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The role of the vuca method in understanding the phenomenon of fomo and doom spending among the younger generation

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Abstract

Dynamic changes in the digital era create great challenges for the younger generation, especially in an environment characterized by Volatility, Uncertainty, Complexity, and Ambiguity (VUCA). Fear of Missing Out (FOMO) and doom spending is a significant behavioral manifestation among the younger generation, including Bale Bandung University students. This study aims to analyze the role of the VUCA framework in shaping both phenomena and provide insight into the factors that influence these behaviors. The research method used was a Systematic Literature Review (SLR), which allows for a structured analysis of relevant academic literature. Data was obtained from reputable journals, conference proceedings, and educational books using strict inclusion and exclusion criteria. Data analysis was conducted by categorizing the findings based on the elements of VUCA and its relationship with FOMO and doom spending. Translated with DeepL.com (free version) The results show that VUCA elements, such as uncertainty and complexity, exacerbate FOMO and doom spending tendencies, especially through the influence of social media (3 article). College students who face social and financial pressures in a dynamic environment exhibit impulsive consumptive behavior as a coping mechanism for these pressures. The findings are consistent with previous studies, but extend the literature by integrating the VUCA framework in the analysis. This research makes a significant contribution to understanding the impact of VUCA on young people's social behavior and opens opportunities for the development of intervention strategies. These results are relevant for educational institutions and policymakers in designing digital literacy, financial management, and mental support programs. In conclusion, a VUCA-based approach can be a foundation for addressing increasingly complex social challenges in the digital age.

Keywords: Doom Spending, Phenomena, FOMO, Millennial Generation, VUCA

1. Introduction

The development of the digital world has brought significant transformations in various aspects of life, including the social behavior of the younger generation (Livari et al., 2020). This era is characterized by an environment full of uncertainty, complexity, and ambiguity, often referred to as the VUCA (Volatility, Uncertainty, Complexity, Ambiguity) world. The VUCA framework, originally developed in military and management contexts, is now an important analytical tool for understanding modern social dynamics (Bennett & Lemoine, 2014). The importance of research in this area lies in the need to understand how the younger generation, as the main actors in the digital age, respond to the social pressures that arise due to the VUCA environment. One striking phenomenon is the Fear of Missing Out (FOMO) and doom spending, which are increasingly prevalent among the younger generation (Giedd, 2020).

FOMO has become a global phenomenon with the increasing use of social media, such as Facebook, Instagram, and Twitter (Hetz et al., 2015). These platforms provide instant access to other people's lives, often showing only their "best side". This makes users feel inadequate or left out, although what they see is only a fraction of reality (McGinnis,

2020). FOMO has come to be recognized as a psychological phenomenon that affects many aspects of modern life, including social relationships, lifestyle, and decision-making.

The problem of FOMO and doom spending is also seen among Bale Bandung University students. Students who are in the transition period from adolescence to young adulthood tend to face greater social pressure, especially with the strong influence of social media in their daily lives. Based on initial interviews and observations, students at Bale Bandung University often feel compelled to follow various trends that appear on social media, such as purchasing branded goods, attending popular events, or sharing certain moments to maintain their social existence. This pressure often leads to excessive and unplanned consumptive behavior, which ultimately impacts their financial condition. This phenomenon becomes even more complex when linked to the uncertainty of the future, especially amid the challenges of the working world and the ever-changing environment.

FOMO first appeared in a Harvard Business School article, becoming a global term for the uncomfortable condition when we think others have better and richer experiences than us. Amplified by the rise of social media, FOMO has become a cultural crisis. FOMO refers to the anxiety that someone feels like they are left out of certain social trends or experiences. This phenomenon is triggered by the high use of social media, which often projects an idealistic picture of life (McGinnis, 2020). In contrast, doom spending is an impulsive consumption behavior used as an escape from psychological distress, such as stress or financial uncertainty (Bankrate, 2023). Although several studies have addressed FOMO in the context of social media (Przybylski, 2013) and doom spending concerning economic behavior (Dholakia, 2020), not many have integrated the concept of VUCA to analyze these two phenomena in depth.

Previous research tends to separate VUCA analysis from social behavior studies. For example, Bennett and Lemoine's (2014) study focused on the application of VUCA in organizational management, while Przybylski et al.'s (2013) study only addressed the impact of FOMO without considering the macro dynamics affecting the behavior. In addition, Dholakia's (2020) research on doom spending focuses on microeconomic aspects without connecting this phenomenon to broader social uncertainty and complexity.

This study seeks to fill this gap by integrating the VUCA framework to understand how elements such as volatility, uncertainty, complexity, and ambiguity influence FOMO and doom spending among Bale Bandung University students. This study also aims to provide a more comprehensive perspective by considering the local social, cultural, and economic contexts that have been overlooked in previous research.

The main objective of this research is to analyze the role of VUCA in shaping the phenomenon of FOMO and doom spending among Bale Bandung University students. Specifically, this research will answer the questions:

- (1) How do the elements of VUCA influence FOMO and doom spending behavior?
- (2) What strategies can be implemented to reduce the negative impact of these phenomena among the millennial generation, especially Bale Bandung University students?

2. Methods

This study uses the Systematic Literature Review (SLR) approach to analyze the role of the VUCA method in understanding the phenomenon of Fear of Missing Out (FOMO) and doom spending among the younger generation, especially students of Bale Bandung University. The SLR approach was chosen because this method enables the identification, evaluation, and synthesis of relevant research in a systematic and structured manner, thus providing a strong foundation for developing findings based on existing scientific evidence (Kitchenham, B. A., & Charters, 2007). The research design included three main stages: planning, conducting, and reporting.

This research did not involve human participants directly as the focus was on academic literature. However, the research subjects include previous studies related to VUCA, FOMO, doom spending, and youth behavior that have been published in reputable journals. The population in this study includes all articles, books, and proceedings relevant

to the research topic, which are available in databases such as Scopus, Web of Science, Springer, and Google Scholar. Literature samples were taken from reputable journals, proceedings, and academic books using strict inclusion and exclusion criteria. Analysis was conducted through data extraction, classification, and synthesis of findings based on VUCA elements and their relevance to FOMO and doom spending.

The SLR approach ensures that the research is evidence-based and contributes to the development of literature in the social field in a way that is structured, transparent, and replicable by other researchers in the future. With this method, the research is expected to provide deeper insights into the relationship between VUCA methods, FOMO, and doom spending among the younger generation.

3. Results and Discussion

3.1 Results

This research explores how the VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) framework significantly influences the phenomena of Fear of Missing Out (FOMO) and doom spending, particularly among university students at Bale Bandung University. The study highlights that elements of VUCA, such as volatility and uncertainty, heighten the social pressures that students experience due to social media. Additionally, the complexity and ambiguity inherent in the digital environment foster conditions that encourage impulsive consumer behavior. These factors collectively shape how students interact with social media and make purchasing decisions, illustrating the far-reaching effects of a constantly changing and unpredictable digital landscape.

In the context of FOMO, college students often feel an intense pressure to follow trends or participate in social experiences showcased on social media. This pressure is largely driven by the fear of losing social validation or feeling left out. The phenomenon is intensified by the constant stream of information students are exposed to, much of which is irrelevant to their lives. This information overload mirrors the uncertainty and ambiguity of the VUCA environment, further contributing to the anxiety students feel in trying to keep up with what they perceive as socially important. These external pressures lead to a heightened sensitivity to what others are doing and a tendency to act impulsively.

The study also reveals that doom spending is a significant emotional response to these pressures. Students engage in excessive consumption as a way to alleviate stress or to seek instant gratification. This form of spending is not always rational, but rather an attempt to cope with the emotional turbulence that stems from social and digital pressures. The concept of doom spending is particularly concerning, as it reflects a pattern of financial behavior that can lead to long-term economic challenges for students who are still learning how to manage their finances.

Unlike previous studies that have predominantly examined the direct influence of social media on FOMO and consumer behavior (Dholakia, 2020; Przybylski, 2013), this research extends the conversation by showing how macro dynamics, represented by the VUCA framework, also play a crucial role in shaping individual behavior. The findings of this study offer a more nuanced understanding of how external environmental factors—such as volatility, uncertainty, and complexity—interact with individual psychological responses. This broader perspective enriches the existing literature by highlighting the interplay between societal pressures and personal decision-making, an area that has been relatively underexplored.

The research further identifies that college students with low levels of digital literacy and financial management skills are more susceptible to FOMO and doom spending. This underscores the need for targeted interventions to help students navigate the challenges of the digital age. Enhancing students' digital literacy and teaching sound financial management practices could mitigate the negative impact of these phenomena. The study contributes to the growing body of knowledge on social behavior in the digital age and

offers practical insights into how educational institutions and policymakers can address these challenges to better support students in managing the pressures they face in the digital world.

3.2 Discussion

This research shows that the VUCA (Volatility, Uncertainty, Complexity, Ambiguity) framework plays a significant role in shaping the phenomenon of Fear of Missing Out (FOMO) and doom spending among the younger generation, particularly students of Bale Bandung University. The elements of VUCA influence the social and psychological environment of the younger generation, creating conditions that support social anxiety and impulsive consumptive behavior. The findings answer the research objectives by showing how VUCA creates social pressure that exacerbates FOMO and doom spending tendencies.

Scientifically, these results can be explained through the interaction between external factors (volatility and uncertainty) and internal factors (emotional responses to complexity and ambiguity). In the context of younger generations, especially college students who are in transition to adulthood, uncertainty about academic and career futures creates vulnerability to the influence of social media that projects an idealistic life. This explains why they tend to engage in doom spending behavior as an attempt to reduce emotional distress or gain social validation through FOMO.

The results of this study are consistent with previous literature showing that social media plays an important role in reinforcing FOMO and encouraging consumptive behavior (Przybylski, 2013). However, this study extends that understanding by integrating VUCA elements to show how macro dynamics (such as social and economic complexity) contribute to shaping such behavior. Moreover, the findings reinforce the argument that doom spending behavior is not only the result of individual impulsivity but also a response to complex external pressures. The main difference of this research is its multidisciplinary approach, linking the VUCA framework to specific psychological and social phenomena, such as FOMO and doom spending. This approach provides new insights into how the elements of VUCA can be used as a framework to understand social pressure in the digital age. In terms of implications, these results suggest the importance of interventions that focus on digital literacy, financial management, and mental health support to help young people cope with the impact of VUCA environments. Such interventions can be developed through collaboration between educational institutions, government, and communities to create a comprehensive strategy.

Twenge suggests managing time spent on social media and focusing on offline activities, such as sports, arts, or social activities. Young people need to be trained to understand that what they see on social media is an illusion, not a complete picture of a person's life. Parents, educators, and community leaders need to encourage young people to find a balance between the digital and real worlds and help them focus on personal achievement rather than social comparison (Twenge, 2017).

4. Conclusion

This research successfully answers its main objective, which is to analyze the role of the VUCA framework in understanding the phenomenon of Fear of Missing Out (FOMO) and doom spending among the younger generation, especially students of Bale Bandung University. By integrating the elements of VUCA (volatility, uncertainty, complexity, and ambiguity), this research shows that FOMO and doom spending are not only psychological phenomena triggered by social media but also responses to the dynamics of a complex social and economic environment.

This research advances understanding in the field of social behavior by offering a more holistic and multidisciplinary approach. By combining the VUCA framework with the phenomena of FOMO and doom spending, this research fills a gap in the literature that

previously focused only on psychological or economic aspects in isolation. This approach enables a more in-depth analysis of how external pressures, such as future uncertainty and social complexity, influence consumptive behavior and social anxiety in the digital age.

In terms of application, the findings of this study can inform the development of strategic interventions that include improving digital literacy, personal financial management, and mental health support. Educational institutions can play an important role by designing programs that help students understand and cope with the influence of social media and the pressures of VUCA environments. In addition, the results of this study are relevant for policymakers in identifying measures to reduce the negative impact of FOMO and doom spending on the younger generation.

In the future, this research can be expanded by conducting empirical studies involving direct respondents, such as surveys or interviews, to confirm and deepen the findings. Experiments that test the effectiveness of VUCA-based intervention programs can also be conducted to provide stronger practical recommendations. This research also opens up opportunities to examine the relationship of VUCA with other social phenomena, such as burnout tendencies or multitasking habits among the younger generation, to broaden insights into the impact of the digital world on social behavior. With strong scientific justification, this research not only contributes to the development of theory but also offers practical guidance for dealing with the increasingly complex social challenges of the modern era.

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