

CHAPTER 2 - LITERATURE REVIEW

2.1 Theoretical Perspectives

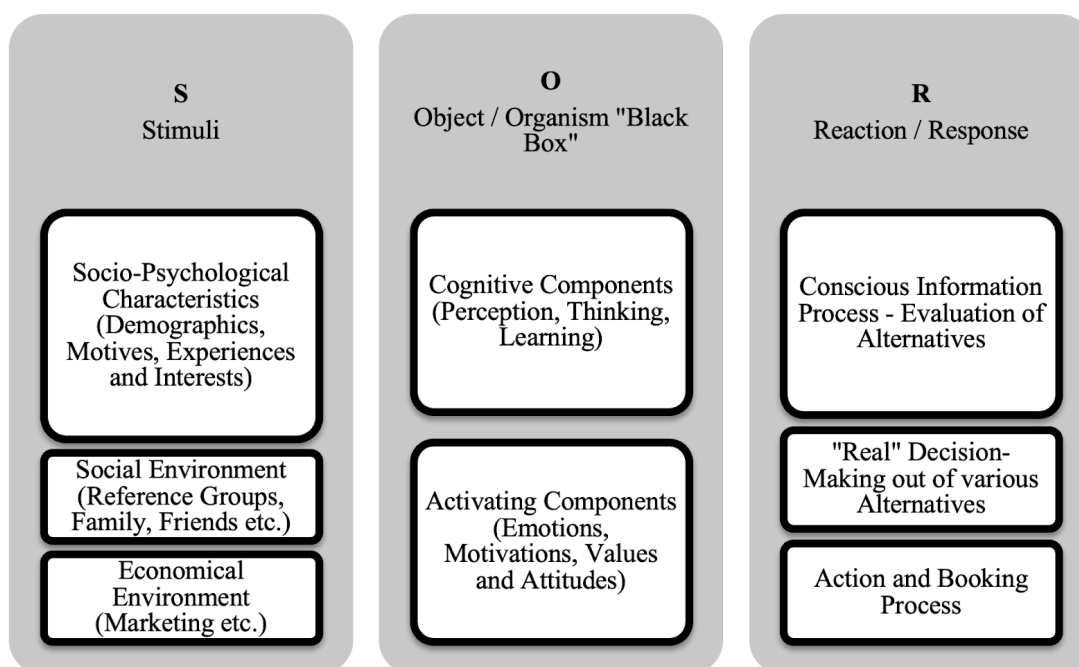


Figure 1. S-O-R Theory

This study is based on the Stimulus-Organism-Response (S-O-R) theory, which is widely used in marketing and consumer behavior research to explain how external factors influence individual behavior. The S-O-R model was originally developed by Mehrabian and Russell (1974) and has since been applied in various studies to understand how environmental stimuli affect consumers' internal states and behavioral responses.

The S-O-R theory consists of three main components: stimulus, organism, and response. The stimulus (S) refers to external factors or influences that affect an individual. In the context of this study, the stimulus is Peer Groups and Electronic Word-of-Mouth. These factors represent the external environment that can shape consumers' perceptions and feelings.

The organism (O) refers to the internal psychological state of the individual, including emotions, thoughts, and attitudes. In this study, Fear of Missing Out (FOMO) represents the organism. FOMO reflects the emotional response that occurs when

individuals feel that they may miss out on experiences or opportunities that others are enjoying. This internal state plays a key role in influencing consumer decision-making.

The response (R) refers to the behavioral outcome that results from the interaction between the stimulus and the organism. In this study, the response is purchase decision, which represents the consumer's choice to buy a product.

According to the S-O-R framework, external stimuli do not directly lead to behavior. Instead, they first influence the individual's internal state, which then affects their behavior. In this study, Peer Groups and EWOM (stimulus) is expected to trigger FOMO (organism), which then influences purchase decision (response).

By applying the S-O-R theory, this study aims to provide a structured explanation of how Peer Groups and EWOM lead to FOMO and how this psychological state drives consumers' purchase decision.

2.2 Peer Groups (Independent Variable)

Peer groups refer to people within a person's close social circle, such as friends, classmates, or colleagues, who can shape their attitudes and purchasing behavior (Nida et al., 2026). In consumer behavior, people tend to look to those around them for guidance and reassurance, especially when they are unsure about a product. This makes peer groups a strong social force that can push consumers toward buying products that are popular within their group or lead them to follow group behavior just to feel socially accepted.

According to Nida et al. (2026), peer groups work through three main mechanisms: conformity, polarization, and the sharing of information within the group. Conformity happens when individuals adjust their behavior to match what their peers are doing, while the sharing of information means that product recommendations and experiences passed around within a group can directly shape what people decide to buy. In the context of skincare, for example, a person may choose to buy a product

simply because their friends are using it or because they want to be seen as part of the same trend (Nida et al., 2026).

Nida et al. (2026) found that peer groups had a positive and significant influence on skincare purchasing decisions among Generation Alpha, which shows that peer-related influence is a real and meaningful factor in consumer behavior. Another study also found that peer influence significantly affected purchase intention in an e-commerce context, further supporting the idea that peer groups can shape buying behavior not just offline but also in digital settings (Gunawan et al., 2023).

What makes peer groups different from general social influence is that they are based on close, personal relationships rather than broad social pressure from strangers or media (Nida et al., 2026). Because of this closeness, the influence that peers have tends to feel more trustworthy and credible. In this study, peer groups are treated as an external stimulus that can trigger Fear of Missing Out (FOMO) and, in turn, shape purchase intention (Nida et al., 2026).

Indicators:

- **Ask friends before buying:** This refers to the tendency to seek opinions, advice, or reassurance from friends before making a purchase. It shows that the consumer values their friends' views and uses them as a reference in decision-making.
- **Buy products approved by friends:** This means a consumer is more likely to choose products that their friends have already accepted or recommended. It reflects the influence of social approval, where a product feels safer or more trustworthy because people in the consumer's circle support it.
- **Want to buy what friends use:** This describes the desire to follow a friend's product choice simply because the friend is using something new. It shows how peer behavior can create interest, curiosity, and the wish to try the same product to feel connected or not left behind.
- **Get product information from friends:** This refers to the use of friends as a source of information about products. It shows that consumers often depend

on peer-shared knowledge, especially when they want information they consider more personal, relatable, and believable.

2.3 Electronic Word-of-Mouth (Independent Variable)

Electronic word of mouth (eWOM) refers to the online exchange of opinions, recommendations, reviews, and experiences about products or brands between consumers (Kusumo et al., 2025; Lazuardi & Usman, 2025). In consumer behavior, people often rely on these online messages when they are unsure about a product, because comments from other users are usually seen as more authentic and relatable than direct advertising (Lazuardi & Usman, 2025). As a result, eWOM can shape consumers' expectations, reduce uncertainty, and influence their product evaluation before making a purchase decision (Kusumo et al., 2025).

This idea is also supported by Bui et al. (2025), who explain that visual eWOM on social media influences online purchase decisions through the quality, quantity, and credibility of the information shared. Their study shows that consumers are more likely to respond positively when online content is clear, relevant, sufficient, convincing, and trustworthy, because these characteristics make the information easier to understand and more useful for decision-making (Bui et al., 2025). This suggests that eWOM does not only spread product information, but also helps shape how consumers evaluate that information before deciding to buy (Bui et al., 2025).

Research on consumer behavior also found that eWOM has a positive and significant effect on purchase decisions, especially in digital and e-commerce contexts (Kusumo et al., 2025; Lazuardi & Usman, 2025). Other studies show that online reviews and consumer-generated content can influence buying decisions because they make products appear more credible, more visible, and more socially accepted (Kusumo et al., 2025). In addition, Bui et al. (2025) demonstrate that information adoption plays an important role in linking visual eWOM to purchase decisions, showing that

consumers are more likely to make a purchase decision when they actively process and accept the information they encounter online.

However, eWOM is not only about product information. In this study, eWOM is important because it can also create psychological pressure when consumers see others talking positively about a product or experiencing something desirable. This may trigger Fear of Missing Out (FOMO), especially when the product is trending or widely discussed online (Kusumo et al., 2025; Lazuardi & Usman, 2025). Therefore, eWOM is treated as an external stimulus that may influence purchase decisions both directly and indirectly through FOMO, while also being strengthened by the credibility and usefulness of the information itself (Kusumo et al., 2025; Lazuardi & Usman, 2025; Bui et al., 2025).

Indicators:

- **Information Clarity:** This refers to how easily consumers can understand the visual eWOM information they see on social media. Clear information helps consumers quickly grasp the meaning, message, and value of the content without confusion.
- **Information Relevance:** This refers to how closely the visual eWOM information matches the consumer's needs, interests, or situation. Relevant information feels useful because it connects directly with what the consumer is looking for.
- **Reliable amount:** This refers to the extent to which the volume of visual eWOM feels sufficient and dependable to consumers. When there is enough content available, consumers may feel more confident because they can compare different opinions and perspectives.
- **Useful volume:** This means that the amount of visual eWOM available helps consumers understand the product more clearly. A larger and more informative volume of content can reduce uncertainty and support better judgment.
- **Convincingness:** This refers to how persuasive the visual eWOM appears to consumers. If the content seems convincing, it is more likely to influence how consumers think about the product.

- **Trustworthiness:** This describes the extent to which consumers believe the source and content of the visual eWOM can be depended on. Trustworthy information is more likely to be accepted and acted upon.

2.4 Fear of Missing Out (Mediating Variable)

Fear of Missing Out (FOMO) refers to the feeling that other people may be having rewarding experiences, opportunities, or access to something desirable that one is not part of (Widyastuti, 2022). In consumer behavior, this feeling often creates anxiety, urgency, and a stronger desire to act quickly so that consumers do not miss out on a product, trend, or social experience (Widyastuti, 2022).

In this study, FOMO functions as a mediating variable that explains the relationship between peer groups, eWOM, and purchase decision (Kusumo et al., 2025). It reflects the internal psychological pressure consumers feel after seeing others buy, discuss, or enjoy something. This idea is also supported by Habib and Almamy (2025), who found that FOMO is closely linked to social media behavior and consumer decision-making in lifestyle products. In this way, FOMO helps explain how social influence can develop into a stronger purchase decision (Kusumo et al., 2025; Habib & Almamy, 2025).

Recent studies show that FOMO is highly relevant in online shopping and digital consumer behavior because people often make faster decisions when they see products trending, being discussed, or being purchased by others (Widyastuti, 2022; Habib & Almamy, 2025). This makes FOMO an important mediator because it bridges social influence and purchase decision (Kusumo et al., 2025; Habib & Almamy, 2025).

Indicators:

- **Fear of missing better experiences:** This means a person worries that others are having experiences that are more enjoyable, valuable, or meaningful than

their own. It reflects the idea that something better may be happening elsewhere, and the person wants to be part of it.

- **Worry of missing fun:** This refers to the feeling that other people are enjoying themselves without the person being included. It is not only about missing an event, but also about missing the excitement, enjoyment, or social fun that others are having.
- **Anxiety about others' activities:** This describes a sense of nervousness or discomfort when a person does not know what others are doing, especially if they think those activities may be interesting, important, or trend-related. It shows a desire to stay informed about others' actions.
- **Need to understand others:** This means a person feels a strong urge to know what others are feeling, experiencing, or doing. In a product or social context, it reflects curiosity about how others respond to a product, trend, or event.
- **Need to keep up:** This refers to the tendency to stay updated so as not to fall behind other people in terms of trends, information, or experiences. It shows a desire to remain connected and aware of what is currently happening.
- **Fear of missing opportunity:** This means a person feels concerned that they may lose a chance to enjoy, benefit from, or take part in something if they do not act quickly. This is often connected to limited-time offers, events, or trending products.

2.5 Purchase Decision (Dependent Variable)

Purchase decision refers to a stage where consumers already have a choice and are willing to carry out a transaction or purchase between the seller and the product they want to buy (Nida & Roosdhani, 2026). It reflects the point at which a consumer moves from considering a product to actually deciding to purchase it based on information, social influence, and perceived suitability (Nida & Roosdhani, 2026). In this study, purchase decision is the dependent variable that represents the final outcome of peer groups, eWOM, and FOMO (Nida & Roosdhani, 2026).

The journal by Nida and Roosdhani (2026) shows that peer groups and FOMO have a positive and significant influence on purchase decisions, both directly and indirectly through product reviews. This means that when consumers are influenced by friends, trends, online reviews, or the fear of missing out, they are more likely to make a purchase decision (Nida & Roosdhani, 2026). The study also explains that consumers feel more confident in their purchasing decisions when they receive approval from peers and when product information or reviews support the choice (Nida & Roosdhani, 2026).

Recent findings in the journal further show that purchase decision is not only affected by functional product considerations, but also by social pressure and emotional triggers such as FOMO (Nida & Roosdhani, 2026). Therefore, purchase decision is an appropriate dependent variable in this study because it captures the actual decision-making outcome that follows social and informational influence (Nida & Roosdhani, 2026).

Indicators:

- **Repurchase decision:** This refers to the tendency of consumers to buy a product again after having tried it. It shows that the product has created enough satisfaction or confidence for the consumer to choose it repeatedly.
- **Willingness to buy after knowing the benefits:** This means consumers are ready to purchase a product once they understand its advantages or usefulness. It reflects a decision based on positive information about the product's value.
- **Influenced trial purchase:** This describes the tendency of consumers to try a product for the first time because of promotional efforts or marketing influence. It shows that promotion can encourage consumers to move from interest to actual buying action.

2.6 Previous Studies

Table 1 - Previous Studies

Author & Year	Sample & Context	Variables Studied	Indicators Used	Findings	Methods
Nida et al. (2026)	Sample: 170 respondents (Generation Alpha, aged 9-14 years). Context: Skincare users in Jepara, Indonesia.	Peer Groups, FOMO, Product Reviews, Purchasing Decisions	Peer groups: Ask friends before buying, Buy products approved by friends, Want to buy what friends use, Get product information from friends Purchasing Decision: Repurchase decision, Willingness to buy after knowing the benefits, Influenced trial purchase	Peer groups and FOMO have a positive and significant influence on product reviews and purchasing decisions.	Method: Quantitative approach. Analysis: Partial Least Squares (PLS-SEM). Data Collection: Online questionnaire (Google Forms).

Bui, C. T., et al. (2025)	Sample: 335 Social media consumers. Context: Online shopping and visual eWOM on social media platforms.	eWOM (Information quality, Information quantity, Information credibility), Perceived Information Usefulness, Information Adoption, Attitude towards information	eWOM: Information Clarity, Information Relevance, Reliable amount, Useful volume, Convincing ness, Trustworthi ness	The quality and credibility of visual eWOM increase consumers' information adoption and, through that process, strengthen online purchase intention, while information quantity mainly affects attitude and does not directly drive purchase intention.	Method: Quantitative research based on the S-O-R theory.
Habib, S., & Almamry, A. (2025)	Sample: 367 consumers of lifestyle products. Context: Lifestyle product	Social media marketing effectiveness, FOMO, Purchase Intention	FOMO: Fear of missing better experiences , Worry of missing fun, Anxiety about others' activities, Need to	FOMO serves as a key mediator between social media marketing factors and purchase intention, with consumer	Method: Quantitative approach. Analysis: Structural

	consumers in India.		understand others	trust, customization, hedonic motivation, interaction, product awareness, and trendiness all increasing FOMO and, in turn, strengthening purchase intentions for lifestyle products.	Equation Modeling (SEM). Data Collection: Targeted surveys.
Widyas tuti (2022)	Sample: 100 residents of Jakarta who have used e-commerce. Context: E-commerce consumers during the COVID-19 pandemic.	Shopping Anxiety, FOMO, Purchase Intention	FOMO: Fear of missing out on purchases, Comparison with others, Feeling out of trend, Purchase regret, Discount-driven buying, Impulse buying due to discounts, Exposure to new	Shopping anxiety has no significant effect on e-commerce purchase intention, while FOMO has a significant effect on e-commerce purchase intention.	Method: Quantitative approach (Non-probability sampling). Analysis: Structural Equation Modeling (SEM)

			product catalogs		using PLS.
Lazuardi & Usman (2025)	Sample: 110 Generation Z respondents Context: TikTok users in Jakarta, Indonesia.	FOMO Marketing, eWOM, Impulsive Buying, Perceived Value	FOMO: missed experience, compulsion, comparison with friends, being left out, connectedness eWOM: information , knowledge, answer, reliability, consistency	FOMO marketing and eWOM both directly increase impulsive buying among Generation Z, while perceived value does not significantly affect impulse buying or act as a mediator.	Method: Quantitative approach. Analysis: Partial Least Squares Structural Equation Modeling (PLS-SEM).

2.7 Review of Previous Studies

Previous studies show that social influence, electronic word of mouth (eWOM), and fear of missing out (FOMO) play critical roles in driving consumer behavior across various demographics and contexts. Research by Nida et al. (2026) utilized a quantitative PLS-SEM approach to examine Generation Alpha consumers in the skincare industry. They found that peer groups and FOMO have a positive and significant influence on purchasing decisions, and notably, that product reviews successfully mediate this relationship. This suggests that while direct social

interaction sparks interest, peer-validated information is what ultimately drives the buying behavior.

Similarly, Bui et al. (2025) examined the effect of visual eWOM on online purchase intention among 335 social media users. Crucially, their research was grounded in the Stimulus-Organism-Response (S-O-R) theory, proving that the quality and credibility of visual eWOM (Stimulus) significantly enhance perceived information usefulness (Organism), which directly strengthens online purchase intention (Response). This highlights how trustworthy and persuasive online content shapes internal cognitive processing before a purchase decision is made.

In addition, Habib and Almamy (2025) explored this dynamic using Structural Equation Modeling (SEM) among lifestyle product consumers. They found that FOMO acts as a vital mediating variable between social media marketing factors and purchase intention. Their research demonstrated that elements such as interaction, trendiness, and consumer trust increase FOMO, bridging the psychological gap between external digital engagement and impulsive buying behavior.

Other studies highlight how these variables behave across different generational and environmental contexts. Widyastuti (2022) found that during the COVID-19 pandemic, FOMO significantly drove e-commerce purchase intention as consumers relied heavily on digital platforms to stay updated, whereas general shopping anxiety had no significant effect. In a more recent context, Lazuardi and Usman (2025) researched Generation Z TikTok users, finding that FOMO marketing and eWOM directly increase impulsive buying. Interestingly, they noted that perceived value did not mediate this impulsive behavior, suggesting that in highly trend-driven environments, emotional urgency can bypass traditional value assessment.

Overall, previous studies consistently demonstrate that social influence and FOMO significantly affect consumer behavior. However, most studies tend to examine peer influence, eWOM, or FOMO separately, or apply them to isolated generational cohorts, rather than integrating them into one structured model. Therefore, this study attempts to combine both offline (Peer Groups) and online (eWOM) variables as external stimuli within the Stimulus-Organism-Response (S-O-R) framework,

providing a clearer, integrated understanding of how multifaceted social influence triggers FOMO and drives purchase decisions.

2.8 Proposed Framework

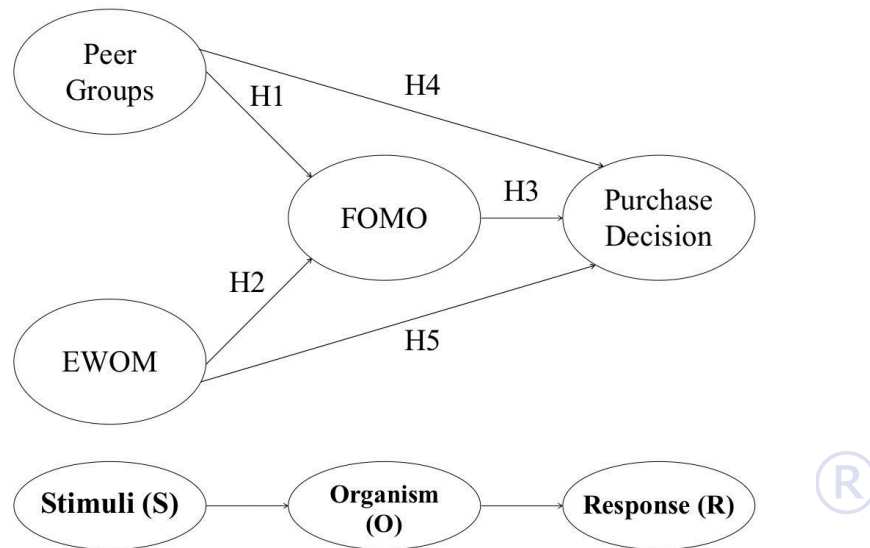


Figure 2. FOMO in Purchase Intention Framework

2.9 Research Gap and Novelty

Previous studies have already shown that FOMO can influence purchase intention or buying behavior, and some studies also found that FOMO can act as a mediator between social media-related factors and consumer decisions (Habib & Almamy, 2025; Nida & Roosdhani, 2026). For example, Habib and Almamy (2025) showed that FOMO mediates the relationship between social media marketing and purchase intention, while Nida and Roosdhani (2026) found that peer groups and FOMO positively affect skincare purchasing decisions through product reviews (Habib & Almamy, 2025; Nida & Roosdhani, 2026).

However, these studies still leave a gap because they do not fully examine peer groups and eWOM as separate external stimuli within one S-O-R framework, with FOMO as the mediator and purchase decision as the final outcome (Nida et al., 2026; Kusumo et al., 2025; Widyastuti, 2022). In addition, earlier studies often focused on lifestyle products, social media marketing, or product reviews, while your study combines peer groups, eWOM, FOMO, and purchase decision in one integrated model (Nida et al., 2026; Kusumo et al., 2025; Widyastuti, 2022).