

INCOME VOLATILITY AND IRRATIONAL CONSUMPTION: THE MEDIATING ROLE OF CONFORMITY IN THE RELATIONSHIP BETWEEN FOMO, SELF-ESTEEM, CELEBRITY ENDORSEMENT, AND CONSUMPTIVE BEHAVIOR AMONG SMALLHOLDER OIL PALM FARMERS

VOLATILIDADE DE RENDA E CONSUMO IRRACIONAL: O PAPEL MEDIADOR DA CONFORMIDADE NA RELAÇÃO ENTRE FOMO, AUTOESTIMA, APOIO DE CELEBRIDADES E COMPORTAMENTO CONSUMISTA ENTRE PEQUENOS PRODUTORES DE ÓLEO DE PALMA

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Abstract

This study examines the paradox in agrarian economics in which increasing commodity income does not necessarily improve household welfare among smallholder oil palm farmers in Rokan Hilir Regency, Riau Province, Indonesia. Although palm oil income continues to rise during productive harvest periods, it is frequently redirected toward conspicuous and consumptive spending rather than productive investment or long-term financial planning. Using a mixed interpretive-empirical approach, this research involved in-depth interviews with ten oil palm farmers and seven key informants conducted in September 2025, supported by long-term field observations and NVivo-assisted thematic analysis. The study develops a mediated framework explaining how income volatility creates a structural condition that intensifies consumptive behaviour through psychological and social mechanisms, particularly Fear of

Resumo

Este estudo examina o paradoxo da economia agrária em que o aumento da renda proveniente de commodities não resulta necessariamente na melhoria do bem-estar das famílias entre pequenos produtores de óleo de palma no distrito de Rokan Hilir, província de Riau, Indonésia. Embora a renda do óleo de palma aumente durante os períodos de colheita produtiva, ela frequentemente é direcionada para gastos consumistas e ostentatórios em vez de investimentos produtivos ou planejamento financeiro de longo prazo. Utilizando uma abordagem interpretativa-empírica mista, a pesquisa envolveu entrevistas em profundidade com dez agricultores de palma e sete informantes-chave realizadas em setembro de 2025, complementadas por observações de campo de longo prazo e análise temática assistida pelo software NVivo. O estudo desenvolve um modelo mediado que explica



Missing Out (FOMO), celebrity endorsement, self-esteem, and conformity. The findings reveal that income volatility does not directly cause excessive consumption but acts as a structural amplifier that strengthens psychological anxiety and social pressure. FOMO encourages impulsive purchasing behaviour by generating fear of social exclusion, while conformity functions as the primary social mechanism that normalises and reinforces excessive spending practices within the community. Celebrity endorsement through social media further accelerates consumer desire and legitimises debt-based consumption, whereas low self-esteem stimulates compensatory conspicuous consumption, especially during periods of temporary income increase. NVivo analysis demonstrates that concepts such as prestige, recognition, and social comparison dominate participants' understanding of consumption, while financial planning and saving practices remain largely absent. The study concludes that consumptive behaviour among oil palm farmers is not merely an issue of individual irrationality but is structurally produced through interconnected social and psychological processes. Therefore, sustainable interventions should focus on transforming the social architecture of consumption rather than relying solely on financial literacy programs.

Keywords: Income Volatility. Consumptive Behavior. Fomo. Conformity. Mediating Role. Smallholder Farmers. Oil Palm.

como a volatilidade da renda cria condições estruturais que intensificam o comportamento consumista por meio de mecanismos psicológicos e sociais, especialmente Fear of Missing Out (FOMO), endosso de celebridades, autoestima e conformidade social. Os resultados demonstram que a volatilidade da renda não causa diretamente o consumo excessivo, mas atua como um amplificador estrutural que fortalece a ansiedade psicológica e a pressão social. O FOMO incentiva compras impulsivas ao gerar medo de exclusão social, enquanto a conformidade funciona como o principal mecanismo social que normaliza e reforça práticas de gastos excessivos dentro da comunidade. O endosso de celebridades nas mídias sociais acelera ainda mais o desejo de consumo e legitima práticas de consumo financiadas por crédito, enquanto a baixa autoestima estimula o consumo conspícuo compensatório, especialmente durante períodos de aumento temporário da renda. A análise do NVivo demonstra que conceitos como prestígio, reconhecimento e comparação social dominam a compreensão dos participantes sobre consumo, enquanto práticas de poupança e planejamento financeiro permanecem amplamente ausentes. O estudo conclui que o comportamento consumista entre os agricultores de palma não representa apenas um problema de irracionalidade individual, mas é estruturalmente produzido por processos sociais e psicológicos interconectados. Portanto, intervenções sustentáveis devem concentrar-se na transformação da arquitetura social do consumo, e não apenas em programas de educação financeira.

Palavras-chave: Volatilidade da Renda. Comportamento Consumista. FOMO (Medo de Ficar de Fora). Conformidade. Papel Mediador. Pequenos Agricultores. Palma de Óleo.

1 INTRODUCTION

The central puzzle this paper addresses is deceptively simple: why do oil palm farmers in Rokan Hilir Regency, Riau Province, consistently spend more when they earn more, without corresponding gains in long-term welfare? The standard economic answer—that rising income raises consumption—is insufficient because it cannot explain

the *form* that consumption takes. These are not increases in food security, education investment, or plantation reinvestment. They are purchases of luxury SUVs on leasing credit, premium smartphones, large-screen televisions, and branded goods—items whose value is overwhelmingly symbolic rather than functional. This paper argues that understanding this pattern requires moving beyond income as an explanatory variable and examining the psychological and social architecture through which income gains are converted into symbolic consumption.

The empirical context is striking. Riau Province is Indonesia's largest palm oil producer, with 2.87 million hectares under cultivation and smallholder farmers in Rokan Hilir earning average annual net incomes of IDR 30.7 million per cultivated plot—representing household income well above rural poverty lines (Mardianis *et al.*, 2023; BPS Riau, 2023). Yet bank managers in the same regency report growing portfolios of non-performing loans among oil palm farmers, driven not by economic misfortune but by consumptive credit obligations that erode harvest income (Dedi Satria, BNI KCP Bagansiapiapi, interview September 2025). The paradox is structural: income rises, but economic resilience falls.

The theoretical gap this paper addresses is equally significant. Research on consumptive behaviour has extensively documented the role of FOMO (Przybylski *et al.*, 2013), conformity (Asch, 1951; Lascau & Zinkhan, 1999), celebrity endorsement (Shimp, 2003; McCracken, 1989), and self-esteem (Rosenberg, 1965; Hawkins *et al.*, 1980) as drivers of excessive consumption. However, these variables have been studied predominantly in urban, middle-class, and millennial populations (Haeruddin, 2023; Featherstone, 2007). Their operation in income-volatile agrarian communities—where social visibility is high, community ties are dense, and digital media penetration is rapid—remains understudied. Bibliometric analysis across 999 studies confirms that agrarian consumer behaviour, and oil palm farming communities specifically, represent a systematic gap in the literature (Indra, 2026).

The core theoretical argument of this paper is that conformity functions not merely as one variable among several but as the primary social mediator through which FOMO, celebrity endorsement, and self-esteem are converted into consumptive action. Without conformity's normative enforcement power, the anxieties generated by FOMO would not reliably produce purchasing; the aspirations generated by celebrity endorsement would

not be socially obligatory; the insecurities of low self-esteem would not require material compensation. Conformity transforms private psychological states into public social obligations, and in doing so, amplifies the consumptive effects of all other variables. This mediating architecture is the paper's central contribution.

The research questions are: (1) How do FOMO, celebrity endorsement, and self-esteem individually drive consumptive behaviour among smallholder oil palm farmers in Rokan Hilir? (2) How does conformity mediate these relationships? (3) What is the role of income volatility as a structural context that amplifies or modifies these dynamics? (4) What does this model imply for theory and for practical intervention?

2 THEORETICAL FRAMEWORK AND HYPOTHESES

2.1 Income volatility as structural context, not cause

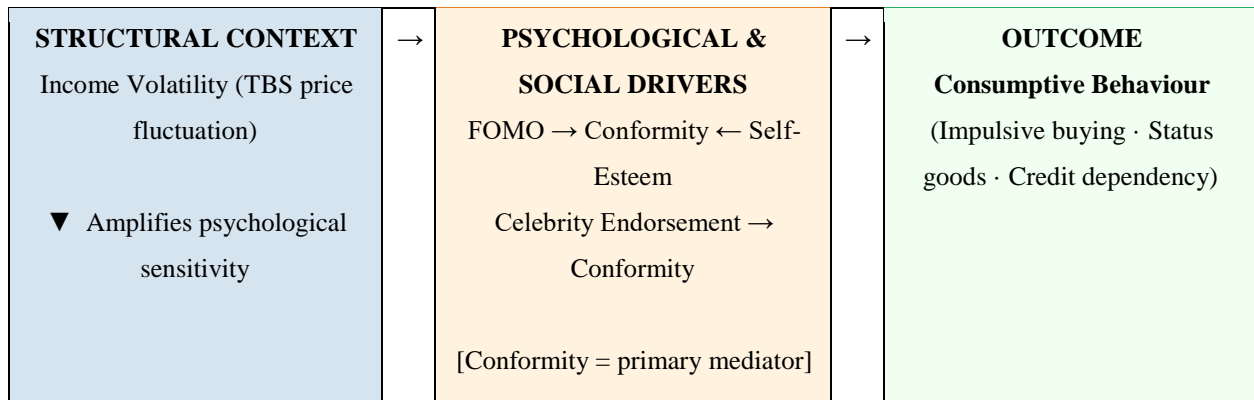
A foundational argument of this paper is that income volatility does not cause consumptive behaviour—it creates the structural conditions in which the social and psychological drivers operate with particular intensity. The distinction is important. A farmer who earned a stable IDR 30 million annually would face less psychological pressure to demonstrate prosperity in each income cycle. But oil palm income is discontinuous: farmers receive payment twice monthly for TBS (Fresh Fruit Bunch), and prices fluctuate from IDR 2,200 to IDR 3,500 per kilogram across seasons (Defris, Head of Riau Plantation Processing and Marketing, interview September 2025). This discontinuity creates alternating states of abundance and constraint, and it is in the moments of abundance—when social visibility of spending is high—that consumptive behaviour concentrates.

Sari (2025) confirms that TBS price volatility significantly affects consumption patterns among Bengkulu farmers, with income surges producing disproportionate spending responses. This is consistent with psychological research on windfall effects: temporary income surges are more likely to generate impulsive spending than equivalent permanent income increases (Kahneman & Tversky, 1979). The implication is that income volatility amplifies the sensitivity of psychological and social spending drivers, creating conditions in which FOMO, conformity, celebrity endorsement, and self-esteem

produce stronger behavioural outcomes than they would in income-stable settings. This amplification role is depicted in Figure 1 below.

Figure 1

Conceptual Model: Income Volatility as Structural Amplifier of Consumptive Behaviour



Source: Developed from field data (Indra, 2026); Haeruddin (2023); Przybylski *et al.* (2013)

2.2 FOMO: anxiety as a purchase trigger

Fear of Missing Out (FOMO) is defined as the pervasive apprehension that others are having rewarding experiences from which one is absent, characterised by a compulsion to maintain continuous social connection (Przybylski *et al.*, 2013). Grounded in Self-Determination Theory (Deci & Ryan, 2000), FOMO emerges when needs for competence, autonomy, and relatedness are insufficiently met, producing social anxiety that individuals attempt to resolve through behavioural participation—including consumption. Critically, FOMO does not require conscious deliberation; it operates as an affective state that bypasses rational economic calculation.

In agricultural communities with high social visibility and dense peer networks, FOMO operates with particular intensity. When a neighbour purchases a new vehicle or electronic device, this information propagates rapidly through community communication channels—WhatsApp groups, mosque gatherings, market conversations—creating a social-informational environment in which the anxiety of non-participation is continuously reproduced. Przybylski *et al.* (2013) identify two components of FOMO: a cognitive component (belief that others have better experiences) and a behavioural component (attempts to resolve this through participation). In the

Rokan Hilir context, the behavioural resolution is consumption: the farmer who learns of a neighbour's SUV purchase faces a FOMO-induced pressure to make a comparable status-signalling purchase.

H1: FOMO positively influences consumptive behaviour among smallholder oil palm farmers.

H2: FOMO positively influences conformity.

2.3 Conformity: the social architecture of consumption

This paper's central claim is that conformity serves as the primary mediator through which psychological variables translate into behavioural outcomes. Conformity is defined as the adjustment of individual behaviour, attitudes, or beliefs to align with group norms, driven either by normative pressure (the desire to belong and avoid rejection) or informational influence (the acceptance of group behaviour as evidence of correct action) (Asch, 1951; Baron & Byrne, 2004). Consumer conformity specifically involves modifying consumption patterns to match socially recognised standards (Lascu & Zinkhan, 1999).

The mediating role of conformity is theoretically coherent for three reasons. First, conformity converts private anxiety (FOMO) into social obligation: what begins as an individual fear becomes a community expectation when enough members act on it. Second, conformity provides informational legitimacy to celebrity endorsement: when a social media influencer's lifestyle is adopted by community peers, it shifts from an aspirational model to a descriptive norm. Third, conformity externalises self-esteem needs: the individual who compensates for low self-esteem through consumption receives social reinforcement when peers approve or imitate the purchase, creating a feedback loop that sustains the behaviour.

Zhang (2022) identifies four conformity drivers particularly relevant to agricultural communities: personal characteristics (self-doubt), group characteristics (peer observation intensity), brand characteristics (status-signalling capacity), and situational characteristics (social media saturation). All four are present in Rokan Hilir, where high plantation income visibility, strong communal social networks, and rapid

smartphone penetration create an unusually conformity-intensive consumption environment.

H3: Conformity mediates the relationship between FOMO and consumptive behaviour.

H4: Conformity mediates the relationship between celebrity endorsement and consumptive behaviour.

H5: Conformity mediates the relationship between self-esteem and consumptive behaviour.

2.4 Celebrity endorsement: the digital legitimation of desire

Celebrity endorsement is a marketing strategy that leverages publicly recognised individuals to promote products, operating through the TEARS model of trustworthiness, expertise, attractiveness, respect, and similarity (Shimp, 2003). In digital media environments, traditional celebrity has been supplemented by 'micro-influencers' and 'selebgram' (Instagram celebrities) whose intimate relatability and algorithmic reach create aspirational consumption models of particular persuasive power (Adinda, 2021). The mechanism operates through what McCracken (1989) calls meaning transfer: symbolic attributes of the celebrity—prosperity, modernity, social success—transfer to the endorsed product and then to the consumer through purchase.

For oil palm farmers in Rokan Hilir, celebrity endorsement operates through social media platforms—Instagram, TikTok, YouTube—where endorsers promote not only specific products but entire consumption lifestyles. Critically, endorsers increasingly promote financial products: online credit applications, vehicle leasing services, 'buy now pay later' platforms. This transforms celebrity endorsement from a demand-side influence on product preference into a supply-side enabler of consumption capacity, allowing farmers to spend beyond current income. The endorsement of credit products is therefore doubly consequential: it shapes desire and provides the financial mechanism to satisfy it.

H6: Celebrity endorsement positively influences consumptive behaviour.

H7: Celebrity endorsement positively influences conformity.

2.5 Self-esteem: the compensatory function of status goods

Self-esteem, defined by Rosenberg (1965) as the overall positive or negative evaluation of oneself, is a foundational variable in consumer psychology. Low self-esteem produces compensatory consumption: individuals purchase status-signalling goods to supplement diminished self-worth (Hawkins, Coney & Best, 1980; Schiffman & Kanuk, 2004). Coopersmith's (1967) four dimensions—power, significance, virtue, and competence—each constitute a domain in which perceived inadequacy can be compensated through material display.

The oil palm farming context creates cyclical self-esteem dynamics that map directly onto consumption cycles. When TBS prices are high and harvest income is substantial, farmers experience both the material capacity and the social pressure to demonstrate success. The purchase of status goods during this window serves a dual function: it resolves the anxiety of social comparison (FOMO) and it supplements the self-evaluation of economic competence. Conversely, when TBS prices fall, the farmer who has committed harvest income to status-good purchases faces a new form of self-esteem threat—the visible evidence of financial strain in a community where consumption signals are constantly monitored. This cyclical dynamic does not diminish consumptive behaviour; it intensifies it in peak income periods as compensation for anticipated future constraint.

H8: Self-esteem positively influences consumptive behaviour.

H9: Self-esteem positively influences conformity.

3 METHOD

3.1 Research design

This study employs a convergent mixed-methods design with interpretive priority, combining in-depth qualitative interviews, long-term observational fieldwork, and computer-assisted textual analysis (NVivo 15). The interpretive paradigm (Burrell & Morgan, 1979; Guba & Lincoln, 1994) is adopted because consumptive behaviour is understood not as an objectively measurable variable but as a socially constructed practice

whose meaning must be accessed through participants' own frameworks. The case study design (Yin, 2018) is selected because it enables deep contextual analysis of a contemporary phenomenon within its real-life setting—specifically, how income volatility, social structure, and digital media interact to produce consumptive behaviour among oil palm farmers.

3.2 Research setting and participants

The study was conducted in Kabupaten Rokan Hilir, Riau Province, Indonesia, between July and September 2025. Rokan Hilir contains 18 sub-districts, 195,204 hectares of smallholder oil palm plantation, and 62,142 farming households that depend on oil palm as their primary income source (BPS Riau, 2023; Dinas Perkebunan Provinsi Riau, 2023). The regency was selected because it represents a high-productivity palm oil area with documented consumptive behaviour patterns, yet has received no prior targeted academic study of consumer behaviour.

Ten smallholder farmers were selected as primary research subjects using purposive sampling (Sugiyono, 2013; Creswell, 2019), drawn from seven sub-districts: Bangko, Rimba Melintang, Tanah Putih, Bangko Pusako, Pekaitan, Tanah Putih Tanjung Melawan, and Batu Hampar. Inclusion criteria required independent (non-plasma) ownership of minimum 4 hectares cultivated for at least 5 years, with oil palm as primary income. Seven informants were interviewed, comprising three village heads (penghulu), two bank branch managers (BNI and BRI), the Head of Riau Province Plantation Processing and Marketing, and the Head of Rokan Hilir Agriculture and Food Security Office.

Table 1

Profile of Research Subjects (Oil Palm Farmers)

No.	Informant	Village / Sub-district	Land (Ha)	Key consumption observed
1	Purwanto	Labuhan Tangga, Bangko	4	Vehicles on credit, branded goods
2	Sahran Ritonga	Lenggadai Hilir, Rimba Melintang	5	New motorcycle (impulsive), electronics

3	Sarengat	Serusa, Bangko	4	Gadgets, fashion, social events
4	Suriono	Sekaladi, Tanah Putih	5	Status goods at harvest peak
5	Sutariadi	Melayu Besar, Tanah Putih Tj. Melawan	6	Responsible credit; moderate consumer
6	Suwandi	Bangko Balam, Bangko Pusako	5	Sound system, hobby goods, paylater
7	Suyanto	Pedamaran, Pekaitan	4	Paylater-financed electronics
8	Tulus	Melayu Tengah, Tanah Putih Tj. Melawan	6	Branded goods, family recreation
9	Waluyo	Tanah Merah, Rimba Melintang	5	SUV leasing credit (witnessed)
10	Yandi	Bantayan, Batu Hampar	4	SUV on leasing (unable to drive)

Source: Primary fieldwork, Rokan Hilir Regency, September 2025 (Indra, 2026)

3.3 Data collection

In-depth interviews (Afrizal, 2014; Kriyantono, 2020) were conducted with all subjects and informants between July and September 2025. Interview guides addressed: (1) consumption patterns and purchasing decisions; (2) the role of social pressure, peer behaviour, and social media; (3) income management and credit use; and (4) the meaning of consumption within community life. All interviews were audio-recorded (with consent) and transcribed verbatim, generating approximately 380 pages of raw transcript data. Long-term observational fieldwork was conducted across multiple visits, documenting consumption artefacts (vehicles, electronics, home renovations), credit behaviour patterns, market visits, and social interaction dynamics. Documentary analysis drew on BPS Riau (2023), Mardianis *et al.* (2023), plantation office records, and bank credit data shared by BNI and BRI branch managers.

3.4 Data analysis

Qualitative data were analysed using NVivo 15, employing word frequency queries (generating word clouds), cluster analysis (coding similarity), hierarchy charts (theme frequency and dominance), and project maps (relational coding). These tools generated visual representations of theme frequency, co-occurrence, and structural

relationships that complement thematic text analysis. Triangulation across interview, observational, and documentary sources ensured convergent validity (Miles, Huberman & Saldaña, 2014). Member checking was performed by returning preliminary findings to three participants for verification.

4 FINDINGS

4.1 The structural context: income volatility and consumption surges

The fundamental rhythm of consumption among Rokan Hilir oil palm farmers follows the TBS harvest cycle. Farmers harvest twice monthly, receiving payment at prices ranging from IDR 2,200 to IDR 3,500 per kilogram depending on CPO global market conditions. For a 4-hectare farm producing 800 kg/ha per harvest, gross income per harvest event ranges from approximately IDR 7 million to IDR 11.2 million. After production costs (estimated at 50%), net income per harvest is IDR 3.5–5.6 million (Cicik Mawardi Athar, Head of Rokan Hilir Agriculture Office, interview September 2025).

Table 2

TBS Price Schedule, Riau Province Independent Smallholders, August–September 2025

Plant Age (Years)	Price per Kg (IDR)	Est. Net Income/Ha/Harvest (IDR)
3	2,829.76	1,131,904
5	3,384.56	1,353,824
9	3,652.39	1,460,956
10–20	3,615.06	1,446,024
21	3,554.86	1,421,944
25	3,297.25	1,318,900

Source: Riau Provincial Government Media Centre, 27 Aug–2 Sep 2025; calculations by author

This income structure—regular but volatile, meaningful but discontinuous—creates a spending psychology documented consistently across research subjects. The critical dynamic is what Suriono (interview, September 2025) articulated:

"Kalau harga naik, rasanya sayang kalau uang cuma disimpan saja. Biasanya langsung beli barang yang sudah lama diinginkan, seperti motor atau ganti HP baru." (Suriono, Kepenghuluan Sekaladi, Tanah Putih, September 2025)

The behavioral pattern is not merely expenditure on desirable goods—it is the specific concentration of spending at income peak moments, before the next price movement is known. Income volatility converts each positive harvest into a psychological 'now or never' consumption window. This is not irrational in the simple sense; it reflects a rational response to the absence of stable income expectations. What makes it problematic is that this rational-within-constraints spending pattern is systematically exploited by the social mechanisms of FOMO, conformity, celebrity endorsement, and self-esteem.

4.2 FOMO: from social anxiety to purchase action

NVivo word-frequency analysis of interview transcripts identifies 'FOMO' and its local equivalents ('takut tertinggal,' 'khawatir tidak ikut,' 'tidak mau kalah') as among the most frequent themes in data, clustering with 'tetangga,' 'tren,' 'gaya hidup,' and 'media sosial.' The triangulation network diagram (Figure 4.1 in the dissertation) confirms that FOMO-related themes are linked to virtually all ten research subjects, indicating it is a community-level phenomenon rather than an individual disposition.

The mechanism operates through a community information environment that is both dense and rapid. The Toll Permai highway now connects Rokan Hilir to Pekanbaru in under 2 hours (previously 4–5 hours), dramatically increasing the frequency of urban consumer exposure. Research subject Purwanto (interview, September 2025) explained:

"Sekarang jalan ke Pekanbaru sudah bagus, apalagi sudah ada jalan Tol Permai. Dulu mau belanja harus pikir-pikir karena jauh, sekarang tinggal tancap gas sudah sampai ke Mall Living World dan Mall SKA, jadi lebih sering belanja." (Purwanto, Kepenghuluan Labuhan Tangga, Bangko, September 2025)

Social media amplifies this physical exposure with continuous digital exposure. Informant Taufik Basirun, Village Head of Labuhan Tangga Baru (interview, July 2025), observed:

"Media sosial seperti Facebook, TikTok, dan Instagram membuat masyarakat terpapar gaya hidup modern dan tren konsumsi." (Taufik Basirun, Penghulu Labuhan Tangga Baru, Bangko, July 2025)

The conversion of social anxiety into purchase action is mediated by conformity but begins with FOMO. Research subject Purwanto (interview, September 2025) described the mechanism directly:

"Saya sering terpengaruh membeli jika melihat tetangga dan masyarakat desa banyak yang membeli produk tersebut. Saya merasa khawatir jika tidak mengikuti tren yang populer di lingkungan dan masyarakat sekitar." (Purwanto, Kepenghuluan Labuhan Tangga, Bangko, September 2025)

4.3 Conformity: the social transmission and enforcement of consumption

Conformity emerges from NVivo analysis as the most densely connected theme in the data—linked to every major consumption-related node and to every research subject. This centrality is consistent with the paper's theoretical argument that conformity is the primary mediating variable. Two conformity mechanisms dominate the data.

Normative conformity—conforming to avoid social exclusion—is most explicitly expressed in the frequently heard phrase 'tetangga lain sudah punya' (other neighbours already have one). Research subject Yandi in Bantayan Village, Batu Hampar (interview, September 2025) exemplifies the starkest instance of normative conformity in the entire dataset:

"Sebenarnya barang itu bukan kebutuhan untuk kebun sawit ataupun rumah, tapi karena kawan-kawan sesama petani sudah beli dan pakai, rasanya kurang pas kalau saya tidak ikut. Kalau tidak sama, nanti dibilang tidak mengikuti zaman." (Yandi, Kepenghuluan Bantayan, Batu Hampar, September 2025)

This statement is theoretically significant because it provides direct evidence of the mediating function of conformity: the purchase is explicitly attributed not to FOMO (though FOMO is present) nor to celebrity endorsement nor to self-esteem, but to the social norm of participation. The good has no instrumental value to Yandi (he cannot drive the vehicle); its entire value is the claim it makes on community membership. Yandi

purchased an SUV on leasing credit that resulted in repossession when he could not meet payment obligations.

Informational conformity—adopting group behaviour as evidence of correct action—operates through the credit product adoption chain. Informant Dedi Satria (BNI KCP Bagansiapiapi Branch Manager, interview September 2025) reported:

"Rata-rata petani yang kami beri fasilitas pinjaman memiliki lahan sawit paling sedikit 2 Ha. Secara hitung-hitungan, pendapatan petani Rp 7.500.000,-/bulan. Angsuran pinjaman untuk plafon Rp. 100 juta tenor 60 bulan sekitar Rp 2.000.000,-/bulan. Namun akibat kurangnya kemampuan manajemen keuangan, minim literasi keuangan, enggan menabung, akhirnya banyak yang menunggak angsuran bank." (Dedi Satria, BNI KCP Bagansiapiapi, September 2025)

This finding confirms that conformity extends to financial behaviour: farmers adopt leasing and online credit products not primarily from individual calculation but because these products have been normalised by peer adoption within the community.

4.4 Celebrity endorsement and the digital escalation of consumption capacity

NVivo coding frequency analysis places celebrity endorsement in a secondary tier relative to FOMO and conformity, consistent with Haeruddin's (2023) finding that celebrity endorsement operates primarily through conformity rather than directly on consumption. However, research subjects in Rokan Hilir reveal a specific mechanism through which celebrity endorsement becomes particularly consequential in this agrarian context: the endorsement of online lending and vehicle leasing products.

Research subject Suyanto (Pedamaran, Pekaitan, interview September 2025) described:

"Sekarang enak, ada paylater. Walaupun uang belum ada, tetap bisa beli HP atau barang lain. Kadang saya beli dulu, urusan bayar belakangan. Kalau lihat promo di aplikasi, langsung checkout pakai paylater. Rasanya ringan karena bayarnya dicicil." (Suyanto, Kepenghuluan Pedamaran, Pekaitan, September 2025)

The 'ringan' (light/easy) feeling Suyanto describes is precisely what celebrity-endorsed credit products are designed to produce: a perceptual decoupling of purchase

from payment that expands consumption capacity beyond income. Research subject Yandi (Bantayan, Batu Hampar, interview September 2025) further noted:

"Di desa kami sekarang banyak yang sudah pakai pinjaman online. Jadi sudah biasa, bahkan jadi kebiasaan kalau kekurangan uang sedikit langsung pinjam lewat aplikasi." (Yandi, Kepenghuluan Bantayan, Batu Hampar, September 2025)

The phrase 'sudah biasa' (already normal) marks the transition from individual adoption to community norm—the point at which celebrity endorsement's influence has been fully transmitted through conformity into a community-level consumption standard.

4.5 Self-esteem and the social performance of economic success

NVivo cluster analysis groups themes of 'harga diri' (self-esteem), 'ego,' 'gengsi' (social prestige), 'percaya diri' (confidence), and 'pengakuan sosial' (social recognition) as a tightly linked cluster—the most internally connected cluster in the entire dataset. This clustering reveals that self-esteem in the Rokan Hilir context is not primarily an individual psychological attribute but a social-relational construct that is performed and evaluated through consumption.

Village Head Kartono (Bangko Mukti, Bangko Pusako, interview September 2025) provided the most analytically precise characterisation of the self-esteem mechanism:

"Pada intinya, mereka memiliki keinginan menunjukkan status sosial atau istilahnya prestise atau sederhananya, gengsi. Kepemilikan barang-barang tertentu dianggap simbol keberhasilan. Fenomena gengsi sosial ini terasa kuat di masyarakat pedesaan yang sedang berkembang ekonominya." (Kartono, Penghulu Bangko Mukti, Bangko Pusako, September 2025)

Research subject Tulus (Melayu Tengah, Tanah Putih Tanjung Melawan, interview September 2025) provides direct evidence of the compensatory function:

"Banyak petani membeli barang bukan karena kebutuhan, tetapi karena dorongan untuk menunjukkan keberhasilan ekonomi. Ada semacam gengsi sosial, yaitu merasa harus tampil lebih baik di mata tetangga atau kerabat. Namun sayangnya, sebagian besar petani tidak memiliki perencanaan keuangan jangka panjang." (Tulus, Kepenghuluan Melayu Tengah, Tanah Putih Tanjung Melawan, September 2025)

The final clause—'tidak memiliki perencanaan keuangan jangka panjang'—is critical. It reveals that self-esteem-driven consumption is not merely impulsive; it crowds out financial planning. The psychological energy directed toward social performance is energy withdrawn from economic management, producing a systematic diversion of income from productive to symbolic uses.

4.6 The consequences: a multi-layered impact structure

NVivo impact analysis generates a consequence chain that is depicted in Figure 4.14 of the dissertation: increased debt → financial burden → reduced saving capacity → declining quality of life → social inequality → cultural value shift toward materialism. This chain is not sequential but simultaneous, with each element amplifying others.

Table 3

Summary Findings: Variables, Evidence, and Conformity Mediation

Variable	NVivo Prominence	Key Field Evidence	Conformity Mediation
Income Volatility	Structural amplifier (context node)	Harvest-timed spending surges; IDR 7–11M gross per harvest	Creates opportunity windows for consumption pressure
FOMO	High frequency; linked to all 10 subjects	'Takut tertinggal'; rapid community info spread via WhatsApp	Converts anxiety → social norm via peer adoption
Conformity	Highest density; central mediator	'Sudah biasa'; 'tidak mau kalah'; vehicle repossession	Primary transmission mechanism for all drivers
Celebrity Endorsement	Secondary; operates via conformity	Paylater apps endorsed via TikTok; 'sudah biasa' normalisation	Endorsed credit norms adopted as community standard
Self-Esteem	Dense cluster with 'gengsi', 'prestise'	'Harus tampil lebih baik'; status good as identity signal	Low self-worth resolved through community-validated goods

Source: NVivo analysis of interview transcripts; field observation, Rokan Hilir 2025 (Indra, 2026)

The financial consequence is most acutely captured by the banking informant data. BRI Unit Manager Tukiman (Bagansiapiapi, interview September 2025) summarised:

"Perilaku konsumtif membuat masyarakat lebih banyak membelanjakan uang untuk barang-barang yang bukan kebutuhan pokok. Sulit menabung atau berinvestasi di sektor produktif seperti kebun baru, pendidikan anak, atau usaha sampingan. Akibatnya,

ketika harga sawit turun, banyak keluarga petani mengalami kesulitan ekonomi karena tidak memiliki cadangan keuangan." (Tukiman, BRI Unit Manager Bagansiapiapi, September 2025)

5 DISCUSSION

5.1 The mediating role of conformity: evidence and implications

The central theoretical argument of this paper—that conformity mediates the relationship between FOMO, celebrity endorsement, self-esteem, and consumptive behaviour—is supported by the convergent evidence from NVivo analysis and field interviews. The pattern is consistent: none of the three independent variables consistently produces consumptive behaviour without passing through a social normalisation process. FOMO is widely experienced but produces purchasing only when others are known to have purchased (conformity trigger). Celebrity endorsement generates aspiration but produces purchasing primarily when endorsed products become community norms (celebrity-to-conformity pathway). Self-esteem deficits are widely present but produce status-good purchasing only when specific goods are socially recognised as status markers (conformity-defined status code).

This finding extends Haeruddin's (2023) model—which identified FOMO, self-esteem, and celebrity endorsement as direct influences on consumptive behaviour, with conformity as one mediator—by arguing that conformity is the architecturally primary mediator, not one variable among several. Without the community-level normalisation that conformity provides, the psychological drivers would produce less behavioural coherence. The reason oil palm farmers in Rokan Hilir do not simply express FOMO in different ways—increased social participation, for instance—is that conformity enforces a specific behavioural resolution: consumption. Conformity does not merely amplify consumption; it channels psychological energy toward consumption as the legitimate social response.

5.2 Income volatility as amplifier: revising the income-consumption relationship

A significant theoretical contribution of this paper is the reframing of income volatility's role. Standard economic models treat higher income as a direct cause of higher consumption. This paper demonstrates that income volatility is more accurately characterised as a structural amplifier of social and psychological consumption drivers. The critical evidence is that consumption among Rokan Hilir farmers is not proportional to income levels; it is concentrated in income-surge windows, and its form is determined not by income levels but by the social and psychological mechanisms analysed above.

This reframing has important practical implications. Financial literacy programmes that assume consumption is primarily income-driven will fail to address the social architecture that produces consumptive behaviour independent of income level. Farmers with lower TBS prices still maintain consumptive patterns by accessing credit—precisely because the social obligation to participate in community consumption norms is not removed by income contraction. This is the trap that Dedi Satria describes: farmers with sufficient income to service credit obligations are defaulting because they have taken on multiple credit obligations simultaneously to fulfil multiple conformity-driven consumption obligations.

5.3 The digital credit trap: celebrity endorsement meets online lending

A novel finding of this study—not anticipated in the theoretical framework—is the convergence of celebrity endorsement with online credit and paylater product promotion. This convergence creates what the paper terms the 'digital credit trap': social media endorsers promote consumption lifestyles (celebrity endorsement → desire formation) and simultaneously endorse the financing products that make these lifestyles accessible despite insufficient income (credit endorsement → consumption capacity expansion). The result is a system in which desire formation and financial enabling are co-produced by the same promotional infrastructure.

This finding has direct regulatory implications. The Indonesian Financial Services Authority (OJK) has documented concerns about predatory online lending, but the specific role of social media celebrity endorsement in normalising credit-financed

consumption among low-financial-literacy agricultural communities has not been systematically addressed. The evidence from Rokan Hilir suggests that regulatory frameworks addressing celebrity endorsement of financial products in rural markets—specifically requiring disclosure of financial risks in endorsed credit products—would meaningfully reduce the consumption-credit amplification dynamic.

5.4 Theoretical implications: refining the consumer behaviour model for agrarian contexts

The established consumer behaviour literature develops its models primarily from urban, middle-class, and student populations. This study's contribution is to test these models in an agrarian income-volatile context and to identify the modifications required. Three modifications are proposed.

First, income volatility must be incorporated as a structural contextual variable that modifies the strength of psychological and social consumption drivers. This is a theoretical addition absent from all existing consumer behaviour models reviewed.

Second, the mediating role of conformity must be distinguished from its role as an independent variable. In established models (Haeruddin, 2023), conformity appears as both a direct driver and a mediator. This study's findings suggest that in high-social-visibility, community-dense settings, conformity's primary function is mediational—it is the mechanism through which other drivers translate into behaviour—rather than independently causal.

Third, celebrity endorsement must be analysed separately for product endorsement (desire formation) and credit endorsement (consumption capacity expansion). These are mechanistically distinct: one operates through aspirational identification; the other through risk normalisation. Combining them in a single 'celebrity endorsement' variable obscures the more consequential and dangerous credit-enabling function.

6 CONCLUSION

This paper has argued and demonstrated that consumptive behaviour among smallholder oil palm farmers in Rokan Hilir Regency is best understood as a structurally produced social outcome, not a failure of individual rationality or financial literacy. Income volatility creates the structural context in which the social and psychological drivers of consumption operate with particular intensity. FOMO generates the anxiety that primes farmers for consumption; celebrity endorsement provides the aspirational content and, crucially, the credit products to finance it; self-esteem deficits produce compensatory status-good purchases; and conformity mediates all three pathways, converting private psychological states into publicly enforced social obligations.

The central theoretical contribution is the identification of conformity as the primary social mediator in this system—not one variable among several, but the architectural mechanism through which psychological drivers are translated into coherent community-level consumption patterns. Without conformity's normative enforcement, the other drivers would produce more diffuse and less financially consequential behavioural outcomes.

The practical contribution is the identification of the digital credit trap: the convergence of social media celebrity endorsement of consumption lifestyles with the endorsement of online credit and paylater products creates a system that simultaneously forms desire and expands consumption capacity beyond income—with predictable consequences for household financial resilience. Addressing this requires regulatory intervention at the celebrity endorsement level, not merely financial literacy education at the individual level.

This study is limited by its qualitative methodology, which precludes generalisation to other oil palm regions. Future research should test the mediated model proposed here using structural equation modelling across multiple Indonesian palm oil-producing regencies, and should specifically investigate the quantitative contribution of credit product celebrity endorsement to consumptive spending patterns and non-performing loan rates.

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