

THE ROLE OF FEAR OF MISSING OUT AND PERSONALIZATION IN DRIVING CUSTOMER ENGAGEMENT AND BRAND LOYALTY: CASE STUDY OF SPOTIFY WRAPPED IN KEBUMEN

Hani Shela Syaputri^{1*}, Kaila Fatimah², Kartika Sari Wiranita Dewi³, Anton Prasetyo⁴

¹⁻⁴ Department of Digital Business, Universitas Putra Bangsa, Indonesia

*Email corresponding author: shellahani5@gmail.com

Abstract

This study aims to analyze the role of Fear of Missing Out (FoMO) and personalization in driving customer engagement and brand loyalty among Spotify Wrapped users in Kebumen. The method used is a quantitative approach with Partial Least Square-Structural Equation Modeling (PLS-SEM) analysis technique using SmartPLS 4.0 software. Data was collected through a questionnaire distributed to 100 respondents selected through purposive sampling. The results of the study indicate that FoMO and personalization have a positive and significant influence on user engagement. Relevant and personalized experiences tend to strengthen emotional engagement, especially when combined with social pressure that encourages users to stay connected to digital trends. Spotify Wrapped serves as an example of a feature that not only conveys personal information but also creates social incentives for users to actively participate. These findings provide practical contributions for digital companies like Spotify in designing marketing strategies that optimally leverage personalization and FoMO elements to enhance engagement and build brand loyalty.

Keywords: Fear of Missing Out, Personalization, Customer Engagement, Brand Loyalty, Spotify Wrapped

INTRODUCTION

The development of digital technology has significantly changed the pattern of interaction between companies and consumers, especially in the increasingly digitized music industry. Streaming platforms such as Spotify not only provide easy access to millions of songs, but also build more personal relationships with their users through innovative features. One of the most prominent features is Spotify Wrapped, which provides a recap of users' music listening activities over the past year. This feature not only offers a personalized experience but also encourages social engagement by allowing users to share their results on social media. This makes Spotify Wrapped a blend of personalization and self-expression in the digital space.

The phenomenon of Fear of Missing Out (FoMO) in the digital context is one of the psychological factors that encourage consumers to be more actively engaged with digital content. The fear of being left behind from current trends or social activities motivates users to stay connected and continue sharing actively. The personalization strategies implemented by Spotify also play a role in strengthening the emotional bond between users and the platform. Relevant experiences tailored to individual preferences have the potential to drive increased customer engagement, which in turn supports the development of brand loyalty. The integration of social drivers like FoMO and personalized approaches can be a key element in building long-term relationships between consumers and brands in an increasingly competitive digital landscape.

This study aims to analyze the influence of FoMO and personalization on customer engagement, as well as their impact on brand loyalty among Spotify Wrapped users in Kebumen. Theoretically, this study contributes to enriching the literature on the relationship between

psychological factors, personalization strategies, and brand loyalty in the context of digital marketing. Practically, the results of this study are expected to provide strategic insights for digital companies in designing effective marketing campaigns by leveraging personalization and social elements to enhance engagement and maintain user loyalty.

The novelty of this research lies in the combination of FoMO and personalization in the context of music streaming services, as well as its focus on users in Kebumen, which has been under-researched. This fills a gap in the existing literature, especially in the context of local areas that have not been widely studied. The research findings indicate that FoMO and personalization have a positive impact on customer engagement, which in turn enhances brand loyalty. These findings underscore the importance of creating digital experiences that are not only personalized but also capable of fostering social engagement among users. Practically, Spotify can optimize its content strategy by introducing exclusive features that foster FoMO, while strengthening personalization elements to drive higher engagement. This research offers strategic recommendations for digital companies to build and maintain strong relationships with consumers amid increasingly competitive market conditions.

LITERATURE REVIEW AND HYPOTHESIS FORMULATION

Brand Loyalty

Brand loyalty is a customer's commitment to continue using or recommending a brand based on positive experiences and emotional attachment (Chaudhuri & Holbrook, 2001). Research by Hudson et al. (2015) shows that brand loyalty is not only reflected in frequency of use, but also in trust and emotional attachment to the brand. In the context of digital services such as Spotify, customer loyalty is crucial for maintaining market share amid intense competition.

Customer Engagement

Customer engagement is defined as customer involvement that encompasses emotional, cognitive, and behavioral dimensions (Brodie et al., 2011). Research by Vivek et al. (2012) emphasizes that strong engagement can form long-term relationships with customers and increase brand loyalty. This engagement can be enhanced through interactive features offered by music platforms such as Spotify.

Fear of Missing Out

Fear of Missing Out is a feeling of anxiety that arises from the fear of missing out on experiences or information enjoyed by others, especially on social media (Przybylski et al., 2013). Research by Neha & Walia (2025) shows that FoMO has a significant effect on consumption behavior, encouraging individuals to interact more actively with brands to avoid feeling left out.

Personalization

Personalization involves tailoring content based on individual preferences to enhance the relevance of the user experience (Tam & Ho, 2006). According to Meidivia et al. (2023), personalization in the context of Spotify Wrapped can drive higher user engagement, thereby increasing brand loyalty.

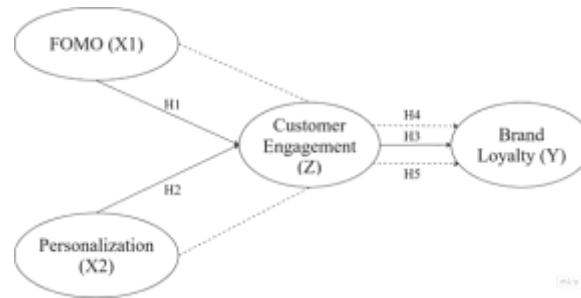


Figure 1. Conceptual Framework

- H1: FoMO has a positive and significant effect on customer engagement.**
- H2: Personalisasi has a positive and significant effect on customer engagement.**
- H3: Customer engagement has a positive and significant effect on brand loyalty.**
- H4: FoMO has a positive and significant effect on brand loyalty through customer engagement as an intervening variable.**
- H5: Personalization has a positive and significant effect on brand loyalty through customer engagement as an intervening variable.**

RESEARCH METHODS

This study uses a quantitative design with a survey approach to measure the relationship between Fear of Missing Out (FoMO), personalization, customer engagement, and brand loyalty among Spotify Wrapped users in Kebumen Regency. The study population includes all Spotify users in Kebumen who have used the platform for at least eight months and have been exposed to Spotify Wrapped. The sample consists of 100 respondents selected through purposive sampling based on specific criteria.

Data was collected through a questionnaire designed to measure the research variables. The questionnaire was developed based on existing literature, using a Likert scale to assess respondents' level of agreement with each statement. The instrument was tested for validity and reliability before being distributed to ensure the quality of the data obtained.

Data analysis was performed using Partial Least Square-Structural Equation Modeling (PLS-SEM) with SmartPLS 4.0 software, enabling the testing of relationships between variables and the identification of direct and indirect effects between FoMO, personalization, customer engagement, and brand loyalty. Hypothesis testing was conducted by examining path coefficients, p-values, and t-statistics to determine the significance of relationships between variables. This approach was used with the aim of providing valid and reliable findings regarding the relationships between the variables under study.

RESULTS AND DISCUSSION

This study aims to examine the influence of Fear of Missing Out (FoMO) and personalization on customer engagement, as well as their impact on brand loyalty, with customer engagement as a mediating variable. The results of the test show that all hypotheses in this study are statistically supported. FoMO and personalization are proven to have a positive and significant influence on customer engagement, which then encourages brand loyalty to Spotify. These results indicate that users' emotional and interactive engagement is a crucial aspect in building long-term relationships with digital brands. The following table presents a summary of the hypothesis testing results:

Tabel 1. Path Coefficient

<i>Original Sampel (O)</i>	<i>T Statistics</i>	<i>p-value</i>	<i>Hasil</i>
----------------------------	---------------------	----------------	--------------

F -> CE	0,280	3,237	0,001	Accepted
P -> CE	0,406	4,100	0,000	Accepted
CE -> BL	0,572	7,801	0,000	Accepted
F-> CE-> BL	0,160	2,949	0,003	Accepted
P-> CE-> BL	0,233	3,093	0.002	Accepted

Source: Output SmartPLS 4.0, 2025

Based on Table IV-11, the results show that H1, H2, H4, and H5 are supported or accepted because the t-statistic values are above 1.96 and the p-values are below 0.05, indicating a significant influence between variables.

The first hypothesis shows that FoMO has a positive effect on customer engagement with a path coefficient value of 0.280 and a p-value of 0.001, indicating that the higher the level of FoMO, the higher the user engagement with the platform. More in-depth research results show that FoMO has a positive effect on customer engagement.

The increasing fear of missing out on digital social trends or moments encourages users to become more involved with the features provided by Spotify, especially Spotify Wrapped. The desire to be part of ongoing social conversations and the need for social recognition encourage users to share Spotify Wrapped on social media. This finding reinforces the view of Przybylski et al. (2013), who stated that FoMO plays a role in increasing the intensity of digital interactions. Support also comes from Christy (2022), who found that FoMO contributes to consumer engagement within brand communities. Additionally, Mustikasari et al. (2025) further support this finding by showing that FoMO can strengthen customer engagement through more active and responsive interaction patterns.

The second hypothesis tests the effect of personalization on customer engagement, showing a path coefficient of 0.406 and a p-value of 0.000, indicating that personalized experiences significantly increase user engagement. The next finding reveals that personalization significantly affects customer engagement.

Experiences tailored to individual preferences, such as daily playlists, song recommendations, and Spotify Wrapped, create a sense of appreciation and strengthen the emotional connection between users and the platform. This customization results in a unique and relevant experience for each individual, as explained by Shad et al. (2024) and Tam & Ho (2006), who state that personalization can encourage more intensive interaction. Thus, personalization has been proven to increase satisfaction while building sustained engagement with digital services.

The third hypothesis shows that customer engagement has a positive effect on brand loyalty, with a path coefficient value of 0.572 and a p-value of 0.000. This finding confirms that the level of user engagement has a significant contribution in shaping brand loyalty. The research results also show that Spotify user loyalty is not only influenced by how often the platform is used, but also by the depth of emotional attachment formed through interactive and meaningful experiences. The Spotify Wrapped feature is a clear illustration of how the combination of data and emotional aspects can create a more personal relationship between users and the platform.

These findings align with the theoretical framework proposed by Brodie et al. (2011) and Chaudhuri & Holbrook (2001), which emphasize that customer engagement is a key component in creating sustainable brand loyalty, especially in digital environments. Consistent results are also seen in the research by Zhafira et al. (2023), which found that customer engagement plays an important role in increasing customer loyalty. Additional support comes from So et al. (2016), who state that consumers who are actively engaged with a brand tend to have higher levels of loyalty.

The fourth hypothesis indicates that customer engagement significantly mediates the influence of Fear of Missing Out (FoMO) on brand loyalty, with a path coefficient value of 0.160 and a p-value of 0.003. This finding shows that user engagement plays an important role in channeling the influence of FoMO on the formation of brand loyalty.

The influence of FoMO does not directly shape loyalty, but rather through users' emotional and active engagement with the platform first. The higher the intensity of FoMO felt, the greater the tendency for users to actively interact with the platform in order to maintain their social existence and follow digital trends, which ultimately strengthens their emotional bond with the brand. These results align with the findings of Osemeahon & Agoyi (2020), who state that FoMO has an indirect influence on consumer loyalty through increased customer engagement as a mediating variable. Thus, customer engagement serves as the primary channel that transforms the psychological drive caused by FoMO into loyalty toward digital brands.

The fifth hypothesis proves that personalization indirectly influences brand loyalty through user engagement, with a path coefficient value of 0.233 and a p-value of 0.002. These results indicate that user engagement contributes significantly to channeling the influence of personalization on the formation of brand loyalty.

Experiences tailored to user preferences and habits do not directly generate loyalty, but they can create deep emotional engagement, which ultimately fosters brand loyalty. Users who feel cared for and valued through features such as Spotify Wrapped tend to be more actively engaged with the platform. This engagement forms the foundation for long-term loyalty. This aligns with Meidivia et al.'s (2023) research that personalization is effective when combined with strategies that consistently drive engagement. Considering this, digital companies like Spotify need to ensure that the personalization features and social elements they offer create experiences that are truly relevant and emotional for their users.

This study theoretically contributes to the development of understanding in the field of digital marketing, particularly by integrating psychological aspects (FoMO), personalization strategies, and emotional engagement in shaping brand loyalty. Existing theories are not only confirmed but also enriched through the new integrative model offered in this study. Consumer loyalty in the digital age is proven to be more than just the result of content or features; it is significantly influenced by how much consumers feel socially and emotionally connected to the platform. An approach that combines personalized experiences with digital social pressures like FoMO can be utilized as an effective strategy to strengthen a brand's competitiveness in the face of intense market competition.

CONCLUSION

This study aims to examine the influence of Fear of Missing Out (FoMO) and personalization on customer engagement and its impact on brand loyalty, with customer engagement as a mediating variable. The results of the study indicate that FoMO and personalization have a significant positive effect on customer engagement. Additionally, customer engagement has a direct effect on brand loyalty and acts as a mediator in the relationship between FoMO and personalization on brand loyalty. Thus, loyalty to digital brands such as Spotify is formed through an active and emotional engagement process driven by social pressure and the personal experiences felt by users.

The practical implications of these findings suggest that digital companies, particularly Spotify, need to develop marketing strategies that combine elements of personalization and social aspects such as FoMO to increase customer engagement and loyalty. Strengthening interactive features such as Spotify Wrapped, which can be shared on social media, has proven to create an emotional experience that strengthens the relationship between users and the platform. Additionally, consistent and relevant personalization can be key to maintaining long-term engagement.

This study has several limitations that need to be considered. First, the scope of the study is limited to Spotify Wrapped users in the Kebumen region, so the results may not be fully generalizable to other regions or digital platforms. Second, the approach used is quantitative with perception data collected through questionnaires, which allows for subjective bias from respondents. Third, the variables in this study are still limited to FoMO, personalization, customer engagement, and brand loyalty, without considering other external factors such as brand perception, service quality, or the influence of online communities.

Given these limitations, further research should expand the scope of the area or platform studied in order to obtain broader generalizations of the results. Researchers may also consider a mixed-method approach with in-depth interviews to explore users' motivations and emotions that are not captured by quantitative data alone. Additionally, additional variables such as eWOM, perceived value, or trust can be included in the model to provide a more comprehensive understanding of brand loyalty formation in a digital context.

BIBLIOGRAPHY

- Brodie, R. J., Hollebeek, L. D., Jurić, B., & Ilić, A. (2011). Customer engagement: Conceptual domain, fundamental propositions, and implications for research. *Journal of Service Research*, 14(3), 252–271. <https://doi.org/10.1177/1094670511411703>
- Chaudhuri, A., & Holbrook, M. B. (2001). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. *Journal of Marketing*, 65, 81–93.
- Christy, C. C. (2022). FoMo di media sosial dan e-WoM : pertimbangan berbelanja daring pada marketplace. *Jurnal Studi Komunikasi (Indonesian Journal of Communications Studies)*, 6(1), 331–357. <https://doi.org/10.25139/jsk.v6i1.3742>
- Hudson, S., Roth, M. S., Madden, T. J., & Hudson, R. (2015). The effects of social media on emotions, brand relationship quality, and word of mouth: An empirical study of music festival attendees. *Tourism Management*, 47, 68–76. <https://doi.org/10.1016/j.tourman.2014.09.001>
- Meidivia, R. R., Novieningtyas, A., & Naumovska, L. (2023). The Effectiveness of AI in Marketing “Spotify Wrapped”: How it Affects Indonesian Customer’s Engagement. *International Journal of Business and Technology Management*, 5, 260–269. <https://doi.org/10.55057/ijbtm.2023.5.3.22>
- Mustikasari, A., Hurriyati, R., Dirgantari, P. D., Sultan, M. A., Susi, N., & Sugiana, S. (2025). Fear of Missing Out (FoMO) and Recommendation Algorithms: Analyzing their Impact on Repurchase Intentions in Online Marketplaces. *IJACSA) International Journal of Advanced Computer Science and Applications*, 16(4), 101–108. www.ijacsa.thesai.org
- Neha, & Walia, P. S. (2025). The Impact of Fear of Missing Out (FOMO) on Online Consumer Behaviour: A Theoretical Study of Social Media Users. *RESEARCH HUB International Multidisciplinary Research Journal*, 12(4), 08–16. <https://doi.org/10.53573/rhimrj.2025.v12n4.002>
- Osemeahon, O. S., & Agoyi, M. (2020). Linking FOMO and smartphone use to social media brand communities. *Sustainability (Switzerland)*, 12(6), 1–11. <https://doi.org/10.3390/su12062166>
- Przybylski, A. K., Murayama, K., Dehaan, C. R., & Gladwell, V. (2013). Motivational, emotional, and behavioral correlates of fear of missing out. *Computers in Human Behavior*, 29(4), 1841–1848. <https://doi.org/10.1016/j.chb.2013.02.014>
- Shad, R., Olukemi, A., & Egon, A. (2024). The Impact of Personalization on Consumer Engagement and Loyalty The Impact of Personalization on Consumer Engagement and Loyalty.
- So, K. K. F., King, C., Sparks, B. A., & Wang, Y. (2016). The Role of Customer Engagement in Building Consumer Loyalty to Tourism Brands. *Journal of Travel Research*, 55(1), 64–78. <https://doi.org/10.1177/0047287514541008>
- Tam, K. Y., & Ho, S. Y. (2006). Understanding the impact of Web personalization on user information processing and decision outcomes. *MIS Quarterly: Management Information Systems*, 30(4), 865–890. <https://doi.org/10.2307/25148757>
- Vivek, S. D., Beatty, S. E., & Morgan, R. M. (2012). Customer engagement: Exploring customer relationships beyond purchase. *Journal of Marketing Theory and Practice*, 20(2), 122–146. <https://doi.org/10.2753/MTP1069-6679200201>
- Zhafira, T., Kinasih, D. D., & Hardilawati, W. L. (2023). PENGARUH CUSTOMER ENGAGEMENT DAN CUSTOMER EXPERIENCE TERHADAP LOYALITAS PELANGGAN PADA ESL EXPRESS CABANG SOEKARNO HATTA PEKANBARU. *Jurnal Ilmiah Mahasiswa Merdeka EMBA*, 2(1)..