THE INFLUENCE OF SOCIAL MEDIA USAGE INTENSITY, SOCIAL ANXIETY, AND SELF- ESTEEM ON FINANCIAL BEHAVIOR THROUGH FEAR OF MISSING OUT AS A MEDIATING VARIABLE

Angeline Fiona[1], Oen Eric Harianto[2*]
Universitas Ciputra Surabaya
E-mail: erichariato@ciputra.ac.id[2]*

Abstract: The rapid development of social media has had a significant impact on the financial behavior of the younger generation. University students are one of the groups most vulnerable to digital influences, including increased social anxiety, decreased self-esteem, and the phenomenon of Fear of Missing Out (FoMO) that triggers consumptive behavior. This study aims to analyze the effect of social media usage intensity, social anxiety, and self-esteem on the financial behavior of students and to test the role of FoMO as a moderating variable. This research uses an explanatory quantitative method with Partial Least Squares-Structural Equation Modeling (PLS-SEM) analysis. The study sample consisted of 227 active social media users from Ciputra University, obtained through random sampling. The research results are expected to contribute empirically to the development of literature on financial behavior based on digital psychology, as well as provide recommendations for educational and financial institutions to improve financial literacy and reduce the negative impact of FoMO among students. This study also provides a foundation for developing a digital psychology-based intervention model to promote healthier financial behaviors.

Keywords: *Social Media, Social Anxiety, Self-Esteem, Fear of Missing Out, Financial Behavior.*

1. Introduction

The development of digital technology over the past five years has brought significant changes to interaction patterns, ways of obtaining information, and consumption behavior among the younger generation. Social media has become the main platform used by university students to communicate, express themselves, and follow trends. The high intensity of social media usage not only shapes social interaction patterns but also influences consumptive decision-making and the psychological pressure experienced by students (Obadă & Țugulea, 2024; Zhang, H. et al., 2023.

One increasingly dominant phenomenon is the rise of social anxiety. Studies by Liu, Y. et al. (2024) and Yang et al. (2023) show that digital contexts can amplify social pressure, increase the fear of being negatively judged, and encourage individuals to adjust their behavior to be accepted. Students with higher levels of social anxiety tend to exhibit consumptive behavior as a psychological coping mechanism, often driven by upward social comparison (Yang et al., 2023).

In addition to social anxiety, self-esteem is another crucial psychological factor. Contemporary research has found that individuals with low self-esteem are more prone to impulsive buying, especially when exposed to social comparisons (Cai, Z. et al., 2021). Conversely, high self-esteem is associated with healthier financial management and responsible behavior (Dhandra, 2020; Challet-Bouju et al., 2020). Another growing phenomenon in the digital environment is Fear of Missing Out (FoMO). Recent studies indicate that FoMO plays a significant role as a mediator in the relationship between psychological factors and digital consumptive behavior (Zhang, L., 2025; Wu et al., 2022).

This study aims to analyze the influence of social media usage intensity, social anxiety, and self-esteem on the financial behavior of Ciputra University students, as well as test the moderating role of Fear of Missing Out (FoMO) in strengthening this relationship. Theoretically, this research contributes to the development of literature on financial behavior based on digital psychology. Practically, the findings can provide input to educational institutions in designing financial literacy programs that address the psychological and digital challenges currently faced by students.

2. Literature Review
2.1. Social Media Usage Intensity
Social media usage intensity refers to the level of an individual's involvement in digital activities, including frequency of use, duration, type of platform, and depth of interaction. Zhang, H. et al. (2023) show that exposure to social media content is linked to digital consumption pressure. Furthermore, Obadă & Țugulea (2024) highlight the psychological impacts of digital interaction intensity on university students.
H1: Social media usage intensity significantly influences financial behavior.

2.2. Social Anxiety
Social anxiety is a condition in which individuals experience fear regarding negative judgment from others. Recent studies indicate that social anxiety affects consumer behavior in digital contexts (Liu, Y. et al., 2024). Individuals with anxiety may engage in problematic smartphone use as a predictor of their behavior (Elhai et al., 2021). Moreover, social anxiety is shown to be linked to financial decision-making patterns through emotional pressure.
H2: Social anxiety significantly influences financial behavior.

2.3. Self-Esteem
Self-esteem refers to an individual's subjective evaluation of their worth. Cai, Z. et al. (2021) explain that individuals with low self-esteem are more likely to engage in impulsive consumption. In contrast, Challet-Bouju et al. (2020) find that self-esteem is an important predictor of impulsive behavior; individuals with high self-esteem are better at managing their choices.
H3: Self-esteem significantly influences financial behavior.
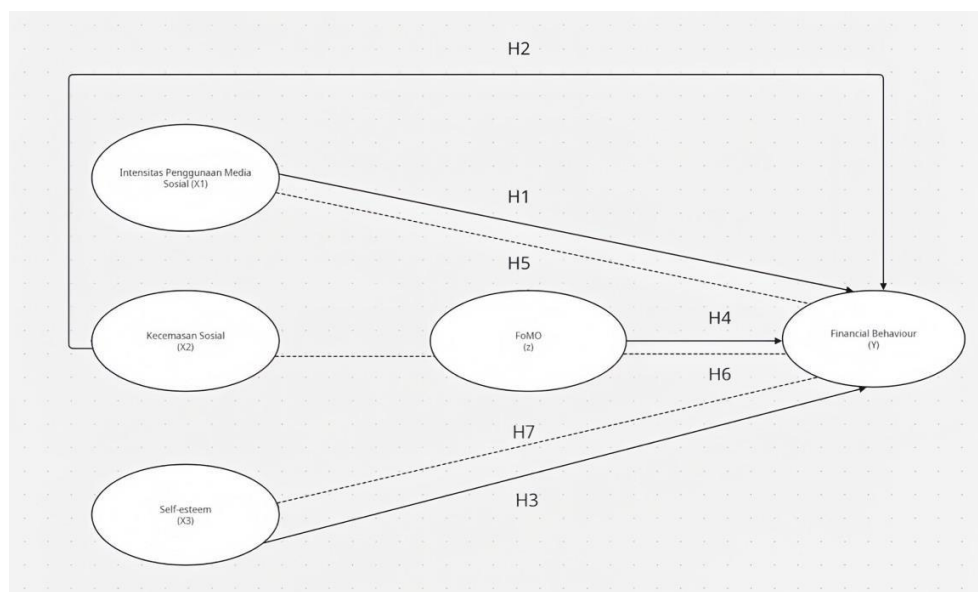
2.4. Fear of Missing Out (FoMO)
FoMO is a psychological phenomenon characterized by the fear of missing out on experiences or trends. Wu et al. (2022) found that FoMO increases impulse buying in social commerce as individuals feel the need to participate to stay relevant. Zhang, L. (2025) adds that FoMO influences financial impulsivity because individuals tend to buy something to avoid the feeling of being left behind.

H4: FoMO significantly influences financial behavior.

2.5. The Role of FoMO as Moderator/Mediator

FoMO can strengthen the relationship between antecedent variables and financial behavior. Akbari, M. et al. (2021) prove that FoMO triggers stronger impulsive online shopping behavior. Similarly, Liu, Y. et al. (2024) show that social anxiety correlates with consumer behavior in digital contexts, often amplified by psychological factors.

H5-H7: FoMO moderates/mediates the effect of social media usage intensity, social anxiety, and self- esteem on financial behavior.

Figure 1. Research Framework

3. Research Method

This research uses a quantitative approach with an explanatory research design to test causal relationships between variables. The respondents are university students selected using random sampling, as they are active social media users who experience digital psychological dynamics (Obadă & Țugulea,2024). The sample size of 227 respondents was determined based on the recommendation of Hair et al. (2021), which suggests a minimum of ten times the largest indicator count.

Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM)with SmartPLS 4.0 software. This method is suitable for research involving psychological constructs and complex behavioral patterns (Sarstedt et al., 2022). The operational definitions included Social Media Usage Intensity, Social Anxiety, Self-Esteem, FoMO, and Financial Behavior (OECD, 2021).

4. Results and Discussion
4.1. Results
Participant Profile and Descriptive Test

The study involved 227 student respondents, mostly aged 21 years (52.4%). The majority are located in Surabaya and have a monthly allowance of more than 4 million IDR. Descriptive tests showed that all indicators had strong outer loadings (0.744 to 0.931), indicating that social

media is an integral part of their lives and that they experience significant social anxiety and FoMO. The study involved 227 student respondents, mostly aged 21 years (52.4%). The majority are located in Surabaya and have a monthly allowance of more than 4 million IDR. Descriptive tests showed that all indicators had strong outer loadings (0.744 to 0.931), indicating that social media is an integral part of their lives and that they experience significant social anxiety and FoMO.

Measurement Model Evaluation (Outer Model)

Convergent validity was confirmed as all indicators had outer loadings ≥ 0.70 and Average Variance Extracted (AVE) ≥ 0.50. For example, the AVE for Social Anxiety was 0.838 and for FoMO was 0.775. Discriminant validity was established using the Heterotrait-Monotrait Ratio (HTMT), where all values were below the critical threshold of 0.90 (Hair et al., 2022). Reliability was also confirmed with Cronbach's Alpha and Composite Reliability (CR) values above 0.70 for all constructs; for instance, the CR for Financial Behavior was 0.867.

Structural Model Evaluation (Inner Model)

The R-Square value for FoMO was 0.599, meaning 59.9% of its variance is explained by the independent variables. For Financial Behavior, the R-Square was 0.366 (36.6%). The model fit was perfect, with an SRMR value of 0.072 (below the 0.08 threshold).

Hypothesis Testing Results

The hypothesis testing using bootstrapping revealed the following:

1. **Direct Effects on FoMO:**
   Social Media Usage Intensity ($\beta = 0.420$), Social Anxiety ($\beta = 0.469$), and Self-Esteem ($\beta = 0.520$) all have a significant positive effect on FoMO ($p = 0.000$).
2. **Direct Effects on Financial Behavior:**
   FoMO ($\beta = 0.395$, $p = 0.000$) and Self-Esteem ($\beta = 0.183$, $p =$ significantly influence Financial Behavior. However, Social Media Usage Intensity ($p = 0.470$) and Social Anxiety ($p = 0.219$) do not directly affect Financial Behavior.
3. **Indirect Effects:**
   FoMO significantly mediates the relationship between Social Media Usage Intensity and Financial Behavior ($t = 3.547$), and between Social Anxiety and Financial Behavior ($t = 4.121$). It does not mediate the relationship for Self-Esteem ($p = 0.369$).

4.2. Discussion

The results show that Social Media Usage Intensity, Social Anxiety, and Self-Esteem play a significant role in increasing FoMO. This aligns with Przybylski et al. (2021), who suggest that motivational factors drive FoMO and social media engagement. For students, the emotional connection arising from insecurity strengthens the link between social anxiety and FoMO (Elhai et al., 2021).

Interestingly, Social Media Usage Intensity and Social Anxiety did not have a direct influence on Financial Behavior. This suggests that financial behavior is more influenced by internal psychological traits than by external social factors directly. However, Self-Esteem did significantly influence Financial Behavior, supporting Tang & Baker (2020) who found that high self-esteem leads to more responsible financial behavior.

Crucially, FoMO acts as a mediator. It strengthens the relationship between intense social media usage and consumptive behavior. This means that while social media influences financial behavior, its impact is channeled through the increase in FoMO (Akbari, M. et al., 2021; Wu et al., 2022).

5. Conclusion

This study confirms that FoMO plays a critical role in shaping students' financial behavior. While social media usage intensity does not directly affect financial behavior, it fuels FoMO, which in turn exacerbates impulsive spending. Self-esteem and social anxiety also significantly influence financial decisions, with FoMO mediating the impact of anxiety. This study confirms that FoMO plays a critical role in shaping students' financial behavior. While social media usage intensity does not directly affect financial behavior, it fuels FoMO, which in turn exacerbates impulsive spending. Self-esteem and social anxiety also significantly influence financial decisions, with FoMO mediating the impact of anxiety.

Educational institutions should develop financial literacy programs that include managing psychological factors like FoMO. Zhang, H. et al. (2023) state that students exposed to digital pressures need strategies to reduce negative impacts. Additionally, social anxiety management programs are essential, as Liu, Y. et al. (2024) found that anxiety correlates with consumer behavior in digital contexts.

Acknowledgments

References

Akbari, M., Eslami, S. P., & Mikaeli, A. (2021). The impact of fear of missing out on impulsive online shopping. *Journal of Retailing and Consumer Services*, 63, 102737. https://doi.org/10.1016/j.jretconser.2021.102737

Cai, Z., Yu, M., & Jiang, L. (2021). Self-esteem, social comparison, and impulsive consumption among young adults. *Personality and Individual Differences*,171,110467. https://doi.org/10.1016/j.paid.2020.110467

Challet-Bouju, G., Perrot, B., Bernard, M., & Grall-Bronnec, M. (2020). Impact of self-esteem on impulsive behavior and consumption choices. *Addictive Behaviors Reports*, 11, 100257. https://doi.org/10.1016/j.abrep.2020.100257

Dhandra, T. K. (2020). Does self-esteem matter? A study on self-esteem and responsible financial behaviour. *Journal of Consumer Affairs*, 54(3), 912–930. https://doi.org/10.1111/joca.12223

Elhai, J. D., Yang, H., Montag, C., & Hall, B. J. (2021). Depression, anxiety and FoMO as predictors of problematic smartphone use. *Psychiatry Research*, 296, 113698. https://doi.org/10.1016/j.psychres.2020.113698

Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2021). *A primer on partial least squares structural equation modeling (PLS-SEM)*. SAGE Publications.

Liu, Y., Yang, Z., & Zhao, X. (2024). The relationship between social anxiety and consumer behavior in digital contexts. Psychology of Marketing, 41(4), 302-319. https://onlinelibrary.wiley.com/doi/full/10.1002/mar.21312

Obadă, D., & Țugulea, O. (2024). Digital interaction intensity and its psychological impacts on university students. Journal of Consumer Behaviour.

OECD. (2021). OECD/INFE 2020 international survey of adult financial literacy. OECD Publishing. Przybylski, A. K., Murayama, K., DeHaan, C. R., & Gladwell, V. (2021). Motivational, emotional, and behavioral correlates of FoMO. Computers in Human Behavior, 122, 106819. https://doi.org/10.1016/j.chb.2021.106819

Tang, N., & Baker, A. (2020). Self-esteem, financial behavior, and financial well-being. Journal of Behavioral and Experimental Finance, 28, 100403. https://doi.org/10.1016/j.jbef.2020.100403

Wu, K., Zhao, X., & Wang, X. (2022). FoMO and impulse buying in social commerce. Journal of Consumer Behaviour, 21(6), 1172–1184. https://doi.org/10.1002/cb.2047

Yang, X., Liu, J., & Chen, H. (2023). Upward social comparison in digital environments and its effects on consumption behavior. Journal of Applied Social Psychology, 53(5), 342–358. https://doi.org/10.1111/jasp.12911

Zhang, H., Zhao, L., & Yang, J. (2023). Social media exposure and digital consumption pressure among young adults. Computers in Human Behavior, 140, 107591.

Zhang, L. (2025). Fear of missing out and financial impulsivity in young consumers. Journal of Behavioral Decision Making, 38(1), 112–126. https://doi.org/10.1002/bdm.2325