

BAB I INTRODUCTION

1.1 Introduction

Indonesia's current economic conditions are largely supported by increased household consumption and one of the businesses that are encouraged to grow is the food and beverage supply business. The increase in people's income and the growing number of the middle class results in an increase in the amount of spending on food and beverages. Based on data from the 2024 Food and Beverage Supply Company/Business Survey, it shows that the number of food and beverage supply businesses (PMM) in Indonesia in 2023 was 4.85 million businesses, an increase of around 21.13 percent compared to 2016 which reached 4.01 million businesses (2016 Economic Census). West Java Province has the largest number of businesses reaching 1.23 million businesses or around 25.36 percent of the total food and beverage supply businesses in Indonesia, followed by East Java Province with 791.60 thousand businesses or around 16.31 percent, and Central Java Province with 701.47 thousand businesses or around 14.45 percent.

The food and beverage sector is one of the largest industries globally, encompassing restaurants, cafés, bars, catering services, and food and beverage manufacturers. Data from the Central Bureau of Statistics shows that the industry's performance increased by 5.33% year-on-year in the first quarter of 2023, reaching IDR 206.19 trillion, and by 4.62% in the second quarter, amounting to IDR 200.30 trillion. Furthermore, the 2023 Annual Micro and Small Industry Survey by Statistics Indonesia recorded that the food sector generated the highest revenue among industry groups, totaling IDR 202,778 billion.

In Indonesia, the food and beverage industry holds significant potential for several reasons. Firstly, it addresses essential human needs that remain constant over time. Secondly, the sector demonstrates strong adaptability to evolving consumer preferences and market trends. Lastly, it has extensive linkages with other industries, fostering mutual growth and creating diverse business opportunities (Kaliwanto et al., 2024). The rise of contemporary culinary trends in recent years has also shaped consumer behavior, increasing interest in food and beverage products (Humaera et al., 2024). These trends emphasize not only flavor and presentation but also reflect cultural values and group identity. As defined by Faradiba (2022), a trend represents a long-term upward or downward shift driven by changes in average patterns over time (Faradiba, 2020, translated by the author),.

In the last two decades, advances in information and communication technology have had a significant impact on various aspects of life, including business and marketing. The rapid development of technology has given birth to a variety of digital platforms that allow companies to reach consumers in a faster and more efficient way (Melinda et al., 2023). One of the most prominent impacts of this development is the presence of social media as a medium of communication and interaction that is very popular with the public (Wibawa et al., 2022).

In the midst of the development of the digital era, consumer behavior patterns have undergone a significant transformation. Consumers are now more likely to

search for information about products through the internet, and pay attention to reviews and recommendations spread on social media before deciding to buy (Moslehpour et al., 2022). This encourages businesses to be more active and innovative in building brand image and marketing strategies through various digital platforms.

These changes not only affect business operations and processes internally, but also deeply affect consumer mindset and behavior. In today's digital context, technology has become an integral part of daily activities, from searching for information, purchasing goods and services, to decision-making. The development of social media has changed the way consumers recognize, assess, and purchase a product. One of the phenomena that emerges along with the widespread use of social media is Fear of Missing Out (FOMO).

FOMO is a feeling of anxiety that arises when a person feels left behind from experiences or trends that are being enjoyed by others. In the context of consumers, FOMO is a strong trigger for impulse buying behavior, because individuals are encouraged to immediately buy products to follow trends and not feel left behind from their environment (Kurniawan & Utami, 2022). This research is supported by Balta *et al.*, (2020), which states: "FOMO, as an anxiety-inducing experience, can significantly influence consumer behavior by increasing susceptibility to social influence and leading to non-deliberate consumption decisions."

One concrete illustration of the impact of FOMO in marketing strategy is the viral phenomenon of the Dubai Kunafa Chocolate product from Donbakeshop Artisan Bakery. This product stole the public's attention after many content creators on TikTok gave positive reviews. Various videos highlighting the special flavor, texture, and attractive appearance of Dubai Kunafa Chocolate attracted the interest of millions of users. This viral effect led to a significant increase in popularity and sales. Mouth-watering visuals, premium flavor narratives, and repeated testimonials from multiple accounts created psychological pressure for audiences to try it too, so as not to fall behind the trend.

Impulse purchases are spontaneous purchases without considering the usefulness, information, or comparison with other products. The hedonic shopping motivation of purchasing advertised goods (direct promotion) induces consumer stimuli that lead to impulse buying actions (Huo et al., 2023). Hedonic shopping plays an important role in impulse buying. Therefore, often consumer impulse is driven by hedonism or others beyond economic reasons, such as a sense of fun, fantasy, social or emotion (Park et al., 2006; Nuraeni & Suryawardani, 2017). Positive correlation numbers can be found in the three dimensions of hedonic shopping motivation (relaxation, value, and adventure) and the phenomenon of impulse buying online, according to the study, which also focuses on how online shopping behavior influenced by hedonic shopping motivation is related. (Chiu et al., 2014). Impulse buying is also related to consumers having plenty of time to shop and the extra money will give them greater purchasing power. Positive emotion is defined as a mood that affects and determines the intensity of consumer decision making (Tirmizi et al., 2009; Nuraeni & Suryawardani, 2017). Populix 2023 research shows that consumers in Indonesia tend to make impulse purchases by buying items outside of their planned shopping list (Astuti & Pratiwi, 2024). The survey results show that 63% of respondents tend to make impulse purchases on online platforms for

reasons such as saving time and effort, cashback, free shipping, various payment methods, and product reviews (Astuti & Pratiwi, 2024). Impulse buying is considered relevant at the current spending scenarios due to innovative sales promotion, creative messages and the use of appropriate technologies of retail stores (Schiffman et al., 2010; Nuraeni & Suryawardani, 2017). Factors that can trigger impulse buying are situational factors, personal factors, and external push factors such as social media marketing and FOMO (Fear of Missing Out).

In the modern marketing world, unplanned purchase decisions are becoming an increasingly common phenomenon, mainly triggered by visual stimuli, surprise promotions, and social media influences. One form of consumer behavior that often arises is unplanned purchase decisions, which is the act of buying goods spontaneously without prior planning. This phenomenon is increasingly widespread due to the influence of social media and marketing strategies that arouse consumer emotions. According to Huo et al., (2023), “impulse buying is significantly influenced by situational and emotional triggers, which override consumers' rational decision-making processes.” This condition shows that unplanned purchase decisions are not only triggered by needs, but also by psychological factors such as momentary emotions, attractive promotions, and social pressure.