

Curbing Online Financial Scams in the Digital and AI Era: A Consumer Study

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Along with the growing use of contemporary technologies, which has helped people in today's society with their daily lives but has led to an increase in online fraud instances that has cost consumers and service providers around the world significantly (Ali et al., 2019). Fraud is a deceptive act committed by a person with the intention to gain an unfair advantage or violate the rights of an individual. Malaysians have become victims and lost around RM415 million to scammers in the first seven months of 2022, which Bank Negara Malaysia intervened as the issue had gotten so bad (Nair, K., 2022). The goal of the study is to determine the elements that influence financial fraud victimization in Malaysian society by examining individuals' opinions towards various variables. Underpinned by fraud diamond theory to understand the psychology of the victims, the study investigates four hypotheses developed and tested in this study, i.e., Poor Knowledge, Low Self-Control, Financial Pressure and Bad Routine Activity, using a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree). The questionnaire is spread through social media sources and networking sites like WhatsApp and Telegram as well as Instagram. A total of 267 respondents were involved in this study, and quantitative data analysis employed IBM SPSS Software. The results gained after correlation and regression analysis proved the hypotheses, which the results of this study may give a clear direction in helping consumers from becoming victims of financial scams in the challenging economic environment.

1. Introduction

Curbing Online Financial Scams in the Digital and AI Era is crucial for all consumers as there are escalating numbers of victims in the digital era. The study aims to determine the factors influencing financial fraud victimization in Malaysian society by examining individuals' opinions of various variables.

1.1 Background

Stated in the PwC's Global Economic Crime and Fraud Survey - Malaysia Report (2020), asset theft (16%), corrupt practices (18%), customer fraud (20%), and cybercrime (16%) rank as Malaysian organizations' top four most disruptive or significant fraud incidences. Asset theft has reduced by 6% since 2018, however, Malaysia's top four disruptive crimes still make up 70% of the total economic crimes. Various fraud categories had been uncovered in previous studies from a variety of angles fraud might be internal, when it is perpetrated by employees or managers, or external, where it is committed by a client or other third parties. Not just that, fraud can also be

categorized according to its type as well. (Aghghaleh et al., 2016). Bierstaker et al., (2006), said that as it can lessen the likelihood that fraud will occur, an organization must have an efficient fraud prevention and detection system. It is not just the organization but everyone has to be aware of the issue and acknowledge the factors that could influence the financial fraud from occurring.

1.2 Problem Statement

In this modernized era, technology has evolved rapidly in the world and Malaysia was not left behind. According to Digital 2023 Global Overview Report, until now there are 96.8% from total population in Malaysia (34.14 million) is connected online on the internet. It is a huge number that shows Malaysian people are well-informed about IT.

However, financial fraud is on the rise and has cost individuals, businesses, and the country millions of Ringgit Malaysia. This undermines trust in the financial system, disrupts economic stability, and has adverse implications for society. There is news from the newspaper The Star 2022, stating that for the first seven months of 2022, Malaysians have lost about 415 million from online financial fraud. The issues are becoming so worse that Bank Negara Malaysia (BNM) had to step in to issue the solution for all the banks in Malaysia to migrate away from using SMS as their OTP into online-based authentication in order to improve security. This case seems like the evolving of technology especially in online shopping and media social has also put fraudsters to become more advanced in scamming people. For example, many Malaysian banks use SMS one-time passwords, often known as OTPS, for online financial services. To conduct online banking transactions, users must enter authentication OTP numbers acquired by SMS into a browser or a mobile application. Fraudsters, on the other hand, have been able to manage these codes from some consumers' devices. It all begins when a user unintentionally installs harmful software or clicks on links that lead to malware installation. Such users are sometimes tempted to click such links by the promise of a reward or other perks.

The rise in online financial fraud instances has compelled responsible organizations such as BNM and police department cybersecurity sections to work harder in order to strengthen security and raise awareness among individuals to be more cautious when exchanging information. If these situations are not addressed by all parties, more individuals become victims. Thus, the research question arises here to understand the significant factors that lead to the higher number of financial fraud victims particularly in Malaysia.

1.3 Objectives and Scope

This study fills the gaps of previous research by studying on risk factors of financial fraud victimization among Malaysian consumers. This research was conducted due to 4 objectives as below:

1. To identify which factors impact Malaysians' involvement in financial fraud instances.
2. To understand what has led people to become victims of financial fraud.
3. To evaluate how far the four factors that have been identified, i.e., Poor knowledge, Low Self-Control, Financial Pressure and Bad Routine Activity on the dependent variable which is Financial Fraud Victimization.

4. To assess the strength of the relationship between independent variables and dependent variables.

Nevertheless, since the findings of this research are obtained from Malaysian consumers, hence the generalization of results may be limited.

2. Literature Review

Issues of Financial Fraud

The United States Department of Justice (2020) defines fraudulent activity as intentionally misleading people by promising non-existent products, services, or financial benefits that were never intended to be provided or were misrepresented. So, the deception of others in order to obtain funds or property through deceitful, and unlawful financial dealings or schemes is called as financial fraud. According to Shang et al. (2023), most financial fraud occurs and begins on the internet, and this fraud occurs utilizing network communication technologies such as phishing activities, advance fee scams, love scams, loan scams and investment scams. In Malaysia, according to The Star news, Datuk Seri Dr Awang Adek Hussin, executive chairman of the Securities Commission Malaysia (SC), stated in 2023 that between 2020 and 2022, the overall amounts of fraud-related complaints increased by 100%, about losses in total hitting RM10 millions. There are factors that influence the occurrence of financial fraud and among them are poor knowledge (Williams et al., 2019), low self-control (Kadoya et al., 2021), financial pressure (Kalovya, 2023), and bad routine activity (Kadoya et al., 2021).

2.1 Related Work

Poor knowledge

According to the Cambridge Dictionary, knowledge is defined as comprehension or awareness about a topic gained through learning or experience, whether known by one person or by a group of people. While illiteracy, ignorance, and lack of awareness are synonyms for poor knowledge. Engels et al. (2021) claim in their study that there is a strong link between literacy, specifically financial literacy, and financial fraud. Their findings conclude that older people are more likely to be victims of financial scams than younger people, owing to their larger property and the possibility of cognitive decline related to getting older. Because older people are slower to adapt to changing awareness than younger people, they are more inclined to become victims. (Engels et al., 2021) & (Ueno et al., 2021). In addition, poor knowledge or ignorance can result in impulsive choices, overlooked possibilities, and even damage to themselves or others as well such as engaging in financial fraud (Williams et al., 2019). On top of that, victims of financial scams do not usually report these occurrences because the victims are either unconscious of the fraud when it happens, have no idea where to file it, or choose not to report it completely (DeLiema et al., 2020). Hence, the hypothesis 1 was developed:

*H1: Consumers with **Poor Knowledge** will be more likely to become victims of financial fraud.*

Low Self-Control

As stated by Momo and Besas (2024), self-control is defined as the capacity to control and alter how you react to prevent unintentional attitudes, improve desired behavior, and accomplish objectives over the long run. When it is associated with low self-control, however, it has negative consequences and interferes with the well-being of individuals and those around them. Kadoya et al., (2021) discovered that persons who lack self-control have a greater probability of being those targeted for financial fraud. This viewpoint is supported by previous studies, specifically Averdijk and Loeber (2012) findings demonstrating that people with low self-control are impulsive and frequently indulge in seeking risky actions. However, Averdijk and Loeber (2012) discovered that while low self-control possesses no impact on whether individuals are being targeted, it considerably raises the possibility of fraud victimization. In short, the second hypothesis developed was:

*H2: Consumers with **Low Self-Control** will be more likely to become victims of financial fraud.*

Financial Pressure

Financial pressure arises when someone in a circumstance is unable to earn enough earnings to fulfil their financial commitments. It is typically caused by costly expenses or profits that is susceptible to economic crises. Those may experience financial difficulties as a result of poor financial management, excessive spending, heavy debt pressure, or the loss of jobs. (Anthony et al., 2021). Meanwhile, Banerjee (2024) stated that someone who is financially impacted or experiencing financial distress is more likely to become a target or fraud victim due to the fact that they desperately want an immediate and high return on their money, so they invest or borrow money irrationally. In an article written by Afiq (2021) in Kosmo News, as much as RM62,397,559.45 in losses were recorded by the Polis Diraja Malaysia (PDRM) due to financial fraud syndicates such as financial loans. This occurred as a consequence of the COVID-19 pandemic, which caused an economic recession and financial hardship for many people, including job losses and a damaging impact on the business world. In summary, the third hypothesis is:

*H3: Consumers with **Financial Pressure** will be more likely to become victims of financial fraud*

Bad Routine Activity

Routine Activity Theory, as defined by Townsley (2024), is a theory of criminology that clarifies the way trends in individual daily behaviors generate possibilities for crimes to occur. Furthermore, Reyns (2017) wrote in his book, The Theory of Routine Activities, that once motivated offenders meet a suitable target, that is a person who is lacking in capable guidance, then they will act to attempt an opportunity on the person they are targeting. While, bad routine activities refer to routine activities that will have a negative effect on oneself, and among the activities that will reveal a person to be a target of scammers are those who frequently show their lifestyle on social media and download anything from unknown websites, and until their privacy is open and easily accessible to fraudsters. (Ara et al., 2022). In a nutshell, the fourth hypothesis developed was:

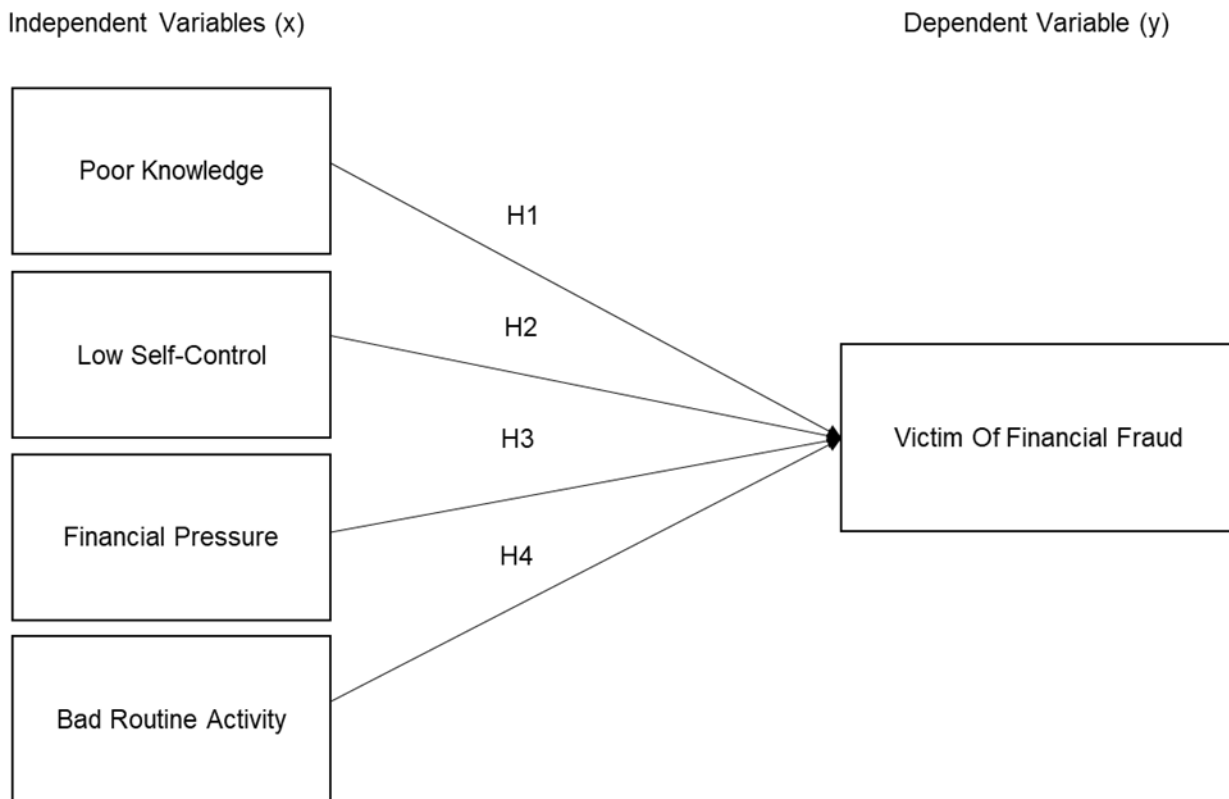
*H4: Consumers with **Bad Routine Activity** will be more likely to become victims of financial fraud*

2.2 Research Gap

The study fills the gaps of previous studies, particularly since none of the previous studies utilize the framework of the combination of four factors tested in this study, i.e Poor Knowledge, Low Self Control, Financial Pressure, and Bad Routine Activity in assessing the contributors to the issue of an escalating number of the victim of financial fraud among Malaysian consumers. Other related research only accesses other factors such as Suitability, and Lack of Guardianship (Mohamad et al., 2023). Meanwhile, other factors such as financial literacy, risk tolerance, investment behaviour, the impact of offenders' persuasion, and the lack of capable guardians were among the assessed variables (Tee et al., 2024).

3. Methodology

The research framework contains four independent variables of Poor Knowledge, Low Self Control, Financial Pressure and Bad Routine Activity that are possibly able to be significant drivers in becoming a Victim of Financial Fraud (the dependent variable). In precise, all variables in this study are summarized in the research framework below.



3.1 Data Collection

Questionnaires were developed using 7-point Likert scale (1=Strongly disagree to 7 = Strongly Agree) and distributed using Google form because it is easier for respondents to answer the question without using a pen to answer the questionnaire. A total of 267 respondents participated to answer the questionnaire.

3.2 Analysis Techniques

Certainly, all of the data received from the 267 respondents were analyzed using the SPSS project. The two main branches of statistical methods, descriptive and inferential analysis were used in this research to derive meaningful insight.

In brief, descriptive analysis describes the fundamental characteristics of various forms of data in research. A few major types of descriptive analysis methods include measures of frequency, central tendency and dispersion or variation, such as mean and standard deviation. Besides, inferential analysis is applied to generate conclusions about the larger population based on sample data. Among the techniques used like hypothesis testing and regression analysis to test relationships, make predictions, or assess the significance of findings.

3.3 Validation

Moreover, Cronbach's alpha is used to measure the scale of reliability in order to determine how closely related a set of items is to a group of questionnaires. According to the website StatisticsHowTo.com, Cronbach's Alpha > 0.7 are considered acceptable and valid to perform. Meanwhile, a hypothesis test is performed to determine whether a hypothesis regarding a population parameter is true. Commonly, if the p-value is less than .05 ($P \leq 0.05$), it can be concluded that there is significant evidence to support the hypothesis. In contrast, if the p-value is greater than .05, it can be concluded that there is insignificant evidence to support the hypothesis.

Overall, there are eight items of quantitative data analysis consisting of frequency analysis, descriptive analysis, Cronbach's Alpha, Convergent & Discriminant Validity Test, Factor Analysis, Multiple Regression Analysis and Pearson Correlation Analysis were utilized in this study.

4. Results and Discussion

4.1 Key Findings

Frequency analysis

Table 1 shows frequencies for all demographic questions. From the table, there is no missing data. All 267 respondents have answered the questions above. The first one is gender. Most of our respondents are female with 68.2 % while the male got only 31.8%. Next is the age which is most of our respondents are young from 19-35 years old with 55.1%. Only 2 people under 18 answered the survey while the rest, 36-55 years old and above 55 years old, both have 21.7% and 22.5% of respondents. For ethnicity, most of our respondents are Malay with 78.3% of 267 total respondents. It also contains other respondents that come from other races like Chinese (13.1%), Indian (7.9%) and Others (0.7%).

Next for marital status, most of our respondents are single with 61% while married only 38.2%. Almost 70% of our respondents live in urban and the rest live in rural. A lot of our respondents are students and private sector (39.7% and 30.7%) which explains why most of our respondents are at young age. Lastly, most of them are in the B40 group with a percentage of about 95.5%. Only a few of them come from M40 and T20 groups.

Particulars	Frequency	%	Valid %	Cumulative %
GENDER				
FEMALE	182	68.2	68.2	68.2
MALE	85	31.8	31.8	100
AGE				
19 - 35 years old	147	55.1	55.1	55.1
36 - 55 years old	58	21.7	21.7	76.8
Above 56 years old	60	22.5	22.5	99.3
Below 18 yaers old	2	0.7	0.7	100
ETHNICITY				
Chinese	35	13.1	13.1	13.1
Indian	21	7.9	7.9	21
Malay	209	78.3	78.3	99.3
Others (Lain-lain)	2	0.7	0.7	100
MARITAL STATUS				
Married (Berkahwin)	102	38.2	38.2	38.2
Others (Lain-lain)	2	0.7	0.7	39
Single (Bujang)	163	61	61	100
LIVING AREA				
Rural (Luar Bandar)	81	30.3	30.3	30.3
Urban (Bandar)	186	69.7	69.7	100
JOB TITLE				
Government Sector (Sektor Kerajaan)	45	16.9	16.9	16.9
Others (Lain-lain)	34	12.7	12.7	29.6
Private Sector (Sektor Swasta)	82	30.7	30.7	60.3
Student (Pelajar)	106	39.7	39.7	100
MONTLY INCOME				
B40 (below RM4,850)	255	95.5	95.5	95.5
M40 (RM4,851 - RM10,959)	11	4.1	4.1	99.6
T20 (RM10,959 and above)	1	0.4	0.4	100

Table 1: Frequency Analysis

Descriptive Analysis

Descriptive Statistics						
	N	Minimum	Maximum	Mean		Std.
	Statistic	Statistic	Statistic	Statistic	Std. Error	Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Fraud Victimization	267	1.00	7.00	6.1002	.05364	.87656
Poor Knowledge	267	1.00	7.00	6.1635	.05222	.85320
Low self control	267	1.00	7.00	6.0100	.05832	.95289
Financial Pressure	267	1.00	7.00	5.9164	.05557	.90810
Bad routine activity	267	1.00	7.00	5.7360	.06148	1.00452
Valid N (listwise)	267					

Table 2: Descriptive Analysis

Table 2 shows the descriptive data for all dependent variables and dependent variables. All the variables have a range of 6. The mean for fraud victimization (DV) is 6.1 and the standard deviation is 0.876. Next for independent variables, first IV poor knowledge has a mean of 6.16 and standard deviation 0.853. Low self-control has a mean of 6.01 and a standard deviation of 0.952. Lastly, the bad routine activity score mean was 5.91 and the standard deviation was 0.908. Poor knowledge has the highest mean while financial pressure got the highest standard deviation among all variables.

Reliability Analysis

	Constructs	Cronbach's Alpha	Number of items
1	Fraud Victimization	.850	4
2	Poor Knowledge	.800	3
3	Low-self Control	.730	3
4	Financial Pressure	.771	3
5	Bad Routine Activity	.757	3

Table 3: Reliability Analysis

From table 3 above, the dependent variable which is Fraud Victimization has the highest value for Cronbach's alpha with 0.850 with 4 items. This data shows that our DV has a high level of internal consistency. Meanwhile, all four independent variables also generated a good and acceptable Cronbach's alpha score of above 0.7.

Factor Analysis

i. KMO & Bartlett Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.889
Bartlett's Test of Sphericity	Approx. Chi-Square	2918.613
	df	120
	Sig.	.000

Table 4: KMO & Bartlett Test Analysis

KMO value must be higher than 0.5 and the significant value must be lower than 0.05 to make sure that the data is significantly correlated. This result shows that there is no problem with the KMO value because the score is 0.889 which is a very good and significant value also under 0.05, 0.000 which is very significantly correlated. It indicates that the strength of the partial correlation between variables is good and really explains the factors themselves.

ii. Anti Image Correlation

The result of the assessment of anti-image correlation shows that all items have a score above 0.7 which defines that all items have significant correlation because all of them are above the minimum value of at least 0.5. These results indicated that a good correlation is evidenced. (Refer to Table 5 below)

Anti-image Correlation	FV1	.948 _a	0.24 ₃	0.00 ₃	0.00 ₈	0.03 ₈	0.08 ₈	0.20 ₉	0.00 ₁	0.03 ₉	0.06 ₁	0.15 ₇	0.13 ₆	0.03 ₅	0.18 ₄	0.08	0.09 ₉
	FV2	0.24 ₃	.867 _a	0.33 ₆	0.21 ₂	0.11 ₃	0.27 ₈	0.15 ₅	0.01 ₈	0.16 ₆	0.03 ₇	0.29 ₅	0.06 ₂	0.00 ₆	0.39 ₇	0.30 ₃	0.09 ₁
	FV3	0.00 ₃	0.33 ₆	.913 _a	0.01 ₄	0.22 ₆	0.20 ₄	0.02 ₈	0.20 ₁	0.26	0.07 ₈	0.27 ₆	0.03 ₈	0.17	0.04 ₇	0.04 ₄	0.16 ₄
	FV4	0.00 ₈	0.21 ₂	0.01 ₄	.942 _a	0.12 ₇	0.16 ₆	0.15 ₃	0.03 ₅	0.27 ₁	0.02 ₁	0.07 ₃	0.03 ₇	0.13 ₆	0.01 ₉	0.14 ₃	0
	PK1	0.03 ₈	0.11 ₃	0.22 ₆	0.12 ₇	.934 _a	0.01 ₃	0.04 ₉	0.16 ₅	0.31 ₃	0.09 ₈	0.22 ₇	0.06 ₄	0.10 ₄	0.05 ₂	0.01 ₁	0.13 ₂
	PK2	0.08 ₈	0.27 ₈	0.20 ₄	0.16 ₆	0.01 ₃	.898 _a	0.00 ₉	0.12	0.32 ₁	0.2	0.06	0.11 ₅	0.08 ₉	0.19 ₂	0.20 ₃	0.10 ₇
	PK3	0.20 ₉	0.15 ₅	0.02 ₈	0.15 ₃	0.04 ₉	0.00 ₉	.934 _a	0.25 ₅	0.21 ₂	0.13 ₁	0.22 ₇	0.15 ₉	0.05 ₆	0.07 ₈	0.00 ₉	0.01 ₉
	LSC 1	0.00 ₁	0.01 ₈	0.20 ₁	0.03 ₅	0.16 ₅	0.12	0.25 ₅	.884 _a	0.01 ₇	0.26 ₅	0.06 ₆	0.38 ₇	0.01	0.43 ₅	0.29 ₇	0.02 ₂
	LSC 2	0.03 ₉	0.16 ₆	0.26	0.27 ₁	0.31 ₃	0.32 ₁	0.21 ₂	0.01 ₇	.897 _a	0.09 ₃	0.02 ₉	0.01 ₁	0.02 ₄	0.06 ₃	0.08 ₉	0.10 ₄
	LSC 3	0.06 ₁	0.03 ₇	0.07 ₈	0.02 ₁	0.09 ₈	0.2	0.13 ₁	0.26 ₅	0.09 ₃	.797 _a	0.22 ₈	0.05 ₉	0.04 ₈	0.2	0.10 ₆	0.26 ₂
	FP1	0.15 ₇	0.29 ₅	0.27 ₆	0.07 ₃	0.22 ₇	0.06	0.22 ₇	0.06 ₆	0.02 ₉	0.22 ₈	.910 _a	0.17 ₂	0.11 ₃	0.00 ₇	0.08 ₇	0.02
	FP2	0.13 ₆	0.06 ₂	0.03 ₈	0.03 ₇	0.06 ₄	0.11 ₅	0.15 ₉	0.38 ₇	0.01 ₁	0.05 ₉	0.17 ₂	.847 _a	0.22 ₅	0.23 ₂	0.40 ₉	0.11
	FP3	0.03 ₅	0.00 ₆	0.17	0.13 ₆	0.10 ₄	0.08 ₉	0.05 ₆	0.01	0.02 ₄	0.04 ₈	0.11 ₃	0.22 ₅	.952 _a	0.09	0.13 ₈	0.13
	BRA 1	0.18 ₄	0.39 ₇	0.04 ₇	0.01 ₉	0.05 ₂	0.19 ₂	0.07 ₈	0.43 ₅	0.06 ₃	0.2	0.00 ₇	0.23 ₂	0.09	.710 _a	0.54 ₁	0.36 ₆
	BRA 2	0.08	0.30 ₃	0.04 ₄	0.14 ₃	0.01 ₁	0.20 ₃	0.00 ₉	0.29 ₇	0.08 ₉	0.10 ₆	0.08 ₇	0.40 ₉	0.13 ₈	0.54 ₁	.785 _a	0.02 ₆
	BRA 3	0.09 ₉	0.09 ₁	0.16 ₄	0	0.13 ₂	0.10 ₇	0.01 ₉	0.02 ₂	0.10 ₄	0.26 ₂	0.02	0.11	0.13	0.36 ₆	0.02 ₆	.885 _a

Table 5: Anti-Image Correlation Analysis

iii. Multiple Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.872 ^a	.760	.756	.43291

a. Predictors: (Constant), Routine Activity, Poor Knowledge, Financial Pressure, Low Self Control

Table 6: Model summary

Table 6 above shows that R square is 0.760 for regression of fraud victimization of 0.872. Besides, 76% of fraud victimization was affected by 4 factors which are, bad routine activity, poor knowledge, financial pressure and low self-control.

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	155.282	4	38.820	207.145	.000 ^b
	Residual	49.101	262	.187		
	Total	204.382	266			

a. Dependent Variable: Financial Fraud Victimization

b. Predictors: (Constant), Routine Activity, Poor Knowledge, Financial Pressure, Low Self Control

Table 7: ANOVA analysis result

As shown in Table 7 above of ANOVA analysis, $F = 207.145$; $p \text{ value} = 0.000$, therefore, wellness for the model is affirmed. In analyzing the factors of fraud victimization, all four factors have worked well.

Correlations

		Financial Fraud Victimization	Poor Knowledge	Low Self Control	Financial Pressure	Bad Routir Activity
Financial Fraud Victimization	Pearson Correlation	1	.831**	.704**	.735**	.605**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	267	267	267	267	267
Poor Knowledge	Pearson Correlation	.831**	1	.717**	.721**	.504**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	267	267	267	267	267
Low Self Control	Pearson Correlation	.704**	.717**	1	.671**	.558**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	267	267	267	267	267
Financial Pressure	Pearson Correlation	.735**	.721**	.671**	1	.541**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	267	267	267	267	267
Bad Routine Activity	Pearson Correlation	.605**	.504**	.558**	.541**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	267	267	267	267	267

** . Correlation is significant at the 0.01 level (2-tailed).

Table 8: Pearson Correlation analysis result

Pearson's correlation is important to identify whether there is a relationship or not between IV and DV. From the result above, all factors have a strong positive relationship between it and DV, fraud victimization. Poor knowledge has a score of $r=0.831$, the highest score while the rest are; low self-control $r=0.704$, financial pressure $r=0.735$ and bad routine activity $r=0.605$ (Refer to Table 8 above).

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	.205	.207		.990	.323	-.203	.612
Poor Knowledge	.556	.050	.541	11.014	.000	.457	.656
Low Self Control	.083	.044	.090	1.898	.059	-.003	.169
Financial Pressure	.179	.046	.185	3.928	.000	.089	.269
Bad Routine Activity	.159	.033	.182	4.788	.000	.093	.224

a. Dependent Variable: **Financial Fraud Victimization**

Table 9: Coefficients analysis result

This coefficients table will help us to identify a variable that was not significantly correlated with the dependent variable, fraud victimization. A valid p-value is lower than 0.05. In this case, only one factor that did not significantly correlate with the DV is Low Self-Control because the score is a bit higher than the minimum p-value which is 0.059. This factor must be rejected from the factors that influence fraud victimization, or the other option is to conduct again the survey to get better data. The rest of the factors have a score with a perfect score, 0.000 which indicates these factors, i.e. Poor Knowledge, Financial Pressure, and Bad Routine Activity are very significantly correlated with the dependent variable of the Financial Fraud Victim.

4.2 Interpretation of Results (Findings)

Subtopic hypothesis	Hypothesis	Significant p-value	Significance of correlation
Hypothesis 1	Poor knowledge will be more likely to influence in risk factor of financial fraud victimization	0.000 (<0.05)	Significant
Hypothesis 2	Low self-control will be more likely to influence in risk factor of financial fraud victimization	0.059 (>0.05)	Insignificant
Hypothesis 3	Financial pressure will be more likely to influence in risk factor of financial fraud victimization	0.000 (<0.05)	Significant
Hypothesis 4	Bad routine activity will be more likely to influence in risk factor of financial fraud victimization	0.000 (<0.05)	Significant

Table 10: Summary of Multiple Linear Regression (MLR)

As shown in the table above, the independent variables Poor Knowledge, Financial Pressure, and Bad Routine Activity have a significant relationship with Financial Fraud Victims, as a p-value of < 0.05. But another single independent variable which is the Low Self-control has an insignificant relationship with the Financial Fraud Victim as the p-value >0.05. Precisely, the results suggest that three out of four hypotheses are accepted. Thus, the objective of this study which is to identify significant factors that lead to the problem or rising number of financial fraud victimization is now answered.

5. Discussion

5.1 Comparison with Prior Research

a) Poor Knowledge

The result from MLR suggests that consumers with Poor Knowledge will be more likely to become a victim of financial fraud since the p-value (0.00) was less than 0.05. This means that the finding was in line with the research from Lee et., al. (1997), where poor knowledge has an impact on victims of financial fraud.

b) Low Self-Control

Since the MLR's p-value for Low Self-Control is far above 0.05, which is 0.059. This suggests that consumers with low self-control has a negative impact on becoming the victim of financial fraud. This finding is in contrast with the findings of a study by Bar Lev (2022), who found that Low Self-Control have a significant impact on victims of financial fraud.

c) Financial Pressure

The result from MLR suggests that financial pressure positively influenced the risk factor of financial fraud victimization since the p-value (0.00) was less than 0.05. The analysis proposed that financial pressure impacted the consumers as a risk factor for financial fraud victimization. The finding is in line with the research paper by Brenner et. al., (2020) where financial pressure could cause consumers to become fraud victims.

d) Bad Routine Activity

The result from MLR shows that bad routine activity positively influenced the risk factor of financial fraud victimization as the p-value (0.00) was less than 0.05. It proves that the risk factor of financial fraud victimization is affected by bad routine activity among consumers. This is in accordance with prior studies by Holtfreter et al., (2008), that bad routine activities are most likely to expose consumers to fraud victimization.

5.2 Practical Implications Based on the Significant Variables

The result showed that 3 out of 4 variables are significant and will be more likely to become a victim of financial fraud. The significant variables are Poor Knowledge, Financial Pressure and Bad Routine Activity stated that 0.000 while Low Self-Control stated a score of 0.059 which indicated a non-significant result. Therefore, from these results, there are effects on the variable which is significant and very impressive in some respects for further discussions.

Firstly, Poor Knowledge. Based on Reurink (2019) insight, it defines financial fraud. The meaning is misleading and entirely fraudulent operations in which fraudsters, frequently assuming a fictitious identity or projecting an unfounded air of reliability, persuade, mislead, or encourage individuals to freely interact with the fraudster. This leads to poor knowledge that causes the individual who got fraud to lose his money in the blink of an eye. Many cases happen around us, one of the most popular cases is the Macau scam. This Macau scam according to Arif et al., (2024) said that there are many victims deceived by scammers because they are alleged to have debts with the National Bank or the Inland Revenue Board in large amounts. This causes them to panic and immediately transfer the money to the scammer without researching first. In another report written by Holkar & Lees (2020) said that it might be more difficult to recognize and avoid scams when a person is experiencing common mental health issues, such as increased impulsivity and poor decision-making. These have an impact on their health because they just suffer huge losses due to not checking in advance whether the information heard is authentic or not.

Next, the Financial Pressure. Based on the website that discusses "what is financial pressure" explains that any circumstance where tension over money is present results in financial pressure might cause people to feel pressure about their finances. This can cause you to struggle with the expenses that are increasing with the high inflation rate every day which makes the living cost increase which

makes the salary earned not enough to cover the expense. According to the news release for the New Straits Times authored by S. Birruntha (2023) after speaking with C.K. Leo. Leo said that some Malaysians have turned to borrowing and other methods of subsistence as a result of their finances getting worse as a result of the growing cost of living and the depressing economic situation. Scammers easily target people who are in financial trouble because they are looking for a quick way out with a high return. This financial pressure affects the relationship among the family members where wellbeing which can quarrel with family members due to financial concerns that lead to family problems that cause divorce. This will bring a high rate of divorce. Financial stress may lead to irritability and rage, a decrease in sex drive, and a weakening of even the strongest relationships if it is left unchecked (Robinson, 2020). The most frequent point of contention between partners is frequently stated to be money.

Last but not least, the Bad Routine Activity. Hutchings and Hayes (2009) mentioned that it was discovered that regular computer use and online banking usage were risk factors for phishing attacks. Excessive sharing of personal information on social media will make it easy for scammers to leak because scammers can easily access our personal data based on the information they obtain. According to the New Straits Times newspaper report written by the BOTS team stated that the data obtained from Kaspersky. Kaspersky stated that a total of 195,032 payment system-related phishing operations were discovered in Malaysia in the first two quarters of 2022 by Kaspersky, with 108,755 of them occurring in the first quarter and 86,277 in the second. This happens because of the pandemic habits where people need to limit movement and contact to avoid the spread of the virus. At that time, many people did a lot of online transactions that accidentally led to other websites that led to phishing. This demonstrates that during the epidemic, phishing assaults against businesses increased significantly according to the same news. If left unchecked, it can lead to national problems where data within the country can be easily accessed by ruthless hackers.

5.3 Suggestions for Improvement in the Market by the Industry

The first suggestion that the industry can improve in the market is by encouraging the implementation of forensic accounting. In his article, Adam Hayes (2022) explained that forensic accounting is an integration of accounting and investigatory methods used to identify financial fraud. Therefore, it is critical to use fraud prevention and detection strategies to reduce this loss as well and every business needs to have an approach in place because minimizing scams is considerably simpler than rebounding damage after the fact. In addition, this system can assist the organization in determining where the stolen assets disappeared and the best way to recover it. In short, forensic accounting assistance can help to avoid these kinds of circumstances and discover fraudulent transactions in finance.

Next is to improve the quality and organization of internal control. Internal controls, according to Will Kenton (2023), are the systems, regulations, and processes put in place by an organization to safeguard the accuracy of financial and accounting data, foster accountability, and dodge fraudulent activity. Precisely, the internal control function provides benefits such as regulation compliance, accuracy in the documentation of transactions, asset protection, and assisting in the achievement of the company's goals. As a result, a strategic internal control strategy is critical and must be laser-focused in order to be well-organized and effective in implementation. A company is advised not to do all work that overlaps without further supervision. In fact, efficient organizations will segment their processes into three arrangements: separating responsibilities based on categories and importance, monitoring access to ensure that planned procedures are followed, and finally conducting an evaluation in each management.

5.4 Suggestion for Policy Improvements

One of the ways people can prevent themselves from getting caught by scammers is by installing antivirus protection tools on electronic devices such as computers, smartphones, tablets and so on. A well-known antivirus program is Kaspersky. According to Remani Tadong (2017), states that the antivirus software Kaspersky Internet Security Antivirus was created by Kaspersky Lab. It works to shield users against viruses and is primarily made for MacOS and Microsoft Windows-based systems. He continued by mentioning how the Kaspersky Security Network Service enables customers of Kaspersky Lab security products from all over the world to speed up the process of identifying malware and reducing the time it takes to offer protection against security hazards that are aimed at your machine. According to the New Strait Times a post by the BOTS team states that Kaspersky's Anti-Phishing system detects anonymous data based on the triggering of deterministic components. Users are advised to be vigilant against cyber threats by protecting personal data strictly so that irresponsible people do not misuse personal information.

Next, the government should consider making improvements to the policy by establishing a hotline to report fraud. Fraud prevention and detection is critical to inform all parties from every level that there is a hotline available for victims or someone who wants to get information about in this awareness. A vital aspect of the hotline is the ability to report without fear, and the authorities should take decisive action on such reports so that they have a fair justification in the case of a lawsuit. Additionally, in order to produce efficient and effective results, there ought to be a formal procedure to consistently investigate and resolve issues.

5.4 Limitations

Acknowledge any limitations that may have affected your research. The scope of this study only covers Malaysian consumers' perspectives, thus a generalization of the results to other countries may be limited.

5.5 Future Research

Potential areas for further research may comparatively investigate perspectives of consumers in each state in Malaysia to give a clear picture of a smaller group of the population that has demographic differences.

6. Conclusion

In conclusion, the findings of this study showed risk factors of financial fraud victimization among Malaysians, which are Poor Knowledge, Financial Pressure and Bad Routine Activity were capable of increasing the rate of financial fraud victims, while Low Self-Control was not. From the regression analysis, the significance for Low self-control of becoming a victim of financial fraud is greater than 0.05, indicating that there is no strong correlation between how this factor drives someone to be a victim of financial fraud. Nevertheless, the rejected hypothesis does not imply that the hypothesis is necessarily false. Hence, the result of this study would allow for immediate actions by the authorities to be taken according to the identified factors to curb the unpleasant phenomenon when so many consumers easily become victims of financial fraud nowadays mostly via digital platforms. Finally, hopefully, this research finding will be able to provide solutions to reduce the amounts of victims of financial fraud.

7. Recommendation

While the study has contributed to new knowledge in the area as the study has found significant factors that lead to the issue of financial fraud victimization utilizing a quantitative approach, thus it is further recommended that future research may apply a different approach, i.e., qualitative study. This is to ensure wider perspectives will be covered to find comprehensive solutions to the main problem of financial fraud victimization among consumers.

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