



Impact of Fear of Missing Out, Self-Control, and Lifestyle on Personal Financial Planning of Generation Z in the Special Region of Jakarta

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Abstract. This study aims to test and analyze the Fear of Missing Out (FoMO) syndrome, Self Control, and Lifestyle on Personal Financial Planning. The basic theories used in this study are Financial Behavior Theory, Self-Regulation Theory, the Life Cycle Hypothesis of Consumption Theory, and the Theory of Planned Behavior. This study uses a quantitative-associative causal approach and a non-probability/purposive sampling technique, yielding a total of 487 samples. The sample in this study consisted of Z Generation individuals in the Special Region of Jakarta (DKJ) aged 17–28 years, currently studying or working/entrepreneurial, and with a monthly income. Primary data collection was conducted via an online questionnaire (Google Form) in the Regency/City of East Jakarta, West Jakarta, South Jakarta, North Jakarta, Central Jakarta, and the Seribu Islands. The data analysis technique used was Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software version 4.1.1.2. The study found that Fear of Missing Out (FoMO) had a negative, significant effect, while Self Control and Lifestyle had positive, significant effects on Personal Financial Planning.

Keywords: Fear of Missing Out Syndrome, Lifestyle, Personal Financial Planning, Self Control, Z Generation

1 Introduction

In today's fast-paced, connected digital era, an individual's ability to manage their finances is determined not only by their income level but also by psychological factors and lifestyle choices. Social phenomena such as Fear of Missing Out (FoMO), self-control, and a consumptive lifestyle can influence the effectiveness of one's financial planning. Daily life, which is closely linked to digital technology, is synonymous with the characteristics of Generation Z (Gen Z), who grew up amidst the rapid digital era [1]. Gen Z is the group at the forefront of digital innovation and cultural transformation, born when smartphones, social media platforms, and online entertainment were everywhere [2]. According to the Research Institute & IDN Media, most Gen Zers spend more than 6 hours a day on the internet, with most of that time spent on social media. The high level of internet use, especially social media, can actually give rise to several new problems such as cancel culture, catfishing, cyberbullying, Fear of Missing Out (FoMO) syndrome, and so on [3].

The high level of internet usage, particularly social media, can actually give rise to several new problems such as cancel culture, catfishing, cyberbullying, Fear of Missing Out (FoMO) syndrome, and so on [3]. The term FoMO was introduced by McGinnis (n.d.) and refers to the fear of missing out on information or moments on social media. This fear ultimately drives them to continue following trends, thus triggering consumptive behavior to fulfill their lifestyle [4].

This consumptive lifestyle aligns with high consumption rates and a lack of spending control [5]. The Gen Z lifestyle in urban areas such as the Special Region of Jakarta is also a factor that cannot be ignored. Easy access to entertainment, a modern lifestyle, and the influence of social media encourages high consumption patterns and a desire to appear. This can impact financial balance if not balanced with good financial planning. The Special Region of Jakarta (DKJ) ranks second as the region with the highest online loan (pinjol) value in Indonesia, amounting to IDR 11.62 trillion. The majority of users of this service are from the 19–34 age group (Gen Z and Millennials). The high rate of bad debts among Gen Z reflects their weakness in managing and allocating their finances. Repeated debt behavior can negatively impact financial health and lead to high debt levels. Self-control is necessary to maintain a balance between desires and financial capabilities. Self-control is an individual's ability to control impulses, adjust behavior, and demonstrate concern for themselves and their environment. Individuals with low self-control tend to engage in debt behavior [6].

The research gap in this study stems from the limited number of prior studies that simultaneously examine the effects of the Fear of Missing Out (FoMO) syndrome, self-control, and lifestyle on personal financial planning. Of the 12 empirical and theoretical studies reviewed, only one examines all three variables concurrently. In addition, there is a theoretical gap, as frameworks such as Financial Behavior Theory, Self-Regulation Theory, the Life Cycle Hypothesis of Consumption, and the Theory of Planned Behavior have not been widely applied in previous research on this topic. A population gap is also identified because Generation Z in the Special Region of Jakarta (DKJ) has not yet been specifically investigated as the main subject of analysis. Furthermore, the use of Partial Least Squares–Structural Equation Modeling (PLS-SEM) as an analytical technique remains limited in this context, indicating a methodological gap that underscores the uniqueness and relevance of the present study for further development.

2 Literature Review

2.1 Financial Behavior Theory

Financial Behavior Theory is a field of study pioneered by Shiller in 1981, integrating economic, psychological, and sociological theories to explain the reasons behind irrational financial decisions [7]. Financial behavior challenges the basic assumptions of conventional finance, which assume individuals are always rational and make financial decisions logically and thoughtfully. This is because, when making financial decisions, humans generally tend to be influenced by fear, anger, greed, and selfishness [7].

2.2 Fear of Missing Out Syndrome (FoMO)

Fear of Missing Out (FoMO) syndrome is a psychological symptom that refers to feelings of discomfort or anxiety resulting from the belief that others have experiences

or opportunities that one does not. FoMO as arising from a lack of knowledge about the psychology of social media use [8]. FoMO is a condition in which a person wastes time and energy beyond normal limits on their social media use [9]. FoMO stems from feelings of being left behind, which trigger anxiety, irritability, and feelings of inadequacy [8]. A person who cares too much about the environment around him, out of fear of being left behind, can risk losing his identity and, worse, become too focused on other people's lives rather than his own [10]. Fear of Missing Out (FoMo) syndrome can be measured through five key indicators:

(1) Fear, referring to a perceived threat or discomfort experienced when an individual is, or anticipates being, disconnected from a moment or conversation with others; (2) Anxiety, defined as an unpleasant feeling arising from the perception of having missed out on certain opportunities, moments, or events; (3) Irritability, namely a sense of unease or being easily annoyed due to feeling excluded from activities or moments that are attracting the attention of many people; (4) Inadequacy, which reflects a self-perception of being unworthy or unable to keep up with prevailing trends, leading to feelings of meaninglessness or lack of personal value; and (5) Self-esteem, characterized by low self-confidence and feelings of inferiority stemming from the belief that one does not possess the same abilities or opportunities as others [8]. Thus, the first hypothesis is as follows:

H¹: Fear of Missing Out (FoMo) syndrome has a positive but insignificant influence on Personal Financial Planning

2.3 Self Control

Self-control is an individual's ability to resist various impulses and control their behavior, both internal and external. Self-control is a skill individuals can develop to manage various situations in their lives, including environmental conditions [11]. Self-control itself can play a role when individuals have the opportunity, freedom, or potential to choose between various alternative actions [12]. Self-control is a form of decision-making in which individuals direct their behavior to obtain certain benefits or utility [13]. Three indicators can be used to operationalize self-control:

(1) Behavioral control, defined as an individual's readiness to respond to situations that directly influence or modify an unpleasant condition; (2) Cognitive control, referring to an individual's ability to process unwanted information by interpreting, evaluating, or cognitively reframing events as a form of psychological adaptation or to reduce stress; and (3) Decision control, referring to an individual's ability to choose an outcome or course of action based on what they believe in or agree with [11].

Thus, the second hypothesis is as follows:

H²: Self Control has a positive and significant influence on Personal Financial Planning.

2.4 Lifestyle

The way individuals spend their time, engage in activities in their environment and with their interests, and what they consider important to themselves is called lifestyle. Lifestyle is an individual's pattern of living reflected through their activities, interests, and opinions [14]. Lifestyle is formed through interaction with the social environment [15]. Each individual's lifestyle also varies depending on daily activities and the influence of the surrounding environment such as family, work, community, business, politics, education, and others [16]. Thus, the third hypothesis is as follows:

H³: Lifestyle has a positive and significant influence on Personal Financial Planning

2.5 Personal Financial Planning

Financial planning is the first step for every individual in managing their personal finances. Financial planning is an individual's effort to manage their finances to achieve a desired level of economic satisfaction [17]. Financial planning is a priority for individuals who have managed their expenses and serves as a guide in meeting economic needs [18]. Each individual also has different circumstances when planning their finances to meet their needs and desired goals [19]. The art and science of managing personal finances is called personal financial planning. Personal financial planning is the process of designing and implementing financial strategies to achieve clear financial goals and direction for each individual [13].

The research model proposed in this study is depicted in Figure 1 to examine the effects of Fear of Missing Out Syndrome, Self-Control, and Lifestyle on Personal Financial Planning of Generation Z in the Special Region of Jakarta.

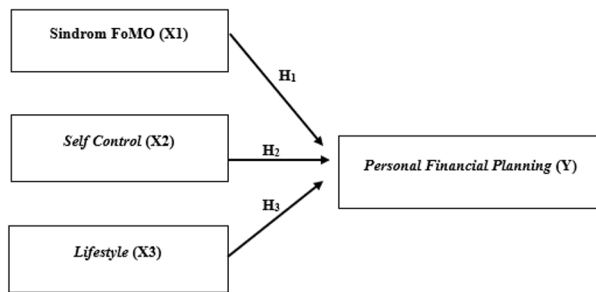


Fig. 1 . The Proposed Research Model

3 Methodology

A quantitative study was conducted to examine the proposed research model. A total of 487 samples were collected via an online questionnaire using a purposive sampling technique and distributed at the end of May 2025. The questionnaire consisted of 487 closed-questions to evaluate the variable of Fear of Missing Out, Self Control, dan Lifestyle pada Personal Financial Planning using 5-scale Likert scale to avoid a bias choice. The data were analyzed using PLS-SEM, PLS-SEM is widely used in various studies for its ability to handle small sample sizes, non-normal data, and exploratory research, as well as for its applicability to formative latent variables, predictive modeling, complex models, and categorical data [20].

4 Result

Table 1 presents the demographic profile of 487 respondents, consisting of 57% males and 43% females. Most respondents were aged 21–24 years (48%), followed by 17–20

years (26%) and 25–28 years (26%). In terms of domicile, the largest group resided in South Jakarta (28%), East Jakarta (27%), West (21%), North (15%), Central Jakarta (8%) while others were from Kepulauan Seribu (1%).

Table 1. Respondents Profile

	Frequencies (n=487)	Percentage
Gender		
Male	211	43%
Female	276	57%
Age Range		
17-20	126	26%
21-24	233	48%
25-28	128	26%
Domicile		
South Jakarta	139	29%
East Jakarta	132	27%
Central Jakarta	41	8%
West Jakarta	101	21%
North Jakarta	71	15%
Kepulauan Seribu	3	1%

Outer Model Test. The first analyze in PLS-SEM is outer model test to check the reliability and validity of each construct in the proposed model [11]. According to Table 2, the values of all outer loadings were above 0.6, thereby meet the minimum criteria as a valid construct [11]. Additionally, the Average Value Everage values range from 0.580 to 0.790 reflected the validity of each variable [11].

Table 2. Results of Outer Model Test Results

Variable	Item Instruments	λ	Average variance extracted (AVE)		
Sindrom Fear of Missing Out (FoMO)	FM3	0.833	0.702		
	FM4	0.823			
	FM5	0.830			
	FM6	0.874			
	FM7	0.806			
	FM8	0.863			
	FM9	0.853			
	FM10	0.825			
	FM11	0.847			
	FM12	0.859			
	FM13	0.823			
	FM14	0.800			
	FM15	0.856			
	Self Control	SC1		0.729	0.580
		SC2		0.758	
SC3		0.732			
SC4		0.778			

	SC5	0.736	
	SC6	0.765	
	SC7	0.767	
	SC8	0.797	
	SC9	0.789	
<i>Lifestyle</i>	LS1	0.863	0.790
	LS2	0.876	
	LS4	0.893	
	LS5	0.899	
	LS7	0.900	
	LS8	0.901	
<i>Personal Financial Planning</i>	PFP1	0.749	0.638
	PFP2	0.785	
	PFP3	0.783	
	PFP4	0.803	
	PFP5	0.808	
	PFP6	0.785	
	PFP7	0.820	
	PFP8	0.809	
	PFP9	0.809	
	PFP10	0.818	
	PFP11	0.763	
	PFP12	0.779	
	PFP13	0.823	
	PFP14	0.789	
	PFP15	0.823	
	PFP16	0.780	
	PFP17	0.837	
	PFP18	0.803	

Inner Model Test. The inner model assessment was performed to evaluate the proposed hypotheses. As presented in Table 4, all paths between the latent constructs exhibited T-statistic values ≥ 1.64 and p-values ≤ 0.05 , and were therefore considered statistically significant. The findings suggest that Self-Control (X2) and Lifestyle (X3) exert a positive and significant effect on Personal Financial Planning, whereas the Fear of Missing Out (FoMO) syndrome (X1) exerts a negative yet significant effect. Consequently, H1 is rejected because the relationship between FoMO (X1) and Personal Financial Planning is negative and significant, contradicting the hypothesized positive and insignificant relationship. Conversely, H2 and H3 are supported, as they exhibit positive and significant effects consistent with the hypothesized direction. Hence, two out of the three proposed hypotheses are supported under the one-tailed testing approach.

Table 3. Hypotheses Testing Results

	<i>Sample mean (M)</i>	<i>Standard deviation (STDEV)</i>	<i>T statistics</i>	<i>P values</i>	<i>Decision</i>
FM → PFP (H1)	-0.289	0.041	7.118	0.000	Accepted
SC → PFP (H2)	0.336	0.048	6.991	0.000	Accepted
LS → PFP (H3)	0.311	0.042	7.405	0.000	Accepted

5 Conclusion

This study analyzes the influence of the Fear of Missing Out (FoMO) Syndrome, Self-Control, and Lifestyle on Personal Financial Planning among Generation Z individuals aged 17–28 years in the Special Capital Region of Jakarta (DKJ). Based on a quantitative analysis using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) method in SmartPLS version 4.1.1.2, conducted with 487 respondents from an online questionnaire, this research demonstrates a significant effect of the three tested variables on Personal Financial Planning. The findings form the basis for the following conclusions.

Analysis of Generation Z respondents in the Special Capital Region of Jakarta (DKJ) indicates that they generally exhibit a neutral attitude and do not experience FoMO. This low level of FoMO positively affects their financial behavior, enabling individuals to resist impulsive consumption driven by social pressure and to focus more rationally on financial management. The results reinforce the notion that lower levels of FoMO are associated with more rational financial behavior, thereby supporting better personal financial planning. In other words, the lower an individual’s tendency toward FoMO, the higher the quality of their financial planning. Hence, this finding suggests that emotional calmness and mindfulness in responding to the flow of information and social trends can serve as protective factors in personal financial management. The findings of this study indicate that most members of Generation Z (Gen Z) in the Special Region of Jakarta (DKJ) exhibit a contrasting tendency. Although the potential effects of the FoMO syndrome are present in each individual, the respondents in this study demonstrate a relatively high level of self-control, prioritizing planned financial behaviors such as saving, managing expenses, and setting financial goals. This is consistent with the Theory of Planned Behavior, which emphasizes that behavior is guided by an individual’s intentions, formed by perceived behavioral control and attitudes toward a given action. The results also suggest that Gen Z in DKJ are not fully driven by digital social pressure and, in fact, display a considerable degree of financial maturity that supports more sustainable economic behavior.

The analysis reveals that Generation Z individuals in the DKJ region with higher levels of self-control tend to be more disciplined in managing their finances, such as budgeting, saving, and setting structured financial goals. The findings confirm that an individual’s ability to regulate themselves plays a crucial role in improving the quality of personal financial planning. When one’s self-control level is high, their tendency to manage expenses wisely and to prioritize long-term financial goals through personal financial planning also increases. Therefore, self-control is not merely a psychological trait but also a fundamental foundation for building sound financial behavior. From a theoretical perspective, the findings of this study are consistent with Self-Regulation Theory, which emphasizes individuals’ ability to manage their thoughts, emotions, and

behaviors to achieve long-term goals. Individuals with a high level of self-control tend to be better at delaying immediate gratification, avoiding impulsive spending, and exercising greater discipline in managing their finances. This ability enables them to set financial priorities, such as saving and planning expenditures more strategically, thereby supporting the attainment of their predetermined financial goals. In line with the Theory of Planned Behavior, financial planning behavior driven by self-control is shaped by strong intentions, positive attitudes toward financial management, and the belief that individuals can regulate their actions. Therefore, self-control becomes a key factor in shaping healthy, future-oriented financial behavior.

Furthermore, the analysis reveals that Generation Z respondents in the DKJ region who adopt a simple and non-consumptive lifestyle are more disciplined in budgeting, saving, and setting long-term financial goals. These results support the notion that individuals who prioritize needs over wants tend to plan their finances more effectively and purposefully. The better an individual's lifestyle, the more effectively they can manage and allocate finances. Thus, maintaining a financially healthy lifestyle serves as one of the key determinants of successful personal financial planning. The findings of this study are consistent with the Life Cycle Hypothesis of Consumption, which emphasizes the importance of optimally managing consumption and savings at every stage of life in order to achieve long-term financial well-being. In this context, lifestyle reflects how individuals make consumption decisions, set financial priorities, and allocate expenditures in accordance with their life phase. A well-directed lifestyle, such as maintaining a saving habit, avoiding excessive consumption, and formulating a clear financial plan, encourages individuals, particularly those in their productive years, such as Generation Z (Gen Z), to be better prepared financially for the future.

In conclusion, the three independent variables (FoMO Syndrome, Self-Control, and Lifestyle) collectively explain 51.80% of the variance in Personal Financial Planning among Generation Z individuals aged 17–28 years in the Special Capital Region of Jakarta (DKJ). This finding indicates that psychological and lifestyle factors significantly contribute to personal financial planning. Therefore, these aspects are essential considerations in efforts to improve financial literacy and management, particularly among younger generations such as Generation Z.

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