



اونیورسیتی تکنولوژی مارا  
 UNIVERSITI  
 TEKNOLOGI  
 MARA

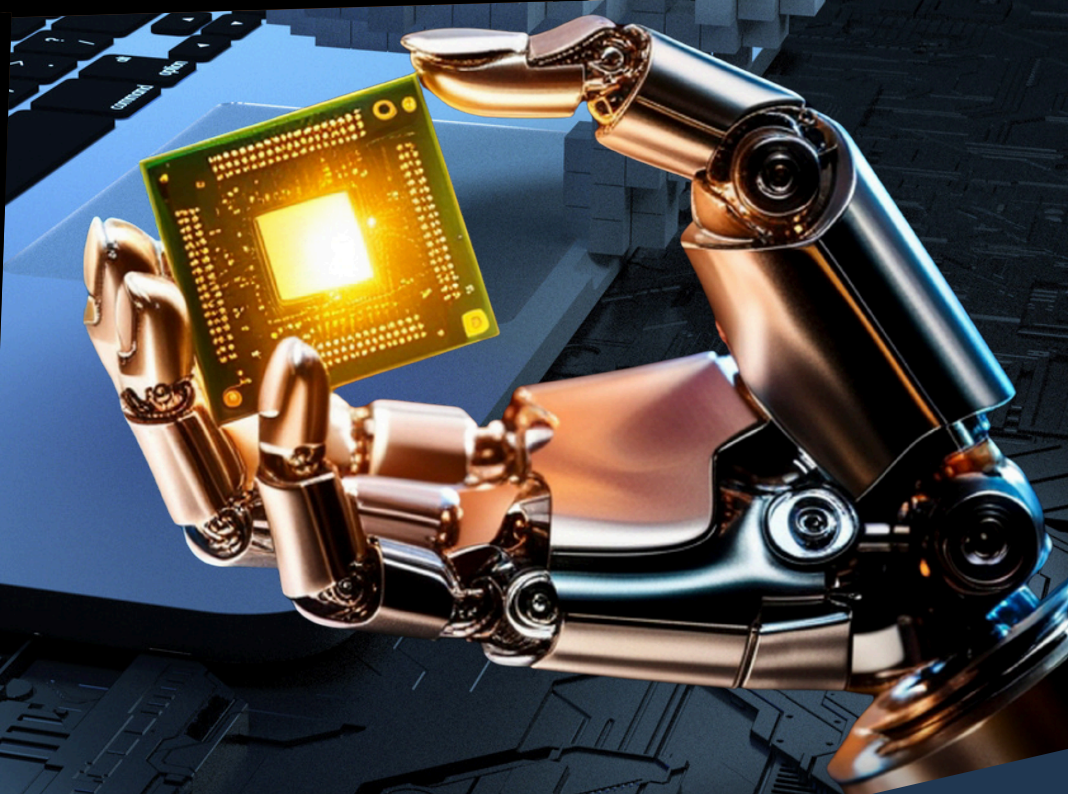


# FBM

FACULTY OF BUSINESS  
 AND MANAGEMENT  
 UNIVERSITI TEKNOLOGI MARA,  
 CAWANGAN KEDAH

**2026**  
 VOLUME 13

# Insights



e-ISSN 2716-599X



e-ISSN 2716-599X

**FBM INSIGHTS**

**Faculty of Business and Management**

**Universiti Teknologi MARA Cawangan Kedah**

**e-ISSN 2716-599X**

The editorial board would like to express their heartfelt appreciation for the contributions made by the authors, co-authors and all who were involved in the publication of this bulletin.

Published by : Faculty of Business and Management,  
Universiti Teknologi MARA Cawangan Kedah

Published date : 17 May 2026

All rights reserved. No part of this publication may be reproduced, copied, stored in any retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission from the Rector, Universiti Teknologi MARA Cawangan Kedah, Kampus Sungai Petani, 08400 Merbok, Kedah, Malaysia.

*The views, opinions, and technical recommendations expressed by the contributors and authors are entirely their own and do not necessarily reflect the views of the editors, the publisher and the university.*

## **FBM INSIGHTS EDITORIAL BOARD**

### **Advisor**

Dr. Yanti Aspha Ameira binti Mustapha, Universiti Teknologi MARA Cawangan Kedah

### **Chief Editor**

Dr. Zuraidah binti Mohamed Isa, Universiti Teknologi MARA Cawangan Kedah  
Dr. Norhidayah binti Ali, Universiti Teknologi MARA Cawangan Kedah

### **Managing Editor**

PM Dr. Azyyati binti Anuar, Universiti Teknologi MARA Cawangan Kedah  
Puan Nurfaznim binti Shuib, Universiti Teknologi MARA Cawangan Kedah  
Puan Nurul Izzati binti Idrus, Universiti Teknologi MARA Cawangan Kedah

### **Editors**

Dr. Dahlia binti Ibrahim, Universiti Teknologi MARA Cawangan Kedah  
Dr. Roziyana binti Jafri, Universiti Teknologi MARA Cawangan Kedah  
Puan Rosliza binti Md. Zani, Universiti Teknologi MARA Cawangan Kedah  
Puan Najah binti Mokhtar, Universiti Teknologi MARA Cawangan Kedah  
Puan Hanani binti Hussin, Universiti Teknologi MARA Cawangan Kedah  
Puan Shakirah binti Mohd Saad, Universiti Teknologi MARA Cawangan Kedah  
Puan Wan Shahrul Aziah binti Wan Mahamad, Universiti Teknologi MARA Cawangan Kedah  
Puan Syukriah binti Ali, Universiti Teknologi MARA Cawangan Kedah  
Puan Fatimah Norazami binti Abdullah, Universiti Teknologi MARA Cawangan Kedah  
Puan Jamilah binti Laidin, Universiti Teknologi MARA Cawangan Kedah  
Dr. Norhafizah binti Abdul Halim, Universiti Teknologi MARA Cawangan Kedah  
Puan Farah Merican Binti Isahak Merican, Universiti Teknologi MARA Cawangan Kedah  
Puan Ety Harniza Binti Harun, Universiti Teknologi MARA Cawangan Kedah

### **Manuscript Editor**

Dr. Siti Norfazlina binti Yusof, Universiti Teknologi MARA Cawangan Kedah  
Dr. Berlian Nur binti Morat, Universiti Teknologi MARA Cawangan Kedah

### **Secretary**

Puan Intan Nazrenee binti Ahmad, Universiti Teknologi MARA Cawangan Kedah  
Dr. Syahrul Nadwani binti Abdul Rahman, Universiti Teknologi MARA Cawangan Kedah

### **Technical Board**

Dr. Afida binti Ahmad, Universiti Teknologi MARA Cawangan Kedah

### **Graphic Designer**

Dr. Shafilla binti Subri, Universiti Teknologi MARA Cawangan Kedah

13.	<b>ARTIFICIAL INTELLIGENCE (AI) DATA MANAGEMENT: CUSTOMER ACQUISITION AND RETENTION</b>	45
	<i>Norhidayah Ali*, Azni Syafena Andin Salamat &amp; Suhaida Abu Bakar</i>	
14.	<b>BALANCING COST EFFICIENCY IN OPERATIONS MANAGEMENT</b>	48
	<i>Rosliza Md Zani*, Shakirah Mohd Saad &amp; Abd Rasyid Ramli</i>	
15.	<b>THE SIGNIFICANCE OF GREEN SKILLS IN MALAYSIA'S SUSTAINABLE DEVELOPMENT</b>	51
	<i>Nor Azira Ismail*, Jamilah Laidin &amp; Shahiszan Ismail</i>	
16.	<b>GREEN INSURANCE FOR ELECTRIC VEHICLES (EV) IN MALAYSIA: EMERGING TRENDS AND CHALLENGES</b>	54
	<i>Nor Razuana Amram*, Muhammad Asyraf Hashim &amp; Anisa Irdina Basir</i>	
17.	<b>LEVERAGING ONLINE FOOD DELIVERY PLATFORMS: THE ROLE OF ENTREPRENEURIAL COMPETENCIES AMONG MALAYSIAN SMES</b>	57
	<i>Yanti Aspha Ameira Mustapha* &amp; Mohd Faiz Hilmi</i>	
18.	<b>HUMAN-AI COLLABORATION IN THE WORKPLACE</b>	61
	<i>Mohd Fazil Jamaludin*, Khairul Azfar Adzahar &amp; Mohd Shafiz Saharan</i>	
19.	<b>BEHIND CLOSED OFFICE DOORS: UNDERSTANDING WORKPLACE BULLYING IN MALAYSIA</b>	65
	<i>Hanani Hussin*, Nurliyana Abas &amp; Norafiza Mohd Hardi</i>	
20.	<b>DIGITAL TRANSFORMATION: A MANAGEMENT CHALLENGE, NOT A TECHNOLOGY PROBLEM</b>	69
	<i>Nurfaznim Shuib* &amp; Nurul Izzati Idrus</i>	
21.	<b>CHARACTERISTICS OF INVESTMENT SCAMS IN MALAYSIA: EVIDENCE FROM REPORTED CASES</b>	72
	<i>Syukriah Ali*, Najah Mokhtar &amp; Kartini Kasim</i>	
22.	<b>SEEING EYES EVERYWHERE: SPOTLIGHT BIAS AND YOUTH FINANCIAL BEHAVIOUR</b>	76
	<i>Jamilah Laidin*, Nor Azira Ismail &amp; Shahiszan Ismail</i>	

# SEEING EYES EVERYWHERE: SPOTLIGHT BIAS AND YOUTH FINANCIAL BEHAVIOUR

Jamilah Laidin\*

Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kedah  
[jamil138@uitm.edu.my](mailto:jamil138@uitm.edu.my)

Nor Azira Ismail

Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kedah  
[noraz788@uitm.edu.my](mailto:noraz788@uitm.edu.my)

Shahiszan Ismail

Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kedah  
[shahiszan157@uitm.edu.my](mailto:shahiszan157@uitm.edu.my)

\*Corresponding Author

## INTRODUCTION

The spotlight effect is a cognitive bias in which individuals systematically overestimate how much others notice and evaluate their actions, appearance, or decisions. The concept was first empirically demonstrated by Gilovich et al. (2000), who observed that individuals believed their behaviour was far more observable than it actually was. This bias stems from egocentric anchoring, in which individuals rely heavily on their own perspective and fail to account for others' limited attention adequately. Although initially examined within social psychology, the spotlight effect has notable implications for financial decision-making.

## SPOTLIGHT BIAS AND YOUTH FINANCIAL BEHAVIOUR

Behavioural finance challenges the traditional assumption of fully rational economic agents. Foundational work by Kahneman and Tversky (2013) demonstrated that decisions under risk are systematically influenced by cognitive biases such as loss aversion and framing effects. Subsequent behavioural finance research further documents biases, including overconfidence and herd behaviour, in financial markets (Barber & Odean, 2013). While the spotlight effect has received less direct attention in finance, its mechanism, exaggerated perceived social scrutiny, can meaningfully shape consumption and investment behaviour, particularly among socially connected youth.

In Malaysia, young adults are increasingly embedded in digital environments that amplify social comparison. One practical manifestation of the spotlight effect can be observed in purchasing behaviour for gadgets. For instance, a university student may believe that peers are closely observing the brand or model of their smartphone. Although most classmates are unlikely to pay sustained attention, the student perceives that using an older device signals lower socioeconomic status. As a result, the student may purchase a high-end smartphone through instalment plans or Buy Now, Pay Later (BNPL) services, even without a stable income. Such behaviour reflects spending motivated by perceived social evaluation rather than by utility maximisation.

Festive consumption during Hari Raya Aidilfitri or Chinese New Year provides another example. Young adults may feel compelled to wear branded clothing or host elaborate gatherings because they believe relatives are evaluating their financial success. In reality, social attention is rarely as intense as assumed. However, the spotlight effect magnifies perceived judgment, leading to overspending and reduced savings. Research suggests that social comparison significantly influences materialistic consumption tendencies among young adults (Dittmar et al., 2014).

Social media intensifies these pressures. Young professionals often curate lifestyle images online, posting vacations, dining experiences, or luxury purchases, while simultaneously believing that peers are constantly monitoring their financial status. Accordingly, this perception can lead to lifestyle inflation, in which disproportionate increases in discretionary spending accompany rising income. Furthermore, studies indicate that financial literacy plays a significant role in moderating such behaviours among Malaysian youth (Tan, 2022). Nevertheless, when financial knowledge is limited, socially driven spending may dominate rational planning.

The spotlight effect also influences investment decisions. A young investor may participate in trending stocks or cryptocurrencies out of fear that peers will notice their absence from popular investment discussions. This dynamic interacts with herd behaviour and Fear of Missing Out (FOMO), both of which are documented drivers of speculative trading (Bikhchandani & Sharma, 2000). Malaysian evidence further suggests that behavioural biases significantly influence youth investment decision-making (Wei Liang & Kar Jun, 2023). When perceived social scrutiny combines with limited risk assessment skills, young investors may face substantial financial losses.

The broader consequences are concerning. Studies on financial literacy in Malaysia indicate that young adults often demonstrate moderate knowledge, though with inconsistent financial management practices (Tan, 2022). When exaggerated perceptions of social judgment discourage open discussion with regard to financial struggles, individuals may delay seeking advice or restructuring debt. Ironically, the belief that others are closely evaluating their financial behaviour can prevent corrective action, thereby worsening long-term outcomes.

Addressing these issues requires integrating psychological awareness into financial education initiatives. Traditional financial literacy programs emphasise budgeting, saving, and investing. Nonetheless, without recognising cognitive biases such as the spotlight effect, individuals may continue to make socially driven rather than economically rational decisions. Hence, encouraging internal financial benchmarks, objective self-evaluation, and reduced social comparison may strengthen youth financial resilience.

## **CONCLUSION**

In conclusion, the spotlight effect offers a valuable psychological lens for understanding unhealthy spending and risky investment behaviour among Malaysian youth. By overestimating the degree of social observation, young adults may engage in unnecessary consumption, speculative trading, and debt accumulation. Incorporating behavioural insights into financial education and policy design is therefore essential to fostering sustainable financial well-being in an increasingly socially visible digital economy.

## REFERENCES

- Barber, B. M., & Odean, T. (2013). The behavior of individual investors. *In Handbook of the Economics of Finance*, 2, 1533-1570. <https://dx.doi.org/10.2139/ssrn.1872211>
- Bikhchandani, S., & Sharma, S. (2000). Herd behavior in financial markets: A Review. *IMF Working Papers No. 2000/048*, 47(3), 279-310. <https://ssrn.com/abstract=3923377>
- Dittmar, H., Bond, R., Hurst, M., & Kasser, T. (2014). The relationship between materialism and personal well-being: A meta-analysis. *Journal of personality and social psychology*, 107(5), 879-924. <https://dx.doi.org/10.1037/a0037409>
- Gilovich, T., Medvec, V. H., & Savitsky, K. (2000). The spotlight effect in social judgment: An egocentric bias in estimates of the salience of one's own actions and appearance. *Journal of Personality and Social Psychology*, 78(2), 211–222. <https://doi.org/10.1037/0022-3514.78.2.211>
- Kahneman, D., & Tversky, A. (2013). Prospect theory: An analysis of decision under risk. In *Handbook of the fundamentals of financial decision making: Part I*, 99-127. [https://doi.org/10.1142/9789814417358\\_0006](https://doi.org/10.1142/9789814417358_0006)
- Wei Liang, K., & Kar Jun, D. (2023). Determinants of Stock Investment Decision Among Malaysian Youth. *Journal of Social Sciences and Business*, 2(2), 14-21. <https://doi.org/10.5281/zenodo.10918087>
- Tan, J. H. Y. (2022). Financial literacy and financial behaviour in four different age groups in Malaysia. *UNIMAS Review of Accounting and Finance*, 6(1), 71-89. <https://doi.org/10.33736/uraf.5248.2022>