

THE IMPACT OF THE FEAR OF MISSING OUT EFFECT ON CONSUMER BEHAVIOUR

Introduction. In the fast paced world, the Fear of Missing Out (FOMO) has become a significant psychological phenomenon that influences consumer behavior in marketing. Although FOMO is increasingly recognised as relevant to shaping consumer decisions, there is still a need to fully understand its impact on consumer behavior and to analyze marketing mechanisms and strategies that can effectively leverage this effect. The purpose of this work is to analyze types of influence on consumer behavior through the FOMO effect and to draw a conclusion about the overall effectiveness of it.

Main part. If an individual experiences a FOMO state, they may worry that they are missing out on something important, for example a discount, an opportunity to learn, or socially significant news. This can cause stress and lead to impulsive behaviour, such as constantly browsing the internet or making spontaneous purchases. In marketing, FOMO is used to create fear in customers of missing out on a profitable purchase. The person rushes to buy something they might not have bought under normal circumstances.

The main types of influence on the consumer behaviour through the FOMO effect [1, 2]:

1. Expiry Date

Providing a specific time frame for the availability of a product can cause anxiety and fear of missing out on something valuable. Customers might feel a sense of urgency to buy the product right away, since they may be afraid that the product will no longer be available after the time limit goes out. Additionally, customers may worry that they will miss out on a good deal if they don't act fast. A discount with a limited time frame makes you nervous for the following reasons:

- if you don't take on a discount, you're staying behind;
- you'll buy it later, but at a higher price;
- by the end of a discount, there will be no goods left, so you need to purchase it now.

2. Availability

It is generally understood by individuals that a product is only accessible in limited quantities or exclusively to a specific group of people, for example loyal customers. Thus, they may feel anxious about missing out.

Customer loyalty programs, or bonus programs, encourage the customer in the following way: first buy to get bonuses, then buy to spend the bonuses. When companies limit the period of points' availability, it can cause anxiety for clients who fear losing their rewards, which leads them to make purchases in a hurry. Also, there is the mechanism that involves a client purchasing a product at a certain price and then becoming eligible to participate in a giveaway. While there is no guarantee of winning a prize, the client is likely to spend more than he had planned originally. This encourages impulsive buying; the customer might feel that they need to purchase the product or risk losing out on the chance for the giveaway. Companies can also take advantage of this by increasing the prices of their products or services, knowing that customers are more likely to purchase them if they think that there is a chance of winning something.

3. Social validation

When people see others already using a product, they may experience fear of being excluded. This marketing technique often involves the use of bloggers, artists, and other celebrities to promote a product. Social media influencers now are also an important tool in such types of marketing. Nowadays, companies use influencers to create engaging content about their products on social media platforms such as TikTok or Instagram, which can help to increase brand awareness and reach more customers. The intention is to create a positive impression of the product in the minds of those who will purchase the goods. Friends and family in particular can also influence the choice of customers.

A survey was conducted among 85 people of various age groups, and the data received was analysed in order to discover people's attitude towards FOMO effect strategies, and how often they (FOMO strategies) trigger people's attention.

As a result of the survey, the majority of participants (93 %) felt that some advertising techniques and strategies can often make people feel dissatisfied with the products they have purchased. The results of the survey showed that most of the participants think that they do not feel the FOMO effect, or feel it rarely. However, while answering questions of the survey, some of those participants chose option "often" for questions:

- "How often do you feel the need to purchase a product/service if it is discounted?" — 28 %;
- "How often do you feel the need to purchase a product/service if the offer has a limited time frame?" — 21 %;
- "How often do you feel the need to purchase a product/service if it is left in limited quantity?" — 25 %;
- "How often do you feel the need to purchase a product/service if it is only available to certain special customers?" — 10.6 %;

– “How often do you feel the need to purchase a product/service used by your favourite bloggers or other celebrities?” — 18.6 %;

– “How often do you feel the need to purchase a product/service because you see that your friends or acquaintances have purchased or are using it?” — 37 %.

Thus, it can be said that people are influenced by FOMO effect strategies even if they think they are not.

In the opinion of the respondents, the most influential advertising techniques or offers that motivate people to make a purchase or use a service were considered to be:

“Discount on the product/service” — 80 %;

“Use of the product/service by friends or acquaintances” — 63.5 %;

“Limited quantity of the product/service” — 36.5 %.

Besides, if taking in consideration all of the types of influence on the consumer behavior through the FOMO effect, it should be said that the survey revealed that the participants indeed do find “discounts” and “the usage of certain products by friends” more influencing than other types (see figure 1 and figure 2).

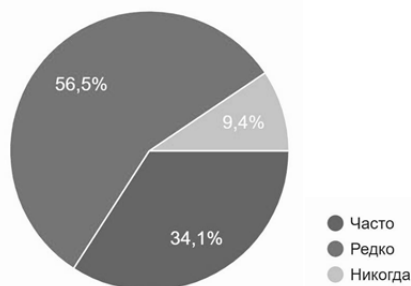


Figure 1 — How often do you feel the need to purchase a product/service if it is discounted?

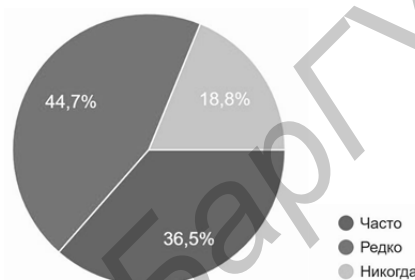


Figure 2 — How often do you feel the need to purchase a product/service because you see that your friends or acquaintances have purchased or are using it?

Furthermore, almost half of the participants — 47.1 % — never feel the need to purchase any product or service if it is only available to certain special customers, which makes this type of influence on consumer behaviour through FOMO the least effective.

Conclusion. The FOMO effect can be a powerful marketing tool, but it also can lead to impulsive purchases that the customer may not need or want. This can cause financial strain and can lead to feelings of regret. Some types of influence on consumer behavior through the FOMO effect came out to be not entirely effective, but nevertheless they do work. Which leads us to the statement that it is generally true that all the types listed below work - some more, some less. Thus, consequently, the FOMO effect is a beneficial marketing strategy that can be used for businesses to influence consumer behaviour, and to use it or not to - is a decision solely of an organisation. Furthermore, it must be acknowledged that it matters whether the customer is aware or not of what FOMO practices are — almost all (70.5 %) of the survey participants, who were aware of what FOMO in marketing is, do not feel omission if they do not possess goods that others do possess, and overall they all rarely feel influenced by any type of the usage of such marketing strategies.

References

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EDUCATION AND HEALTH CARE AS KEY COMPONENTS OF THE SOCIAL SPHERE IN MODERN CONDITIONS

Introduction. The social sphere of society is a large-scale system created to meet people's needs for communication and association. It plays a key role in states with socially oriented economies, especially those that seek to address pressing societal problems and provide social services to the population.