO-spending relationships. The study shows that digital literacy has a positive impact on students' financial behaviour, which is a prerequisite for more reasonable financial decisions in digital environments [48]. This protective effect is built upon a better capacity to distinguish between commercial and genuine content, an understanding of how algorithms personalise content to maximise engagement and consumption, a critical assessment of influencer authenticity and credibility, and an awareness of psychological tactics employed in digital marketing. Research on social media influence shows that media literacy programmes can help young consumers develop more critical views of consumption-oriented content, but the ubiquity of subtle marketing makes it hard to completely resist.

The concept of digital literacy also applies to knowing one's own psychological weaknesses and gaining an awareness of when one is experiencing FOMO. Studies on Gen Z social media users show that awareness campaigns and educational programmes on the influence of social media and FOMO can help students to have better self-control to handle consumer behaviour [49]. But these awareness-based interventions are limited in effectiveness, because knowledge alone is often insufficient to overcome the powerful emotional and social drivers of FOMO. The research on the role of digital literacy suggests that although Gen Z are generally very proficient in using digital platforms, this technical skill does not automatically convert into critical consumption literacy or resistance to psychological marketing strategies [48]. Effective interventions in digital literacy should include information on persuasive techniques and practical strategies for emotional regulation and impulse control.

6.3 Self-Control and Behavioral Intervention Strategies

Self-control is an important individual difference variable which moderates the translation of FOMO into actual buying behaviour, with higher self-control being associated with lower impulsive buying despite experiencing FOMO triggers. Previous studies have indicated that self-control is a crucial predictor of BNPL users' financial management behaviour, as a greater ability of self-regulation allows consumers to postpone instant gratification for long-term financial goals [47]. Impulse buying studies in BNPL users show that self-control is a more significant factor in preventing impulse buying than financial literacy, indicating that the ability to control behaviour may be more protective than knowledge alone [50]. This finding underscores the importance of interventions focused on self-regulatory skills rather than information. More important than knowing why you should resist FOMO is being able to resist the impulse when it is triggered.

Behavioural intervention strategies aimed at enhancing self-control in consumption settings are (1) implementation intentions which involve individuals pre-committing to specific responses when encountering FOMO triggers; (2) cooling-off periods which allow for a delay between placing items into carts and completing a purchase; (3) budget commitments where spending limits are set before entering high-risk environments; and (4) environmental design which reduces exposure to FOMO triggers through selective app usage and notification management. Research on the money locking feature in digital wallets, where users can lock certain amount of money that cannot be used for discretionary purposes, indicates that users can be incentivized with coins for keeping money locked in their accounts, and can promote responsible spending and savings habits especially for students [51]. Research suggests that multiple strategies are superior to single strategies for interventions on spending habits. It has been shown that special budgets (87.6% of the respondents), comparison of product prices (89.4%) and other planning strategies help to manage consumptive behaviour, but 64.1% still spent more than planned budgets, indicating the difficulty of self-control in the digital commerce environment [52].

6.4 Systemic and Policy-Level Interventions

While individual-level interventions are critical, they must be complemented by systemic and policy level changes that address the structural drivers of FOMO-based consumption in Gen Z. Some of the techniques of psychological manipulation could be subject to controls, obligations to disclose sponsored content and affiliate relationships, restrictions on targeted advertising to vulnerable groups, cooling off periods for high-ticket or debt-financed purchases, transparency about algorithms and personalisation systems, etc. Research into BNPL Services has highlighted the need for improved targeted financial education and stronger regulations of digital lending to assist in encouraging responsible and sustainable practices among younger consumers. Academic opinion has called for mandatory disclosure standards, affordability assessments and improved financial literacy programmes [35].

For instance, at the platform level, interventions could involve design changes that reduce the triggers for FOMO while keeping users engaged through other mechanisms. Studies have shown that platforms could offer features like aggregate spending visualisations showing total commitment over multiple transactions, reality checks asking users to verify that purchases are driven by real needs, comparison tools contextualising purchases in terms of financial goals or other ways of spending, and social features normalising moderation rather than celebrating consumption. If we are to believe the ethical digital marketing research, then regulations and awareness campaigns need to be set up in order for Gen Z not to regret in the future. The researchers suggest [2] that digital platforms and governments should work together to develop responsible marketing practices that cater to the interests of both business and consumer welfare. Schools have a key role to play, from embedding financial literacy and digital citizenship in their curricula, to providing experiential learning opportunities that develop money management skills and fostering campus cultures that prioritise financial responsibility over conspicuous consumption. When governments, platforms, educational institutions and families collaborate to create environments which support more healthy relationships with consumption instead of taking advantage of psychological vulnerabilities to generate commercial profit, these multi-level interventions work [42].

7. Synthesis and Research Agenda

This comprehensive review of literature suggests that Fear of Missing Out is a strong psychological mechanism that supports the spending behaviors of the Generation Z in the digital age, through complex pathways of emotional, social and technological factors. The Stimulus-Organism-Response framework is a powerful explanatory lens for understanding how digital marketing stimuli trigger FOMO and purchasing behaviors across a range of contexts, from live shopping to BNPL services. The results show that FOMO is positively related to impulsive buying, purchase intentions and continued use of the platform; at the same time it leads to post purchase regret and financial distress.

A review of the literature suggests some key themes. First, social media and influencer marketing have pushed the perception of FOMO to a new level and created the psychological pressure on the Gen Z consumers. This constant exposure to curated consumption experiences has produced a chronic anxiety of social exclusion and lost opportunities. Second, advances in the technology of digital commerce, and especially live shopping, flash sales and frictionless payment systems such as buy now, pay later (BNPL), have consistently lowered the barriers to impulse spending while heightening signals of urgency and scarcity to exploit FOMO vulnerabilities. Third, the implications extend beyond the purchase itself to broader trends in debt accumulation, financial stress and threats to psychological wellbeing that could have long-term implications for the economic trajectories and mental health of Gen Z.

There are also opportunities for intervention in the form of important moderators in the literature. Financial literacy is a shield, but it only works if the knowledge gained is able to be used to fight the force of powerful emotional drivers. Digital literacy, self-control and systematic policy interventions are another lever against the negative effects of FOMO. However, earlier research has noted a gap in knowledge about the developmental patterns of FOMO-based consumption over time and the effectiveness of different intervention strategies in various cultural contexts.

Several directions for future research are suggested. Longitudinal studies tracking Gen Z consumers over time may shed light on whether FOMO-driven spending behaviours change with age and life circumstances, and whether early interventions lead to long-term behavioural change. Cross-cultural comparative research can be useful to identify differences in the manner and effects of FOMO across societies with varying levels of collectivism–individualism and maturity of digital commerce. Experimental studies of particular intervention approaches (ranging from changes in the design of platforms to educational programs) would provide evidence-based guidance to practitioners and policymakers. Additionally, useful research could be done on the intersection of FOMO with new technologies such as AR shopping, virtual influencers and crypto payments to better prepare stakeholders for challenges of the next generation.

The implications for practice for the different stakeholders are obvious. Both marketers and platforms have the opportunity, and moral obligation, to develop strategies that involve consumers but do not prey on psychological vulnerabilities. The case for integrated approaches for educators and policy makers to combine financial literacy, digital citizenship and emotional regulation skills development is supported in the data. Understanding the mechanisms of FOMO, and intentionally cultivating critical consumption practices, offer Gen Z consumers pathways to healthier relationships with digital commerce.

Ultimately, FOMO management in the age of influence is about understanding that technology and commerce have created conditions that are at odds with the human psychology that developed in face-to-face social environments. Beyond individual resilience, a collective action is required to reconfigure digital ecosystems to support wellbeing as well as commercial interests to restore the balance. Today's decisions by individuals, institutions, and societies will determine whether FOMO continues to drive harmful overconsumption or whether it is better managed through comprehensive literacy, regulation, and cultural evolution toward more mindful consumption practices as Generation Z ages into their prime earning and spending years.

8. Key Findings

Table 1: Key Empirical Findings on FOMO and Gen Z Spending Behavior

Study Focus	Sample Size	Key Finding	Effect Size	Citation
FOMO and Impulse Buying Correlation	97 respondents	Positive significant relationship between FOMO and impulse buying	$r = 0.827$, $p < 0.05$	[6]
FOMO Impact on Purchase Decisions	260 respondents	FOMO, influencer marketing, and hedonic motivation positively affect purchase decisions	Significant at $p < 0.05$	[1]
Flash Sales and FOMO Mediation	266 respondents	FOMO mediates relationship between flash sales and impulse buying	$p < 0.0209$	[8]
Live Shopping Effects	180 respondents	Live shopping and beauty influencers increase impulse buying through FOMO	Partial mediation	[31]
BNPL and Financial Literacy	400 respondents	Financial literacy negatively predicts BNPL intention	Significant negative	[11]
Platform Comparison	100 respondents	Instagram and YouTube most effective for Gen Z purchases	78.1% variance explained	[53]

The data is an empirical finding on great impact of FOMO (fear of missing out) on online shopping behaviour of Generation Z. Overall, FOMO is a good predictor of impulsive and affective shopping decisions. The highest empirical association found between the FOMO and impulse buying was the correlation coefficient value of r= 0.827 (Pramesty & Merida, 2025) among the Gen Z consumers. FOMO is associated with more opportunities for a person to get into an impulsive buying behaviour that is more impacted by the social and emotional pressure rather than the logical analysis [6].

The following table shows the relation of FOMO with other important factors such as hedonic motivation and influencer marketing. Yunitasari et al. (2025) showed the impact of social media ecosystems on consumer behaviour. A study found that the key factors affecting Gen Z consumers' purchase decision were hedonic motives, influencer marketing and FOMO [1]. Moreover, FOMO (Andrade et al., 2025) was associated with flash-sale promotions and impulsive buying behaviour. Therefore, the key to success of the scarcity-based marketing strategies is to activate the customers' fear of missing valuable opportunities [8].

This is also confirmed by data collected in real shopping situations. Live shopping features and beauty influencers activate the impulse buying behaviour via the FOMO mechanism. The results showed the growing importance of social commerce platforms in consumer shopping behaviours [31]. The results for buy-now-pay-later (BNPL) services also suggest massive financial implications. Seman (2025) suggests that financial literacy is the negative predictor of BNPL adoption intention, i.e., customers with financial literacy are less willing to use the deferred payment services which can lead to overspending [11].

Finally, the comparative studies of platforms show that the interactive and visual platforms like YouTube and Instagram are very effective in influencing the purchase behaviour of Generation Z customers with more than 78.1% of variance in purchase decisions [53]. In conclusion, the results indicate that FOMO is a significant psychological mechanism for understanding the impact of digital marketing stimuli on consumer purchase behaviour particularly in the situation of social influence, scarcity and instant-gratification.

Table 2: Protective and Risk Factors in FOMO-Driven Spending

Factor	Effect Direction	Mechanism	Evidence Strength	Citation
Financial Literacy	Protective (−)	Increases awareness of debt risks, improves rational decision-making	Strong	[11], [42]
Digital Literacy	Protective (−)	Enhances critical evaluation of marketing content	Moderate-Strong	[48]
Self-Control	Protective (−)	Enables resistance to impulses despite FOMO triggers	Strong	[50]
Social Media Usage	Risk (+)	Increases exposure to comparison triggers and influencer content	Very Strong	[4]
BNPL Access	Risk (+)	Reduces payment pain, enables debt accumulation	Strong	[40]
Influencer Parasocial Bonds	Risk (+)	Creates emotional trust driving purchase compliance	Moderate-Strong	[20]
Hedonic Motivation	Risk (+)	Amplifies emotional purchasing beyond functional needs	Strong	[1]

The table identifies the major protective and risk factors that influence the relationship between FOMO and spending behavior among Generation Z consumers. The evidence suggests that while certain individual capabilities can mitigate the effects of FOMO, several technological and social factors significantly intensify impulsive consumption tendencies.

The table presents the key protective and risk factors that influence the link between FOMO and Gen Z consumers' spending behaviour. Evidence suggests that while some individual capabilities may help to ameliorate the effects of FOMO, a host of technical and social factors greatly augment impulsive consumption behaviours.

Being financially literate is a great protection against FOMO spending. It has been shown that financially literate people are better able to evaluate the long term effects of their spending, identify the dangers of debt and make good financial decisions even when subjected to attractive marketing strategies [11]; [42]. Digital literacy as a consumer protection measure enables consumers to critically assess the content they encounter online, recognise manipulative marketing tactics, and understand the financial motivations behind influencer endorsements and targeted advertising [48].

Self-control is one of the important protective factors that help people in resisting the temptation for instant gratification and impulsive buying urges triggered by FOMO. Studies have demonstrated that consumers who are more competent in self-regulation are more inclined to delay purchases, comply with budgets and resist the lure of unnecessary spending even under strong marketing pressures [50].

On the other hand, the table shows other important risk factors. The major risk factor is the use of social media, which leads to constant exposure to influencer content, comparison with peers and curated lives that amplify feelings of isolation and inadequacy, thus increasing the level of FOMO [4]. BNPL is easy to get, and takes away the immediate psychological pain of having to pay now, making people more financially vulnerable and more likely to buy things they can't really afford. The popularity of parasocial relationships with influencers increases purchase intentions as it creates emotional trust and a sense of connection between customers and content creators [20].

Furthermore, the impact of hedonic motivation on spending behaviour is significant when the emphasis is on pleasure, excitement and emotional satisfaction rather than the practical benefit. Consumers motivated by hedonia tend to be more responsive to the marketing communications that trigger FOMO and engage in impulsive buying behaviours [1]. Financial literacy, digital literacy and self-control can reduce the impact of FOMO, but Table 2 shows that exposure to social media, the impact of influencers and BNPL services and hedonic motivations still pose serious risks of over-consumption for Generation Z consumers.

9. Discussion and Conclusions

The current study explored the relationship between Fear of Missing Out (FOMO) and Generation Z spending behaviours in the digital age. The literature review suggests that FOMO is one of the most important psychological drivers of Gen Z consumer behaviour, primarily because of their high engagement with social media platforms, influencer generated content and digital commerce ecosystems. Gen Z consumers are digital natives, exposed to marketing messages, social comparisons and scarcity-driven promotional strategies that raise the perception of missing out on valuable experiences, opportunities and social trends. Therefore FOMO is a strong emotional trigger which leads to impulsive buying behaviour and influences the spending decisions other than rational financial considerations [6]; [15].

The results show that digital platforms like TikTok, Instagram, YouTube and other social commerce platforms have effectively integrated entertainment, social interaction and shopping into the consumer experience. Live shopping, influencer endorsements, flash sales, limited-time discounts and personalised recommendations evoke emotional responses and generate a sense of urgency, thus increasing the tendency for impulsive buying of consumers [14]; [31]; [32]. This can be well explained by the Stimulus-Organism-Response (S-O-R) (External digital stimuli are linked to internal psychological states such as FOMO, excitement and perceived social pressure which subsequently drive purchasing behaviour [8].

The study also highlights the importance of influencer marketing in shaping consumers' decisions. Influencers make use of authenticity, trust and parasocial relationships to establish emotional ties with their followers, which increases credibility and relevance of product recommendations to the individual. These relationships heighten consumers' propensity to follow influencers' lifestyle and to avoid social exclusion, thus increasing their vulnerability to FOMO-induced consumption [20]; [22]. Furthermore, social commerce and platform-specific features have influenced the transformation of shopping into a socially embedded activity, with community participation, trend adoption and online validation having a greater role in purchasing behaviour [25]; [26].

The fiscal implications of this study are a bit concerning. FOMO-driven spending leads to increased impulse buying, post-purchase regret, debt accumulation and poor financial management practices. The advent of Buy Now Pay Later (BNPL) services further aids in removing immediate financial barriers and promotes consumer choice for short-term gratification over long-term financial stability [35]; [40]. BNPL's rise adds to these risks. These patterns can result in long-term financial stress and inhibit young consumers from developing good money management habits.

But the review also highlights a number of factors that can buffer the negative effects of FOMO. Repeatedly mentioned as important protective mechanisms are financial literacy, digital literacy and self-control. If consumers have a high level of financial literacy and a good understanding of digital marketing strategies, they can critically evaluate promotional messages, resist impulse buying and make informed consumption decisions [11]; [42]; [48]. So the educational institutions, policy makers and financial service providers should focus on initiatives to try to increase the financial awareness and digital literacy for the Generation Z.

In conclusion, FOMO is a central feature of consumer behaviour in the digital age of influence. It's a powerful marketing engine that drives engagement and consumption, but it can have runaway effects that may lead to overspending, financial vulnerability and mental distress. Results suggest that a balanced mix of consumer education, responsible digital marketing practices and increased financial literacy is needed to promote sustainable consumption behaviours in Generation Z. With the continuing evolution of digital commerce, it will be important for researchers, educators, policymakers and marketers to continue to understand and address the psychological impact of FOMO in order to promote healthier and more financially responsible consumer habits in the future.

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