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BEHAVIOURAL DETERMINANTS OF PERSONAL FINANCIAL RESOURCE ALLOCATION: A CONCEPTUAL REVIEW OF FOMO, SELF-CONTROL AND FINANCIAL DECISION-MAKING

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ABSTRACT

Personal financial resource allocation involves distributing limited financial resources across consumption, savings, investments, debt repayment, insurance and other financial obligations. Although conventional financial planning emphasizes income, budgeting and financial knowledge, individuals' allocation decisions are also shaped by psychological, behavioural and social influences. The growing visibility of investment opportunities, digital consumption and social-media-driven financial information has intensified the relevance of Fear of Missing Out (FOMO), impulsivity, self-control, cognitive biases and perceived risk in personal financial decisions.

This paper reviews the literature on personal financial management, financial planning, financial literacy, financial well-being, FOMO, behavioural biases, saving behaviour and impulse buying to develop an integrated understanding of the behavioural determinants of personal financial resource allocation. A structured integrative review approach is adopted, drawing on 25 selected review and synthesis papers. The literature indicates that financial literacy and financial capability provide an important knowledge base, while self-control, financial self-efficacy, mental accounting, social influence and risk perception shape the translation of knowledge into actual financial behaviour. FOMO and impulse buying may redirect resources towards immediate consumption or trend-driven investments, potentially weakening planned savings and long-term financial commitments.

The review identifies a gap in the limited integration of FOMO and other behavioural mechanisms with allocation across multiple personal-finance domains. It proposes an integrative framework and future research agenda that move beyond isolated investment or consumption decisions towards the overall distribution of personal financial resources.

KEYWORDS: *Personal Financial Resource Allocation, Fear of Missing Out (FOMO), Self-Control, Behavioural Biases, Financial Literacy, Impulse Buying, Financial Planning, Financial Well-Being.*

1. INTRODUCTION

Personal financial resource allocation refers to the process through which individuals distribute available income, savings and other financial resources among competing financial needs and goals. These may include routine household expenditure, discretionary consumption, emergency savings, investments, insurance premiums, loan repayments, education, retirement planning and other long-term obligations. Since income and financial resources are limited, individuals must make choices about priorities, timing and trade-offs. The quality of these decisions can influence financial security, resilience and overall well-being.

Traditional approaches to personal finance place considerable emphasis on budgeting, saving, investment planning, debt management and financial literacy. However, possessing financial knowledge does not necessarily ensure disciplined financial action. Individuals may understand the importance of saving but still spend impulsively, delay debt repayment, follow market trends or make investment decisions under social pressure. Personal financial decisions therefore reflect not only economic considerations but also emotions, cognitive shortcuts, self-regulation and social influences.

The expansion of social media, digital payment systems, online shopping and app-based investment services has changed the environment in which financial choices are made. Individuals are exposed to continuous product promotions, peer spending displays, investment success stories and rapidly changing market narratives. Such exposure may create Fear of Missing Out (FOMO), a feeling that one may lose a valuable opportunity or experience if one does not act quickly. In financial contexts, FOMO may encourage individuals to enter trending investments, purchase products, participate in speculative opportunities or spend money to maintain social inclusion.

FOMO is not the only behavioural influence relevant to personal resource allocation. Impulse buying, present bias, overconfidence, herding, loss aversion, mental accounting, materialism and weak self-control can also affect how resources are distributed. Financial self-efficacy and financial literacy may help individuals evaluate choices, while perceived risk and financial well-being influence

their willingness to save, spend or invest. The interaction of these factors is important because a decision that appears rational in isolation may weaken the balance of an individual's overall financial plan.

Existing reviews have examined personal financial management behaviour, financial planning, financial literacy, financial well-being, FOMO, behavioural biases, saving and impulse buying. Nevertheless, these streams are often examined separately. Reviews of FOMO frequently focus on social media or consumer behaviour, while investment-bias reviews tend to concentrate on stock-market decisions. Personal financial management reviews cover wider financial behaviours but do not always examine FOMO as a possible influence on the distribution of resources across consumption, savings, investments and obligations.

This paper brings these strands together and develops an integrated perspective on behavioural determinants of personal financial resource allocation.

2. OBJECTIVES OF THE STUDY

1. To review the conceptual foundations of personal financial resource allocation and personal financial management behaviour.
2. To examine the role of FOMO, impulse buying and behavioural biases in shaping individual financial decisions.
3. To understand how financial literacy, financial self-efficacy and self-control influence saving, spending, investment and financial planning decisions.
4. To synthesise existing review literature and identify research gaps relating to the allocation of personal financial resources across multiple financial domains.
5. To propose an integrated conceptual framework and future research directions for studying behavioural determinants of personal financial resource allocation.

3. REVIEW OF LITERATURE

3.1 Personal Financial Management and Financial Resource Allocation

Goyal, Kumar and Xiao (2021) conducted a systematic review of 160 articles published between 1970 and 2020 on the antecedents and consequences of personal financial management behaviour. Their synthesis identifies demographic, socioeconomic, psychological, social, cultural, financial-experience and technological factors as relevant antecedents. The review also links personal financial management behaviour with financial satisfaction, quality of life, financial success and financial well-being. This study provides a broad foundation for understanding resource allocation as a multidimensional outcome rather than a single investment choice.

Gomes, Haliassos and Ramadorai (2021) provide a broad review of household finance, highlighting how households make decisions concerning saving, borrowing, investment, insurance and participation in financial markets. Their work underscores that household financial choices are interconnected and are influenced by differences in resources, information and financial constraints. This perspective supports examining individual allocation decisions across multiple financial domains.

Agarwal, Chomsisengphet and Lim (2017) discuss consumer choice in financial products and the ways in which consumers evaluate financial services and products. Their work is relevant to understanding the selection and use of financial products, although product choice is only one component of the broader allocation process. The wider question of how individuals balance financial products against consumption, savings and obligations remains important.

3.2 Financial Planning, Literacy and Capability

Yeo, Lim and Yii (2024) conducted a systematic literature review of 30 articles on financial planning behaviour using the ADO and TCM frameworks. Their review identifies six forms of financial planning: cash-flow, tax, investment, risk, estate and retirement planning. It also proposes that financial satisfaction, socialisation, financial literacy, mental accounting and financial cognition contribute to planning intentions and behaviour. This study is especially relevant because it recognises that financial planning comprises several connected allocation decisions.

Goyal and Kumar (2021) reviewed financial literacy research through a systematic and bibliometric approach. Their work maps the development of the financial literacy field and highlights its relevance to financial decision-making. Financial literacy can improve an individual's ability to understand financial products, costs, risks, interest, inflation and long-term consequences. However, knowledge must be translated into consistent behaviour for it to influence resource allocation effectively.

Negi and Jaiswal (2024) synthesised literature on the impact of financial literacy on consumer financial behaviour using the TCCM framework. Their review connects financial knowledge with financial attitudes, decisions and behaviours, while also identifying contextual and methodological dimensions in the field. The review supports the view that financial literacy is an enabling factor, but it may operate alongside psychological and social influences.

Brochado and Mendes (2021) reviewed selected literature on savings and financial literacy. Their work connects financial knowledge with saving-related decisions and highlights the importance of understanding how individuals convert income into savings. Savings are a central allocation category because they provide liquidity, support emergency preparedness and contribute to long-term financial goals.

Xiao, Huang, Goyal and Kumar (2022) presented a systematic conceptual review and synthesis of financial capability. Financial capability extends beyond knowledge to include the ability to apply financial skills and resources in real-life contexts. This distinction is important for resource allocation: individuals may know that they should save or repay debt, yet their ability to act depends on income constraints, access, confidence and behavioural discipline.

Skwara (2023) conducted a systematic literature review of 110 papers examining the effects of mental accounting on purchase decision processes. The review highlights how individuals categorise and mentally organise money when making purchase decisions. This perspective is relevant to personal financial resource allocation because separate mental budgets may influence how individuals distribute funds between consumption, savings and other financial priorities.

Silva, Moreira and Bortolon (2023) conducted a systematic literature review on mental accounting and decision-making. Their review consolidates research on how individuals assign money to separate mental categories and how these categories influence financial choices. The study supports the inclusion of mental accounting as a behavioural mechanism that may shape the allocation of income among spending, saving and investment goals.

3.3 Financial Self-Efficacy, Self-Control and Financial Well-Being

Gulati and Singh (2024) reviewed financial self-efficacy and its relevance to consumer financial behaviour. Financial self-efficacy refers to an individual's confidence in their ability to manage financial tasks and make financial decisions. Greater confidence may encourage budgeting, saving, planning and active management of financial commitments. However, confidence without adequate knowledge or risk awareness may also lead to overconfidence in some contexts.

Nanda and Banerjee (2021) reviewed 128 articles on consumers' subjective financial well-being published between 1978 and 2020. Their review examines how individuals evaluate their financial circumstances, including attitudes and beliefs relating to money management, spending, savings and investment. Financial well-being is relevant both as an outcome of allocation decisions and as a factor that may influence future financial choices.

Bashir and Qureshi (2023) conducted a systematic literature review on personal financial well-being, linking the topic with broader sustainable development concerns. Their work highlights the multidimensional nature of financial well-being and the importance of examining financial behaviour in relation to security, resilience and quality of life.

Singh and Malik (2022) used systematic and bibliometric methods to examine the financial well-being literature. Their review maps the field and its research developments, helping to identify the range of factors associated with financial well-being. Taken together, these reviews suggest that resource allocation should be assessed not only by the amount invested or saved but also by whether financial decisions support security, resilience and perceived control.

3.4 FOMO and Social Influence in Financial Decisions

Tandon, Dhir, Almugren, AlNemer and Mäntymäki (2021) conducted a systematic literature review of FOMO among social-media users. Their synthesis examines the conceptualisation, antecedents and consequences of FOMO and develops a framework for future research. Although the review is not limited to financial decisions, it provides a foundation for understanding how social comparison, online engagement and perceived exclusion can influence individual choices.

Alfina, Hartini and Mardhiyah (2023) reviewed FOMO-related consumer behaviour in a marketing context. Their work is relevant to understanding how FOMO may stimulate urgency, desire and purchase-related responses. In personal finance, such responses may lead to unplanned expenditure or purchases that compete with savings and other financial priorities. The application to financial resource allocation is an extension that requires direct empirical examination.

3.5 Behavioural Biases and Investment Decisions

Maheshwari, Samantaray and Jena (2023) combined bibliometric and systematic review approaches to examine behavioural biases in individual and institutional investment decision-making. Their work illustrates the breadth of behavioural factors considered in investment research and supports the need to understand how cognitive and emotional tendencies influence financial choices.

Badola, Sahu and Adlakha (2024) reviewed behavioural biases affecting individual investment decisions. The review identifies a range of biases that can influence how investors process information and respond to financial opportunities. While investment

decisions form only one part of personal resource allocation, these findings are relevant when individuals decide how much of their available resources to direct towards risky or market-linked assets.

Shah and Butt (2024) reviewed heuristic biases and stock-market investment decision-making. Their focus on heuristics is important because individuals often rely on simplified rules when facing complex financial information. Such shortcuts may lead to decisions influenced by recent performance, familiarity, social proof or perceived trends rather than a balanced assessment of financial goals and risk capacity.

Zahera and Bansal (2018) conducted a systematic review of behavioural biases in investment decision-making, examining research relating to individual investors, institutional investors and financial advisers. Their review provides an earlier foundation for understanding how behavioural tendencies can influence investment choices. In the context of personal resource allocation, such biases may affect the amount of available funds directed towards investments in comparison with savings and other financial commitments.

3.6 Saving Behaviour and Impulse Buying

Jumena, Siaila and Widokarti (2022) conducted a systematic literature review of factors affecting saving behaviour. Their synthesis identifies a range of factors associated with saving decisions and highlights that saving behaviour is shaped by more than income alone. This supports the need to examine psychological and contextual influences when assessing how individuals reserve resources for future needs.

Batham, Arora and Gupta (2025) examined the antecedents of personal saving behaviour through a systematic literature review using the TCM–ADO framework. Their review organises the factors influencing saving behaviour and the outcomes associated with personal saving. It strengthens the present review by providing recent synthesis evidence on saving as a key allocation decision and by highlighting the need to consider behavioural, contextual and capability-related influences.

Redine, Deshpande, Jebarajakirthy and Surachartkumtonkun (2023) conducted a systematic literature review of impulse buying and developed future research directions using a structured framework. Impulse buying is relevant to personal financial allocation because spontaneous purchases can redirect funds away from planned saving, investment or debt repayment. The review provides a consumer-behaviour foundation for examining unplanned expenditure as an allocation outcome.

Beikverdi, Sipilä and Tarkiainen (2024) reviewed the post-purchase effects of impulse buying and proposed a research agenda. Their focus extends the discussion beyond the purchase event to its consequences. This is important in personal finance because impulse purchases may be followed by regret, dissatisfaction, returns, financial strain or reduced capacity to meet planned obligations.

Davydenko, Kolbuszewska and Peetz (2021) conducted a meta-analysis of financial self-control strategies using evidence from 29 studies. Their findings indicate that self-control strategies can significantly reduce spending and increase saving. The study is directly relevant to the present review because it connects self-regulation mechanisms with two competing uses of personal financial resources. It also suggests that future research should examine practical strategies that help individuals translate financial intentions into consistent allocation decisions.

Table 1: Summary of Literature

No.	Author(s) and Year	Research Focus	Major Contribution / Relevance to the Present Study
1	Goyal, Kumar and Xiao (2021)	Personal financial management behaviour	Reviews the antecedents and consequences of personal financial management. Supports a multidimensional understanding of financial allocation.
2	Gomes, Haliassos and Ramadorai (2021)	Household finance	Explains household decisions relating to saving, borrowing, investment and insurance. Supports the interconnected nature of financial decisions.
3	Agarwal, Chomsisengphet and Lim (2017)	Consumer choice and financial products	Examines consumer choice in financial products. Broader allocation across consumption, savings and obligations requires further attention.
4	Yeo, Lim and Yii (2024)	Financial planning behaviour	Reviews financial planning across cash-flow, tax, investment, risk, estate and retirement planning. Supports a multidomain approach to allocation.
5	Goyal and Kumar (2021)	Financial literacy	Maps financial literacy research and its relevance to financial decisions. Knowledge alone may not ensure disciplined allocation.
6	Negi and Jaiswal (2024)	Financial literacy and consumer financial behaviour	Synthesises the relationship between financial literacy and consumer financial behaviour. Psychological and social influences also require consideration.

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7	Brochado and Mendes (2021)	Savings and financial literacy	Connects financial knowledge with saving decisions. Focuses mainly on savings rather than the complete allocation portfolio.
8	Xiao et al. (2022)	Financial capability	Explains financial capability beyond knowledge. More direct links to FOMO are needed.
9	Gulati and Singh (2024)	Financial self-efficacy	Reviews confidence in financial management. Self-efficacy alone does not explain all allocation choices.
10	Nanda and Banerjee (2021)	Subjective financial well-being	Reviews subjective financial well-being. Less focus on FOMO-driven allocation shifts.
11	Bashir and Qureshi (2023)	Personal financial well-being	Connects financial well-being with broader development goals. Allocation mechanisms need further integration.
12	Singh and Malik (2022)	Financial well-being	Maps financial well-being research. Does not focus specifically on FOMO and allocation trade-offs.
13	Tandon et al. (2021)	FOMO among social-media users	Reviews FOMO and its consequences. Financial allocation is not the primary focus.
14	Alfina et al. (2023)	FOMO-related consumer behaviour	Connects FOMO with consumer responses. Financial planning outcomes need testing.
15	Maheshwari et al. (2023)	Behavioural biases and investment decisions	Reviews behavioural biases in investment decisions. Does not cover wider household resource allocation.
16	Badola et al. (2024)	Behavioural biases in individual investment	Reviews biases affecting investment decisions. Investment remains the dominant outcome.
17	Shah and Butt (2024)	Heuristic biases and stock-market decisions	Reviews heuristic biases. Limited to stock-market decisions rather than total personal finance.
18	Jumena et al. (2022)	Saving behaviour	Reviews factors affecting saving decisions. Other competing uses of resources require integration.
19	Redine et al. (2023)	Impulse buying	Reviews impulse buying. Links with savings and financial obligations need examination.
20	Beikverdi et al. (2024)	Post-purchase effects of impulse buying	Reviews consequences following impulse purchases. Broader financial allocation impacts remain open.
21	Davydenko, Kolbuszewska and Peetz (2021)	Financial self-control strategies	Meta-analysis of 29 studies; self-control strategies reduced spending and increased saving. Directly connects self-regulation with allocation outcomes.
22	Skwara (2023)	Mental accounting and purchase decisions	Systematic review of 110 papers; explains how mental budgeting influences purchase decisions. Broader allocation across savings and obligations remains open.
23	Silva, Moreira and Bortolon (2023)	Mental accounting and decision-making	Systematic review consolidates mental-accounting research. Its implications for balancing consumption, savings and investments merit further examination.
24	Zahera and Bansal (2018)	Behavioural biases in investment decisions	Reviews behavioural biases among investors and advisers. Focuses on investment choices rather than total personal financial allocation.
25	Batham, Arora and Gupta (2025)	Personal saving behaviour	Systematic review using TCM–ADO framework; synthesises antecedents and outcomes of saving behaviour. Links with competing allocation domains need further integration.

4. RESEARCH METHODOLOGY

Research Design

The paper adopts a structured integrative review design. It synthesises existing review and synthesis studies relating to personal financial management, financial planning, financial literacy, financial capability, financial well-being, FOMO, behavioural biases, saving and impulse buying. The purpose is conceptual integration rather than statistical aggregation.

Data Sources and Selection

Twenty-five review and synthesis papers were selected for their relevance to the major constructs and financial domains addressed in this paper. The selected works include systematic literature reviews, bibliometric reviews, conceptual reviews and broader scholarly syntheses. The literature set was organised into six themes: personal financial management and allocation; financial planning, literacy and capability; self-efficacy, self-control and well-being; FOMO and social influence; behavioural biases in investment; and saving and impulse buying.

Method of Analysis

The selected studies were examined thematically. Their review focus, approach, principal contribution and limitations for the present topic were compared. The synthesis followed an antecedent–decision–outcome logic: behavioural, cognitive and contextual antecedents may influence decisions concerning spending, saving, investing and meeting financial obligations, which in turn may affect financial well-being and resilience.

Scope and Limitation

This paper is a structured integrative review based on 25 selected review and synthesis papers. It is not presented as a PRISMA systematic review because a complete database-by-database search log, screening counts, duplicate-removal record and full-text eligibility audit have not been documented. Some reviewed papers address behavioural mechanisms or specific financial domains rather than personal resource allocation directly. Their relevance is therefore used for conceptual synthesis, not as evidence that all 25 studies tested the same outcome.

5. ANALYSIS AND DISCUSSION

5.1 Personal Financial Resource Allocation as a Multidimensional Decision

The literature indicates that personal financial resource allocation should be treated as a portfolio of connected decisions. Spending, saving, investing, insurance, debt repayment and emergency preparation compete for the same pool of resources. A change in one category may affect the others. For example, an unplanned purchase may reduce the amount available for monthly savings, while an unexpected investment commitment may weaken liquidity for essential expenses. The financial planning review by Yeo et al. (2024) supports a multidomain approach by identifying cash-flow, tax, investment, risk, estate and retirement planning as connected planning areas.

5.2 FOMO and Socially Triggered Financial Decisions

FOMO can influence allocation by creating a sense of urgency and perceived scarcity. When individuals observe peers purchasing products, travelling, investing in trending assets or reporting high returns, they may feel pressure to participate. This can lead to premature purchases or investments without sufficient evaluation of affordability, risk and alignment with financial goals.

Tandon et al. (2021) provide a broad framework for understanding FOMO in social-media environments, while Alfina et al. (2023) connect FOMO with consumer behaviour. Applying these insights to personal finance suggests that FOMO may operate as an emotional and social antecedent of both consumption and investment decisions.

5.3 Self-Control, Impulsivity and Planned Allocation

Self-control is important because financial plans often require individuals to delay immediate gratification in favour of future benefits. Goyal et al. (2021) identify psychological factors as important antecedents of personal financial management behaviour, supporting the inclusion of self-regulation-related constructs in the analysis.

Impulse-buying reviews by Redine et al. (2023) and Beikverdi et al. (2024) further suggest that unplanned purchases and their post-purchase consequences deserve attention. Together, these findings support examining whether self-control reduces the likelihood that FOMO and situational triggers translate into unplanned expenditure.

5.4 Financial Literacy, Capability and Self-Efficacy

Financial literacy helps individuals understand financial concepts and evaluate alternatives, while financial capability concerns the ability to apply knowledge in practical situations. Financial self-efficacy reflects confidence in carrying out financial tasks. These constructs may support planned allocation by helping individuals compare costs, understand risk, budget, save and manage debt.

However, they should not be treated as interchangeable. A financially literate person may still act impulsively, and a confident individual may take excessive risks. Future studies should therefore examine the combined and potentially interacting effects of literacy, capability, self-efficacy and self-control.

5.5 Behavioural Biases and Investment Allocation

Investment-related biases can affect the proportion of available resources directed towards financial markets and the types of assets selected. Herding may encourage individuals to follow peers; overconfidence may lead to excessive trading or concentration; loss aversion may discourage appropriate portfolio adjustments; and heuristics may cause decisions based on recent or easily available information.

The reviews by Maheshwari et al. (2023), Badola et al. (2024) and Shah and Butt (2024) provide a behavioural foundation for these mechanisms. The broader research opportunity is to connect investment biases with the individual's overall financial position, including emergency savings, debt and essential expenditure.

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5.6 Integrated Conceptual Framework

Based on the reviewed literature, personal financial resource allocation can be conceptualised through three groups of antecedents and a set of allocation outcomes.

Behavioural antecedents:

- Fear of Missing Out (FOMO)
- Impulse buying tendency
- Self-control
- Herding behaviour
- Overconfidence
- Other cognitive biases

Financial and cognitive antecedents:

- Financial literacy
- Financial capability
- Financial self-efficacy
- Risk perception

Social and contextual antecedents:

- Social-media exposure
- Peer influence
- Income constraints
- Age
- Household responsibilities
- Access to digital financial services

These antecedents may influence allocation decisions across:

1. Consumption and discretionary expenditure.
2. Savings and emergency funds.
3. Investments.
4. Debt repayment and credit use.
5. Insurance and other financial obligations.

The resulting allocation pattern may influence financial well-being, financial resilience, goal attainment and financial stress. Self-control and financial self-efficacy may act as protective mechanisms, while FOMO and impulsivity may intensify immediate or socially driven decisions. Financial literacy may strengthen evaluation and planning, although its effectiveness may depend on the individual's ability to regulate behaviour.

5.7 Research Gap

The reviewed literature demonstrates substantial research on personal financial management, financial planning, financial literacy, financial capability, financial well-being, FOMO, behavioural biases, saving behaviour and impulse buying.

Goyal et al. (2021) and Yeo et al. (2024) provide broad reviews of personal financial management and financial planning, while Tandon et al. (2021) and Alfina et al. (2023) examine FOMO in social-media and consumer-behaviour contexts. Similarly, Maheshwari et al. (2023), Badola et al. (2024) and Shah and Butt (2024) focus on behavioural biases influencing investment decisions. However, these research streams have largely developed independently.

There remains scope for an integrated examination of how FOMO, self-control, impulsivity, cognitive biases, financial literacy, financial self-efficacy and risk perception jointly influence the distribution of personal financial resources across consumption, savings, investments and financial obligations.

Existing reviews provide comparatively limited attention to measuring allocation patterns across these financial dimensions simultaneously. Further, FOMO is commonly discussed in social-media or consumption settings, while its potential effect on the balance between present spending and future-oriented financial commitments requires more direct empirical investigation.

Addressing this gap can extend the understanding of behavioural determinants beyond isolated investment or purchase decisions towards overall personal financial resource allocation.

5.8 Future Research Directions

1. Develop a multidimensional measure of personal financial resource allocation that captures expenditure, savings, investments, debt repayment and financial protection.
2. Examine whether FOMO influences allocation directly or indirectly through impulse buying, perceived social pressure, urgency or risk-taking.
3. Test self-control and financial self-efficacy as potential mediators or moderators in the relationship between FOMO and allocation decisions.
4. Compare the influence of FOMO arising from social-media exposure with FOMO arising from investment communities, peer networks and digital marketing.
5. Investigate differences across age groups, income categories, employment status and household responsibilities.
6. Use longitudinal or diary-based designs to understand whether FOMO-driven decisions have lasting effects on savings, debt and financial well-being.

6. CONCLUSION

Personal financial resource allocation is a complex process shaped by financial knowledge, psychological regulation, social influence and the circumstances in which decisions are made. The reviewed literature shows that financial planning, financial literacy, capability, self-efficacy and financial well-being are important foundations for understanding personal financial management. At the same time, FOMO, impulse buying and behavioural biases may disrupt planned allocation by encouraging immediate consumption, trend-driven investment or decisions that are inconsistent with long-term goals.

The central contribution of this review is its integration of research streams that are often considered separately. Rather than treating saving, spending or investment as isolated outcomes, the paper views them as competing and interconnected uses of limited personal financial resources. It highlights the need for empirical research that measures allocation across multiple domains and examines how FOMO interacts with self-control, financial literacy, self-efficacy and risk perception.

Such research can contribute to a more comprehensive understanding of financial decision-making and support financial education initiatives that strengthen both financial knowledge and behavioural discipline.

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