FACTORS INFLUENCING THE PREFERENCE OF CUSTOMERS TOWARD USING THE PRODUCTS AND SERVICES OF ISLAMIC BANKING IN MALAYSIA

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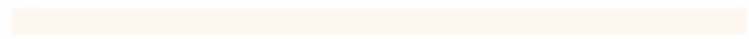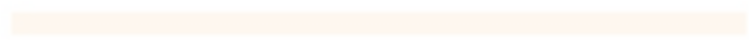# Factors Influencing the Preference of Customers Toward Using the Products and Services of Islamic Banking in Malaysia

by

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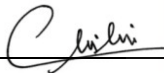   Dated from＿＿＿＿＿＿＿＿until＿＿＿＿＿＿＿＿.

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ABSTRACT

This research paper analyzes the factors influencing the preference of customers toward using the products and services of Islamic Banking in Malaysia. This study concentrated on the four independent variables and one dependent variable. Consumer desire for Islamic banking products and services is a dependent variable, whereas the attitude, image of bank, religion, and service quality are independent factors. A purposive sampling technique method was employed to collect the data from 384 respondents who use Islamic banking in Malaysia. Data was gathered through the questionnaire, which was distributed through Whatsapp, Facebook, and Instagram. According to the Multiple Linear Regression (MLR) aided by Statistical Programmers for Social Sciences (SPSS), attitude and religiosity has a significant impact on Malaysian consumers' decisions to use Islamic banking products and services while the image of the bank and service quality did not significant. In conclusion, not all of the factors in this study affected the preferences of customers toward using the products and services of Islamic Banking in Malaysia.

ABSTRAK

Kertas kajian ini menganalisis faktor-faktor yang mempengaruhi keutamaan pelanggan terhadap penggunaan produk dan perkhidmatan Perbankan Islam di Malaysia. Kajian ini tertumpu kepada empat pembolehubah tidak bersandar dan satu pembolehubah bersandar. Keinginan pengguna terhadap produk dan perkhidmatan perbankan Islam adalah pembolehubah bersandar, manakala sikap, imej bank, agama, dan kualiti perkhidmatan adalah faktor bebas. Kaedah teknik persampelan bertujuan telah digunakan untuk mengumpul data daripada 384 responden yang menggunakan perbankan Islam di Malaysia. Data dikumpul melalui soal selidik yang diedarkan melalui Whatsapp, Facebook, dan Instagram. Menurut Regresi Linear Berganda (MLR) yang dibantu oleh Statistical Programmers for Social Sciences (SPSS), sikap dan agama mempunyai kesan yang besar terhadap keputusan pengguna Malaysia untuk menggunakan produk dan perkhidmatan perbankan Islam manakala imej bank dan kualiti perkhidmatan tidak ketara. Kesimpulannya, tidak semua faktor dalam kajian ini mempengaruhi keutamaan pelanggan terhadap penggunaan produk dan perkhidmatan Perbankan Islam di Malaysia.

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF THE STUDY

A banking system that abides by Shariah law is referred to as Islamic banking. The Islamic financial system first came into being in the 1960s or 1970s. The Islamic financial system is designed to enable Muslims to conduct business in accordance with Shariah, which has societal repercussions that are closely tied to Islamic teachings. The major objective of establishing Islamic banking is to satisfy Muslim needs for banking management where the Quran and Sunnah are used as the foundation for business practices. When the Mit Gharm Local Savings Bank, then known as the "German Saving Bank," was founded in Egypt in 1963, Islamic banking had its beginnings there (Orhan, Z. H., 2018).

At the Organization of Islamic Conference (OIC) Foreign Ministers, the Islamic Development Bank (IDB) was founded in 1973. Each nation's OIC members have joined the IDB and contributed to the growth of Islamic banking in OIC member nations. IDM is actively interested in utilising the monies to grow the Muslim community. Dubai Islamic Bank was founded in 1975, in 1977 followed by Faisal Bank of Sudan, in 1978 by Faisal Islamic Egyptian Bank and Islamic Bank Jordan, Islamic Bank of Bahran in 1979, and investment and development International Islamic Bank, Luxembourg, in 1980. Lembaga Tabung Haji (LTH), the country's first Islamic financial institution, was founded in Malaysia in 1963 (Alaoui, S. B.& El Marzouki, A., 2022).

The objective of Islamic and conventional banking is the same since both follow the Fiqh Muamalat, or Islamic transactional laws, which are founded on Shariah principles. The prohibition of usury and profit-and-loss sharing are the two major tenets of Islamic banking. (2018) (Salman, A., & Nawaz, H.).

Since the establishment of the first Islamic bank in Malaysia, the Islamic banking sector has seen several changes and advancements, particularly in offering interest-free financial services to both Muslims and non-Muslims. With the founding of the Mit-Ghamar Islamic Savings Bank (MGISB) in Egypt in 1963, interest-free banking institutions were introduced (Hailu, S. M., & Bushera, I., 2020) Malaysia is a leading country in the emergence of Islamic financial institutions in Southeast Asia through the implementation of fundraising for prospective pilgrims known as Tabung Haji. Subsequently, in 1983, Bank Islam Malaysia was officially established as an Islamic banking institution (Laldin, M. A., Abdul-Kader, S. Z. S., & Djafri, F., 2021).

Islamic banking in Malaysia has grown quickly over the past ten years, becoming a significant economic sector in the growth of the nation. The Islamic Finance Services Board (IFSB), which emphasises that the Malaysian Islamic banking sector has grown to be a well-known business globally, claims that this is the case. The national bank of Malaysia (2020) asserts that Islamic banking assets have in the past made surprising gains.

1.2   PROBLEM STATEMENT

Malaysia has shown remarkable development, the challenge of gaining satisfaction and loyalty from customers remains and is inevitable. Since the banking system was adopted in the country it has forced Islamic banks to have strong competition with conventional banks. Therefore, the emphasis on customer satisfaction and preference is an important challenge in Islamic banking's marketing in Malaysia (Dawami,2020).

Today, customer preferences for products and services play an important role in banking. The customer's preference for good products and services is one of the competitive strategies that can guarantee and increase the company's revenue. Most researchers believe customer preference is an important strategy to achieve success in the Islamic banking industry. According to the International Association of Islamic Banks (IAIB), Islamic banking is a bank established to mobilize funds and use by Islamic Shariah to expand Islamic unity and ensure fair distribution while the funds are used by established principles prescribed in Islam.

This clearly shows the importance of relationships in Islamic banking. This is not only a grounded relationship between the customer and the bank but to create a relationship, loyalty, and good fellowship between the two parties. In this context, the bank needs to understand the customer's preferences. (De Bruin, L., Roberts-Lombard, M., & De Meyer-Heydenrych, C., 2020). Many studies have examined customer factors and criteria in using banking products and services. The preference of the customer in the selection of the bank has had a major impact on the customer decision-making process (Dawami, Q., 2020; ElMassah, S., & Abou-El-Sood, H., 2021; Hoque, M. N., Rahman, M. K., Said, J., Begum, F., & Hossain, M. M., 2022).

There is a study that examines the factors that influence customers toward Islamic banking users. The objective of this study is about the relationship between Islamic financial literacy,

Islamic values, reputation and attitude, ethical organization, which in turn leads to customer behavioural intentions to engage in Islamic banking services and products (Hoque, M. N., Rahman, M. K., Said, J., Begum, F., & Hossain, M. M., 2022).

In addition, another study was conducted, emphasizing that it is important in determining customer satisfaction towards Islamic banking. The study is based on two objectives, namely, to determine the level of service quality and customer satisfaction in Islamic banking, identify customer relationships, and study the service quality and customer satisfaction influence dimensions in Islamic banking (Zouari, G., & Abdelhedi, M., 2021). Although many previous studies have determined the factors of customer preference toward Islamic banking in Malaysia, it has not been fully studied, especially on customer preference among Islamic banking customers to using Islamic banking products and services (Dawami,Q., 2020; ElMassah, , & AbouEl- Sood, ., 2021; Hoque, Rahman,., Said, J, Begum, ., & Hossain,., 2022).

Islamic banking institutions in Malaysia have grown rapidly globally which has resulted in an increasing demand for using the products and services in Malaysia. The community, especially Muslims, prefers the products and services offered by Islamic banking compared to conventional banks. Therefore, in order to identify the exact factors influencing the preference of customers toward using the services and products and, a study on the factors influencing using the products and services of Islamic banking in Malaysia has been conducted in line with the development of Islamic banking today.

The factor of attitudes, the image of the bank, religiosity, and service quality may lead to customer response to the acceptance of products and services of Islamic banking customers as their choice. This study is to identify the factors influencing the preference of customers toward using the products and services of Islamic banking in Malaysia.

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1.3   RESEARCH OBJECTIVES

The main objective of the study is to identify the factors influencing the preference of customers toward using the products and services of Islamic banking in Malaysia.

RO1: To identify the attitude factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia.

RO2: To identify the image of the bank factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia.

RO3: To identify the religiosity factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia.

RO4: To identify service quality factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia.

1.4   RESEARCH QUESTIONS

The research questions are as following:

RQ1: Does the attitude influence the preference of customers toward using the products and services of Islamic banking in Malaysia?

RQ2: Does the image of the bank influence the preference of customers toward using the products and services of Islamic banking in Malaysia?

RQ3: Does the religiosity influence the preference of customers toward using the products and services of Islamic banking in Malaysia?

RQ4: Does the service quality influence the preference of customers toward using the products and services of Islamic banking in Malaysia?

1.5 SCOPE OF THE STUDY

The purpose of this project's research is to assist the researcher in solving the problem described in the preceding statement, or more accurately in the problem statement section, by soliciting feedback from customers of Islamic Banking in Malaysia.

The focus of this research is to identify the extent to which the attitudes, the image of the bank, the religiosity, and the service of quality influence consumer preference toward using the products and services of Islamic banking in Malaysia. As a result, to guarantee a high degree of trust, the sample will be drawn from a large group of people in Malaysia who are using Islamic Banking products and services. In other words, a large sample size would be essential in obtaining more accurate research results, particularly when it comes to customers' preferences for acquiring Islamic Banking products and services.

For this study, we are focusing on those who have used Islamic banking in their banking dealings in other words, customers of Islamic banking. There is a reason why the customers choose Islamic banking rather than conventional banking in their dealings related to the purpose of this study which is to examine the factors influencing the preference of customers toward the products and services of Islamic banking. To provide a strong sense of trust, the sample will be taken from all Islamic banking customers, regardless of whether they have worked or are still studying. This is done to ensure that the accessible information is more comprehensive.

1.6   SIGNIFICANCE OF THE STUDY

Islamic banking and finance (IBF) have grown in popularity in both Muslim and non-Muslim nations in recent years. However, there are still a few people who are still less exposed to and less confident with the system practiced by Islamic banking. The significance of this study is the benefits of Islamic banking may be made known to the general people. As a result, the community will be better aware of the advantages of Islamic banking over traditional banking. This exposure not only gives benefits to the community, but indirectly gives benefits to the Islamic banking economy and directly rapid global growth of IBF.

Next, this study will help to improve the performance of the bank. The image of an organization is critical in establishing trust and confidence among partners or clients. The bank's image is vital in influencing consumer confidence, especially in the financial industry. This is because, corporate image is a corporate identity through which consumers may evaluate and compare their degree of satisfaction with a firm. So, this study is to analyze the relationship between the performance of the banks and the preference of customers.

Besides that, the significance of the study is to improve the level of Islamic banking service quality. Service quality is a measure of how well a company delivers its services in comparison to its consumers' expectations. Customers acquire services to meet particular requirements. So, this research is to examine whether service quality factors affect the preference of customers toward products and services of Islamic banking.

Lastly, a driving factor for Islamic economic growth. The Islamic financial system is a driving factor behind the expansion of the Islamic economy. Muslims, whether entrepreneurs, investors, or simple consumers, can use the services offered by the Islamic financial system to suit their requirements since it exists. Looking at the contribution of the Islamic financial system to the

community of investors, entrepreneurs, and regular consumers briefly, we may draw the broad conclusion that this sector has built a new financial system that assists Muslims in avoiding involvement with usury components.

1.7   DEFINITION OF TERMS

For a better understanding of this study, the following terms are defined in the context of this research.

1.7.1   Product and Service of Islamic Banking

Another study found that the quality of products and services offered by banking is an important factor in customers' motivation to deal with Islamic banking (Bashir, 2012). The products provided in banking are based on Islamic sharia and they are used by Islam which apparently does not have usury or corruption.

1.7.2   Attitude

An attitude is somewhere between a belief, a stance, a mood, and a pose. Sometimes it is defined as the position or posture of the body appropriate to or expressive of an action, emotion and others. This will give a positive, negative, or mixed evaluation of an object expressed at some level of intensity. Attitude is the basic determinant of a person's perception and action to do something. The women also have less favorable attitudes toward technology and show a higher level of computer phobia and anxiety (Lee et al., 2010). In contrast, men place more importance on innovation and e-banking offerings (Metasebiay and Tesfaye, 2017).

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1.7.3   The Image of the Bank

An image bank is the reputation of the banking itself whether online that can be accessed, viewed or downloaded when you need it. In general, it is maintained by the organization, which created this collection of images through contributions from different contributors. Most people have emphasized that men pay more attention to cost-benefits and financial advantages as criteria in bank selection. In the banking industry, costs and commissions are more significant factors in men's decisions (Karjaluoto et al., 2010; Yu, 2012).

1.7.4   Religiosity

Religion means the quality or state of religion. It has five interrelated dimensions of religiosity. The first is religious beliefs, religious exclusivity, external religiosity, personal practices, and religious interests. Islamic banking is also a government effort to enforce cash withdrawals using Islamic methods. Moreover, religiosity, religious norms, and attitudes have been found to matter for customers' valuation of bank asset investments (Chourou, 2018) and their selection of IBs (Usman et al., 2015).

1.7.5   Service Quality

This quality service measure is based on the modified version of servqual as proposed. It involves five dimensions of the quality of Islamic banking services, namely Reliability, Responsiveness, Empathy, Assurance and Significance. In addition, women are more concerned about the quality of their experiences in interaction with service providers, and men are more focused on the quality of products or services with respect to such issues as variation, availability, warranty, and brand name (Babakus and Yavas, 2008).

1.8   ORGANIZATION OF PROPOSAL

Chapter 1 further elaborates on the overall background of the study to give the reader an overview of our overall topic in this research. The second part deals with the problem of the statement when transactions occur in Islamic Banking. This section focuses on respondents who use Islamic banking transaction services and the extent to which such transactions affect respondents. Next is the research question.

There are three research questions that can be dissected from the problems that occurred to the respondents as shown in section three the respondents need to fill in the blanks for the questions studied. Part four of this research determines the objectives of the study and it requires three objectives for this study. Further, section five describes the scope of the study. The scope of this study is described in detail so that this research can determine the extent to which the research area is made in the workplace survey, and it also determines the parameters in the operational study. While part six explains the significance of the study with a detailed explanation of why the research was done and it is important for social, public, service providers, students, and government.

The next section describes the factors of the study. Therefore, this study needs to be done to identify the Factors Influencing the Preference of Customers Toward the Product and Services of Islamic Banking in Malaysia. The definition of terms of the variables in the seventh section of this chapter is to define the key terms that are used in the research. The definition is quoted from previous research and research articles.

Next, Chapter 2 will proceed with the literature review. It will start the introduction to explain the overview of this chapter. Researchers also continued with underpinning theory that will explain a few theories related in this study and explained how it will influence and relate with our research on factors influencing the preference of customers toward using the products and services of Islamic Banking in Malaysia. The next section is a literature review that will explain a few words from previous studies to gather more information and data on the researcher used in this study.

The Hypothesis Development explains four hypothesis statements generated in this study. These statements are expectations or predictions that will be used in this study. Next is the conceptual framework. This section describes the proposal of the theoretical framework and is based on a literature review. The researcher uses the main theories that underlie the proposed theoretical framework from several theories related to the topic in this research. The model also describes the factors that influence customers preference using the Islamic Banking products and services. The summary is the last point described in this chapter. The summary covers the entire chapter 2 and further describes the choice of title and related to the choice of articles selected.

Chapter 3 is about research methods. It will start with an introduction in this chapter. The second section is research design which explains the research design chosen for the research. The third section is data collection methods to choose which methods are suitable in this study. Section four is about the study population which describes the respondents who will take part in this study. Next is the sample size in section five which states the size of the group to be surveyed. Whereas section six will decide which sampling technique will be used in this research and will select the subjects from the population. The next section is research instrument development. It tells about what tool to be used to collect or measure and analyze the data related to our research interests. Section eight is a measurement of the variables that explain what instrument will be used to measure the variables in this study. The ninth section is the procedure for data analysis and explains the techniques to analyze data obtained. Lastly, section ten is a summary which summarizes what had been done in chapter 3.

CHAPTER 2: LITERATURE REVIEW

2.1   INTRODUCTION

This chapter will discuss theories, findings derived from previous studies, hypotheses, and conceptual framework. This chapter provides a summary of past studies on Factors Influencing the Preference of Customers Toward Using the Products and Services of Islamic Banking in Malaysia.

The first part will discuss the theories used in products and services of Islamic banking. Next, the second part will describe how previous studies examine what are the preferences of the customer towards the using the products and services of Islamic banking among Islamic banking. Next, part three of the proposed theoretical and hypothetical structures will be tested. Finally, in this chapter, we will conclude with a summary of research gaps discovered during the literature review, proposed research models, and research recommendations.

Previous studies have shown that many factors play a role in determining the preference of the customer toward using the products and services of Islamic banking (Dawami, Q., 2020; ElMassah, S., & Abou-El-Sood, H., 2021; Hoque, M. N., Rahman, M. K., Said, J., Begum, F., & Hossain, M. M., 2022). Therefore, this study will focus on the factors of customer preference toward using the products and services of Islamic banking in Malaysia.

2.2   UNDERPINNING THEORY

The study adopted the theoretical framework from a well-known theory called as the Theory of reasoned actions (TRA). Fishbein & Ajzen (1975) developed by Martin Fishbein and Icek Ajzen (1975, 1980 developed this theory of attitude in order to resolve the clutter of the traditional research of attitude-behaviour of people. This theory was used for this study because of the need to identify the attitude of customers toward using products and services of Islamic banking for instance, Kaakeh et al (2019) utilized the theory to identify the critical factors determining the intention of customers to patronize Islamic banking in UAE.
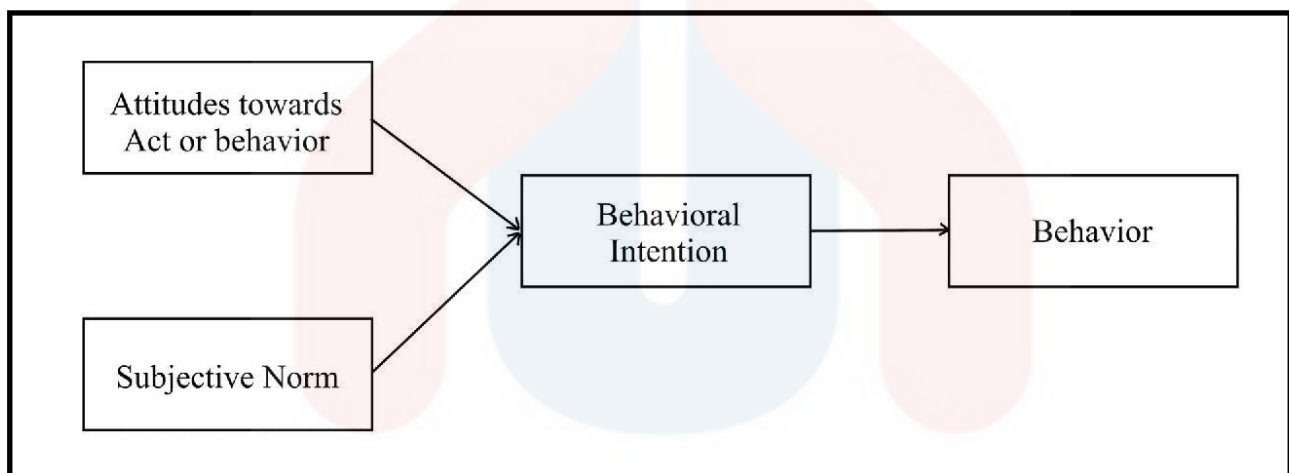
Figure 2.1: Theory of Reasoned Actions (TRA)

The TRA (Theory of Reasoned Action) model is focused on the construction of a system of observation of two groups of variables, which are: attitudes towards act or behavior. The attitude is determined by the actions of customers using products and services of Islamic banking in Malaysia. Second, subjective norms which are the very representations of the individuals' perception in relation to the ability of reaching those goals about using products and services of Islamic banking. According to this theory, researchers used this theory to determine the factors influencing the preference of customers toward using the products and services of Islamic banking in Malaysia. There are four variables used in this study which are attitude, the image of

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the bank, religiosity, and service quality. From the previous study, researchers hypothesized that attitude towards Islamic banking and subjective norms positively affect an individual's intention to use products and services of Islamic banking. There are several studies have been conducted on factors determining the intention of customers of Islamic banking in Malaysia. Haque et al (2009) studied on Malaysian customers preferences towards Islamic banks, they found that quality and availability of services, social and religious perspective and confidence are the major determinants in affecting the customers. In addition, Albaity & Rahman (2019) concluded their research that reputation of Islamic banks as corporate image plays an important role in determining the intention of consumers to patronize an Islamic bank. Metawa & Almossawi (1998) further found on their study that religiosity factor having the most importance role in the patronizing process to deal with Islamic banks.

2.3 LITERATURE REVIEW

2.3.1 Attitude

Based on the results of the previous study, the researcher Qosdan Dawami (2020) discovered attitude and service quality are the elements that greatly affect consumers' preferences for utilising Islamic banking's goods and services. The previous dimension of correlation analysis reveals that attitude and service quality have p-values of 0.011 and 0.009, respectively, meaning that the p-value is less than 0.05. For socioeconomic experts, particularly those working in the financial sector, public opinion has become a significant problem. When a company offers services or products, attitudes are what customers will notice the most. Consumer attitudes reveal their theoretical beliefs and considerations on a product or service, especially those related to Islamic banking. According to Kaakeh et al. (2019), customer perceptions directly affect their propensity

to interact with Islamic banks. Additionally, Albaity and Rahman (2019) found in their research that customers' intentions to choose Islamic banks are significantly influenced by attitudes, awareness, and reputation.

2.3.2   The Image of the bank

When choosing a bank, it's crucial to consider both the bank's characteristics and reputation. Customers' preferences for Islamic Banking in the UAE products and services are directly impacted by the bank's reputation (Kaakeh et al 2019). According to Albaity and Rahman (2019), a customer's intention to use an Islamic bank is greatly influenced by the corporate reputation of Islamic banks. According to Kaakeh et al. (2019), clients' perceptions of Islamic banking in the UAE are influenced by image. The image is yet another essential element in fostering loyalty to an Islamic bank (Suhartanto et al., 2018). Functional quality and emotional quality are the two primary elements that make up an image (Saleh et al., 2017), where functional quality refers to observable, measurable aspects and emotional quality to the psychological elements that are expressed by a customer's attitude toward and experience with a business organisation.

2.3.3   Religiosity

A person's decisions, including the choice of bank products and services, are significantly influenced by their religious understanding. Shome et al. (2018) claim that consumers' expectations of a bank's compliance with Islamic principles affect their decision to use Islamic banking. A person's dedication to their beliefs and practises is referred to as religiosity in the context of marketing (Stolz and Usunier, 2019). Influencing their behaviour toward a particular brand of goods and services is crucial (Ali et al., 2019). As more Muslims have access to financial

products and services based on Islamic law, demand for Islamic banks is rising. It keeps them away from conventional banks with interest-based payment schemes (Islam and Rahman, 2017; Sharma et al., 2017). In a prior study, the researcher discovered that customers' preferences for Islamic Banking products and services are not significantly influenced by their religious affiliation. This is due to the fact that the dimension of the religiosity correlation analysis is 0.341, which is greater than 0.05.

2.3.4   Service quality.

Because customers typically behave logically and the current free markets, particularly in the financial sector, force all market participants to compete on both sides, service quality is another crucial factor in luring customers to Islamic Banking. Service quality, contentment, customer involvement, and religiosity are the outcomes of several studies demonstrating how Islamic Banking service quality affects consumer preferences and trustworthiness (Abror et al.,2019). For this study, a survey of 335 customers of Islamic banks in West Sumatra, Indonesia, was carried out. In this work, data were analysed using covariance-based structural equation modelling and purposeful sampling. As a result, service quality has a favourable effect on client preferences.

2.4   HYPOTHESES STATEMENT

The purpose of this study is to identify customers' preferences for using the products and services of Islamic banking in Malaysia. A review of the literature and theoretical background indicates that there is an influence between customer preferences for Islamic banking products and services among Islamic banking customers. However, the influence between these variables has not been investigated empirically. First, this study attempts to look at the influence of factors between the 4 variables that have been summarized, namely attitudes, image of the bank, religiosity, and service quality. Second, this study empirically assesses customer preferences toward using the products and services of Islamic banking to be the customer's choice.

This study focuses on the factors influencing the preference of customers toward using the products and services of Islamic banking in Malaysia. Based on customer preference factors, the following hypotheses are obtained:

H1: Attitudes influence the preference of customers toward using the products and services of Islamic banking in Malaysia.

H2: The image of the bank influences the preference of customers toward using the products and services of Islamic banking in Malaysia.

H3: Religiosity influences the preference of customers toward using the products and services of Islamic banking in Malaysia.

H4: Service quality influences the preference of customers toward using the products and services of Islamic banking in Malaysia.

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2.5   THEORITICAL FRAMEWORK

By extending four factors which are attitude, the bank's image, religion, and service quality, the objective of this study is to identify the primary factor impacting customers' preferences for adopting Islamic banking's products and services in Malaysia. Customers' use of Islamic banking's products and services is the dependent variable, and the factors influencing their preferences are the independent variables. This framework was taken from two distinct articles that discuss religion play a part in how customers choose to use Islamic banking's products and services and how they choose Islamic banking in a multicultural setting.
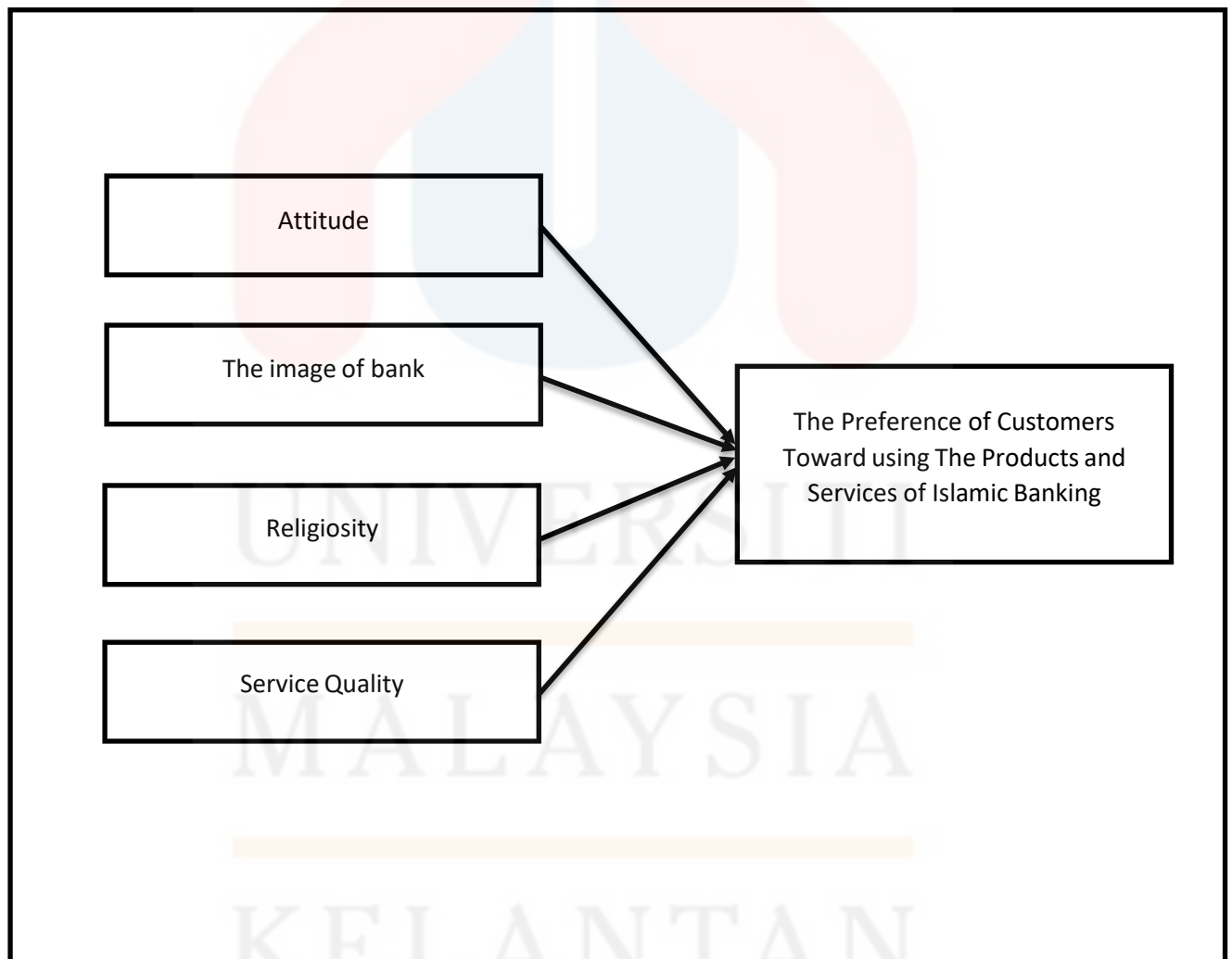
Figure 2.2: The Theoritical Framework for Factors Influencing the Preference of Customers Toward Using the Products and Services in Malaysia.

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2.6 SUMMARY OF THE RESEARCH

The factors impacting customers' desire for adopting Islamic banking products and services from reference articles have been covered in detail in this chapter, along with all other pertinent literature reviews in the study. According to the literature research, consumers' attitudes and the level of service provided by Islamic banking are the key determinants of how they would be influenced by the company's products and services. In this portion, the researcher reviews the research, including comprehension of consumer attitudes, bank image, service quality, and religiosity.

CHAPTER 3: RESEARCH METHOD

3.1 INTRODUCTION

The procedures followed to carry out this study are described in this chapter. This chapter discusses research methodology, which outlines the techniques used to gather and evaluate data in order to meet the study's purpose. It includes details on who would respond to the questionnaire, including who was eligible for the study, who the participants were, and how the sample was selected. The researcher will describe how the data and information required to answer the study's questions and objectives were acquired, analysed, and evaluated in this study. The research methods and procedures are covered in the first part. The essential components of the research technique are the study design, data collection strategy, development of the research instrument, measurement of the variables, and data analysis process.

3.2 RESEARCH DESIGN

This study used quantitative methods for data collection and analysis. According to (Apuke, 2017), quantitative research is the act of gathering and evaluating numerical data. In this quantitative study, the researcher collects the data using a questionnaire method. The questionnaire created for this study was inspired by those that focused on products and services of Islamic banking. Through study design that involves planning, design arrangement and study activities, researchers will be able to identify the main factor either attitude, the image of the bank, religiosity and service quality influencing the preference of customers toward using products and services of Islamic banking in Malaysia. To accommodate the various ethnic communities in Malaysia, researchers used languages in questionnaires which were created in both Malay and English. Table 3.1 shows a likert scale with five possible responses from "strongly disagree" to "strongly agree" was employed.

There are six sections in the questionnaire. The first section in questions is about demographic, it may learn more about people's gender, age, marital status, race, religion, occupation and experience with Islamic banking. The attitude factor using products and services of Islamic banking is covered in Section B and has seven questions. At the same time, Section C consists of the image of the bank using products and services of Islamic banking in Malaysia with six questions. Section D also consists of the religiosity using products and services of Islamic banking with six questions. This section will measure how many Muslim and non-Muslim choose to use products and services of Islamic banking. In Section E, it has seven questions that discuss service quality factors using products and services of Islamic banking. While Section F is about a dependent variable, which is the preference of customers toward using products and services of Islamic banking in Malaysia with six questions.

The advantages of using online surveys which is questionnaire are cut cost and less time-consuming. These methods are easier to access by respondents. Respondents can access the questionnaire with their own gadgets, and they also have the right to make choices. This method is efficient to collect the data from respondents. In addition, it will make it easier for researchers to spread the questionnaire.

Table 3.1: Five-point likert scale

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Table 3.2: Overview of Research Instrument

PART	VARIABLES	ITEMS	AUTHOR
A	Demographic	7	Mehdi, 2016
B	Attitude factor	7	Qosdan Dawami ,2020 & Kaakeh et al, 2019 and Albaity and Rahman, 2019
	The Image of The Bank	6	Kaakeh et al, 2019 & Albaity and Rahman, 2019 & Suhartanto et al., 2018 and Saleh et al., 2017
	Religiosity	6	Shome et al., 2018 Stolz and Usunier, 2019 & Ali et al., 2019 & Islam and Rahman, 2017 and Sharma et al., 2017
	Service Quality	7	Abror et al.,2019
C	Islamic Finance Products and Services of Islamic Banking	6	Bashir, 2012

3.3   DATA COLLECTION METHODS

In this study, the data has been collected using questionnaires that have been distributed to the customers of Islamic Banking. The questionnaire disseminates surveys using social media platforms such as WhatsApp, Instagram, and Facebook, among others. The questionnaires have been distributed using non-probability sampling which is purposive sampling. To ensure the validity of the data obtained, we will ask respondents whether they have an Islamic bank account or not. They will only be allowed to answer the questionnaire if they are Islamic Banking users. This is because, the purpose of this study is to find out the factors that influence the preferences of customers toward using the products and services of Islamic Banking in Malaysia only.

3.4   STUDY POPULATION

In this study, the population in this study will be from the community in Malaysia which use products and services Islamic banking. Majority Islamic banking products and services user comes from Islamic religion but there are also a number of users from other religions. Besides, user of Islamic banking products and services maybe they have a bank account, are mature enough and pass the age limit to handle the products and services of Islamic banking. According to the Department of Statistics Malaysia (DOSM) Official Portal, 76.8% of people in Malaysia who are aged 15 to 65 years and above. They made their decision because they could utilize the products and services provided by Islamic banking.

3.5   SAMPLE SIZE

The sample size in this study is focused on customers of Islamic Banking in Malaysia. The total population of those who are aged 15 to 65 years and above in Malaysia is 25.1 million. Therefore, according to Krejcie & Morgan's (1970), the minimum sample size should be collected is 384 samples. The researcher takes 384 estimates using the Islamic banking product and service representing the whole population in this research to be associated with the size of the researcher's population.

Table 3.3: Table Krejcie and Morgan (1970)

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size, S is Sample Size

Source: Krejcie & Morgan, 1970

3.6 RESEARCH INSTRUMENT DEVELOPMENT

A questionnaire served as the study's primary tool. To get quantitative data, it is used. The common research tool used in this study, which contains questions unique to this study, is a survey questionnaire. In accordance with the specific requirements of the study, the questionnaire was self-administered. According to Williams, (2003), surveys offer data of sufficient quality to address significant research questions and suggest real-world policy changes. Malay and English versions of the questionnaire were included to make it simpler for respondents to select the language that best suits them.

3.7 MEASUREMENT OF THE VARIABLES

There are two scales of measurement in this research which are nominal and interval. The questionnaire is divided into two parts namely in Part A and Part B. Part A will use nominal scales as it will ask about the demographic profile of the targeted respondents. In this section, the researcher can find out the background of the respondents because their thinking also depends on the age level. While part B uses an interval scale for the dependent and independent variables from the framework adopted from the previous study. In addition, a 5 -point Likert scale was used in this second section to obtain accurate data.

3.7.1 Nominal Scale

Nominal means a categorized variable, and its value cannot be listed. In our questionnaire from Part A which demographic profile, nominal scales are gender (male or female), age (<20 years, 21 - 30 years, 31 - 40 years, 41 - 50 years and >51 years), marital status (single, married, divorced), race (Malay, Chinese and Indian), religion (Muslim and Non-Muslim), occupation (student, government worker, private sector worker and others) and experience with Islamic banking (Less than 1 year, between 1 year and 5 years and more than 5 years). All these questions will be categorized to determine the demographic profile of each targeted respondent.

3.7.2 Interval Scale

The interval scale is used to get relevant information related to Part A. It is also used to analyze the dependent variable and independent variables which are four variables found in this study, namely attitude, bank image, religiosity and service quality. This interval scale also makes it easier for respondents to answer each question related to influencing the preferences of customers towards using the products and services of Islamic banking in Malaysia.

This scale is measured in quantitative attributes. All answer numbers 1 to 5 on the Likert scale represent the level of acceptance for using products and services of Islamic banking in Malaysia. This scale has no real zero point. We used mean mode, median and standard deviation to measure the central tendency in this research. In addition, our questionnaire the 5 -point Likert scale used in the research consisted of strongly disagree (1), disagree (2), neutral (3), agree (4) and strongly agree (5) designed to examine how strongly a statement of agree or do not agree. Researchers used this scale most in Part B of the questionnaire. From our research, this scale is used for five sections for independent variables and dependent variables. This will make people choose the scale for each factor for all questions.

3.8   STATISTICAL DATA ANALYSIS

3.8.1   Data Processes and Data Analysis

After collecting all of the data, it was loaded into the Statistical Package for the Social Sciences (SPSS) programmer for analysis and hypothesis testing. SPSS will be used to compute and analyze the data acquired for this study (SPSS). SPSS is a multi-purpose and responsive application that can conduct a variety of statistical operations. It is extensively used in a variety of areas and is available for all computers. The data will be collected among customers of Islamic Banking in Malaysia, and all data will be analyzed. It is used to indicate the relative frequency of survey replies in particular.

3.8.2   Descriptive data

The descriptive analysis will be used to characterize the data's properties using mean, median, standard deviation, variance, range, and percentile. This is a method of summarising and describing the data obtained in the sample. As a result, descriptive analysis can assist researchers in investigating factors that will impact research outcomes. This information will then be converted. In Chapter 4, the results will be thoroughly explained. Descriptive research was taken to identify the factors influencing the preference of customers toward using the products and services of Islamic banking in Malaysia with the independent variable which is an attitude, the image of the bank, religiosity and service quality.

3.8.3   Reliability Test

According to Rosaroso (2015), dependability is an important aspect of every exam, whether it is a written test, performance assessment, informal observation, or questions. As a result, dependability is sometimes referred to as the consistency or repeatability of such measures (Anne Bruton, 2000). This is due to the measurement instrument's precision. The notion of scale dependability, according to Peter M. Fayers (2002), is a scale that can deliver reproducible and consistent findings. Reliability is concerned with measuring and producing quantitative data, such as interval and ratio statistics (Anne Bruton, 2000). We utilise Cronbach's Alpha, a standard measure of instrument reliability, to calculate the reliability coefficient, which analyses the consistency of the entire scale using this dependability instrument and is the most generally used metric. Cronbach's alpha is a reliability coefficient that measures how well one set of items or variables correlates with another. This reliability test ensures that consistent findings will occur without bias and is an indicator of measurement dependability and achieving consistent measurements over time.

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Table 3.4: Scale of Cronbach's Alpha

	Internal Consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

Source: Adapted from Chua et al. (2020

3.8.4 Pearson Correlation Coefficient

Coefficients represent correlations between variables that may be assessed using various methods (Jan Hauke, 2011). Pearson Coefficient of Correlation Coefficient describes the direction and extent to which one variable is linearly connected to another by measuring the strength and direction of a linear relationship between two variables (Sorana-Daniela Bolboaca, n.d.). According to Haldun Akoglu (2018), this test uses data from two separate variables to determine whether there is a linear relationship between them. The first step is to evaluate the relationship by utilising a scatter plot for linearity, followed by a parametric test to compute Pearson's r.

The Pearson correlation coefficient is expressed in a sample by r, whereas it is represented in the population from which the sample was chosen by the coefficient is measured on a scale with no units and can range from 1 to +1 or -1 0 +1, as symbolised by R.

Thus, there are three sorts of correlations used to demonstrate that increasing one variable tends to impact other variables. To begin, an estimation of 0 indicates that one variable has no potential to impact another variable and implies that there would be no connection between both variables. Second, a figure of -1 or less than 0 indicates a negative or strongly negative correlation between the independent variable and the dependent variable. It is also possible to say that exists between two variables. As a result, data will be plotted on the spread plot as a perfect straight line with a decreasing slope. If there is a negative correlation, when one variable rises, the other falls, and vice versa. A positive correlation is the third type of correlation. It exists when the figures range from 0 to +1. As a result, because positive correlation increases from one variable to the next, the scatter plot will have a positive slope and an upward slope. Different correlation strengths are shown by different correlation values (Sedgwick, 2012).

3.8.5   Multiple Linear Regression Analysis

Regression analysis, according to Gulden Kaya Uyanik (2013), is a statistical approach used to forecast the connection between numerous independent factors and a dependent variable. In a recent study, the dependent variable will be the preference of customers toward using the products and services of Islamic Banking in Malaysia, while the independent variables will be divided into four categories: attitude, image of the bank, religiosity, and service quality. In order to achieve the objectives of this research, Multiple Linear Regression (MLR) is used to investigate whether the factors influence the preference of customers towards using products and services of Islamic banking in Malaysia.

In this study, significance thresholds of 5% and 10% will be investigated. If the p-value is larger than 0.05, the result suggests that the null hypothesis will be rejected. This signifies that the independent variable under consideration is not significant at the 5% level of significance. If the value is less than 0.05 or 5%, it shows that there is a significant link between the independent

and dependent variables at the 5% level of significance. As a result, do not rule out the null hypothesis. Following that, the beta value of each independent variable has a stronger influence on the dependent variable. The bigger the value of beta, the stronger the independent variable's inclination toward the dependent variable. As a consequence, the result should be smaller than the standard deviation of the dependent variable to indicate satisfactory fit.

3.9   SUMMARY/CONCLUSION

The basis of a study is the objective and purpose. In order to achieve the objective of the study, Multiple Linear Regression (MLR) is used to investigate whether the four variables are influencing the preference of customers toward using the products and services of Islamic Banking in Malaysia, which the variables are attitude, the image of the bank, religiosity and service quality. These variables significantly give impact to using products and services of Islamic banking. The analytical methods used to conduct the data analysis of this study are descriptive analysis. After assessing the factors, we choose to analyze this study using SPSS for the result for each variable. This study also shows the significance of variables to our topic.

CHAPTER 4: FINDINGS AND DISCUSSION

4.1 INTRODUCTION

In this part, descriptive statistics from the Statistical Package for Social Science 26 are also used to analyse demographic data (SPSS). This section will also discuss the analysis done in relation to the questionnaire's questions. In other words, the results of the analysis will be discussed in relation to the information gathered from the survey. The chapter 2 hypotheses will also be expressed as either accepted or rejected. To do this, a variety of tests will be conducted, including the reliability test, person correlation analysis, one-way ANOVA test, and others. The details of the conversation are as follows.

4.2 PREMILINARY ANALYSIS

4.2.1 Pilot Test

For the pilot test, the Cronbach's Alpha value for all variable is greater than 0.7 which is according to Mohamad Jais et al., (2020) acceptable. The questionnaire distributed is valid and reliable. The validity of the variables was assessed in this study using the findings of a pilot test that the researchers conducted with 30 participants.

4.2.2 Reliability Test for Pilot Test

Table 4.1: Summary of Reliability Analysis for Pilot Test

Variables	Cronbach's Alpha	No of Items	Level of Reliability
Attitude factor	0.948	7	Excellent
Image of the Bank factor	0.916	6	Excellent
Religiosity factor	0.952	6	Excellent
Service quality factor	0.967	7	Excellent
Preferences	0.985	6	Excellent

The researcher successfully collected 384 responses from resident of Malaysia after distributing the questionnaire. Once the researcher has done with pilot test, comes out with the actual data collection and the result from actual data collection founds that the average result from 0.602 and above. This shows the higher value indicate higher agreement between items.

4.3 DEMOGRAPHIC PROFILE OF RESPONDENTS

The researcher successfully collected 384 responses from resident of Malaysia after distributing the questionnaire to them via social media sites like Google Forms.

The discussion of the respondent's profile is as follows:

Table 4.2: Demographic Profile of the Respondents

N=384	Frequency	Percentage (%)
Gender		
Male	140	36.5
Female	244	63.6
Age (years old)		
Below 20	42	10.9
21–30	262	68.2
31–40	50	13.0
40– 50	17	4.4
51 and above	13	3.4

Marital Status		
Single	278	72.4
Married	97	25.3
Divorced	9	2.3
Race		
Malay	365	95.1
Chinese	14	3.6
Indian	5	1.3
Religion		
Muslim	371	96.6
Non-Muslim	13	3.4
Occupation		
Student	250	65.1
Government	65	16.9
Private Sector	45	11.7
Others	24	6.3
Experience with Islamic Banking		
Less than 1 year	58	15.1
Between 1 year and 5 years	201	52.3
More than 5 years	125	32.6

There are more female responses than male respondents in the first category of the respondent's profile, which is gender. The results indicate that, of the total respondents, 244 women, or 63.5%, responded. The remaining 140 respondents, or 14.3%, were men (36.5%) respectively. According to age, most respondents were between the ages of 21 and 30, or 68.2%, followed by those between the ages of 31 and 40, or 50%, and the remaining respondents were between the ages of 20 and 40, with 42 respondents (10.9%), respondents whoare 41 to 50 ages, with 17 respondents with 4.4%, and over 50, with 13, or 3.4%.

Regarding marital status, the most respondents are from single 278 respondents, or 72.4%, followed by 97 respondents, or 25.3%, who are married, and 9 respondents, or 2.3%, who are in a divorced marital position. In terms of race, 95.1% (365) are Malays which is the majority and 3.6% (8) are Chinese and 1.3% (5) of the 384 respondents are from the Indian race. Furthermore more, the religion of the respondents is majored by Muslim with 371 respondents which is (96.6%) while only 13 respondents from non-Muslim with (3.4 %) of the respondents.

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The questionnaires received 250 responses from students, or 65.1% of the total. In addition, 65 respondents or 16.9% of the total 384 respondents come from the government sector. Additionally, these surveys drew responses from 24 people from various sectors (6.3%) and 45 people from the private sector (11.7%). The biggest percentage of respondents who have used Islamic banking for between one and five years (52.3%), representing 201 respondents, is followed by those who have used it for more than five years (32.6%), representing 125 respondents. The last group, with 58 replies and 15.1%, is less than a year.

4.4 DESCRIPTIVE ANALYSIS

Table 4.3: Descriptive Statistical Analysis

Indicator	Mean	Std. Deviation
N=384		
Attitude Factor		
I choose Islamic banking products and services because its follow the Islamic law and principles.	4.48	0.704
I choose Islamic banking products and services because of the offering financial counseling.	4.27	0.884
I choose Islamic banking products and services because of the offering lowers interest charges on loans.	4.46	0.676
I choose Islamic banking products and services because of the offering guarantee transactions and savings are secured.	4.48	0.666
I choose Islamic banking products and services because of the offering attractive physical facilities.	4.26	0.925
I choose Islamic banking products and services because it is comparable conventional bank.	4.36	0.868

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I choose Islamic banking products and services because it is provide profit sharing investment products.	4.46	0.714
The image of the Bank Factor		
I can evaluate the level of satisfaction in using the products and services of Islamic banking.	4.25	0.939
I can compare the level user satisfaction between Islamic banking.	4.35	0.816
I choose Islamic banking based on their reputation in the banking industry.	4.34	0.818
I choose Islamic banking products and services based on the good image before deciding.	4.36	0.812
The image of the bank influences my intention to patronize an Islamic banking.	4.47	0.711
I believed a good image can attract many customers to use Islamic banking.	4.52	0.654
Religiosity Factor		
I have self-awareness and interested in choosing an Islamic banking system that follows Shariah.	4.49	0.693
I believe in the Islamic banking system that has no elements riba' (increase on the loan amount) in offering its products and services.	4.51	0.662
I am convinced that the 'Tawarruq' the customers will receive financing at the end of the contract concept used on personal loans according to Islamic banking is the best.	4.47	0.674
Islamic banking promotes Islamic values and ethic in organization based on syariah.	4.52	0.674
I choose Islamic banking products and services because of the administration has no doubts which violates sharia law.	4.48	0.708
The religious factor became my primary motivation to use Islamic banking products and services.	4.51	0.700
Service Quality Factor		

I prefer to use Islamic banking products and services because of the high quality of the customer interaction.	4.28	0.871
I prefer to use Islamic banking products and services because it has provide Shariah compliant service quality.	4.48	0.704
I prefer to use Islamic banking products and services because of the fast and easy service in financial transactions.	4.42	0.764
I prefer to use Islamic banking products and services because of the offering a service that avoids any interest based on transaction.	4.48	0.662
I prefer to use Islamic banking products and services because of the provides facilities for parking.	4.26	1.004
I prefer to use Islamic banking products and services because of the staff have sufficient skills, interpersonal communication and good contact with client	4.46	2.617
I prefer to use Islamic banking products and services because of the staff provided has been trained.	4.48	0.678
Dependent Variables		
I am a user of Islamic banking.	4.74	0.617
I support the services and products provided by Islamic Banking because I am a Muslim.	4.68	2.667
I was influenced to choose its products and services because of the concept of mudharabah which is fair profit sharing followed by Islamic banking.	4.49	0.708
I use Islamic banking because it considers morality to draw in non-Islamic customers.	4.51	0.642
I prefer to use Islamic banking because it is Shariah compliant.	4.52	0.685
I prefer to use Islamic banking because it uses the concept of "profit" obtained from transactions permitted by Shariah such as sales contracts.	4.52	0.642

The mean value obtained from respondents' answers for the attitude factor (AF) variable from are 4.26 to 4.48. Thus, this indicates that residents of Malaysia in this study using Islamic banking based on attitude factor and has a significant impact on to continued intention to use these services. Respondents intend to use Islamic banking when the organization shows a good attitude, awareness and reputation.

The mean value obtained from respondents' answers for the image of the bank (TIOTB) variable from are 4.25 to 4.52. An Islamic banking institution that has a good reputation and performance will build trust with customers. Reputation of Islamic banks as well as their corporate image are key factors influencing whether or not customers will use an Islamic bank

For religiosity factor (RF) from are 4.48 to 4.52. users also choose products and services of Islamic banking based on based on the formula used whether it is compliant with Sharia or otherwise. Muslim users must use Islamic banking. Users will feel confident to use Islamic banking without any doubt.

For service quality factor (SQF) are 4.26 to 4.48. Thus, this shows that Malaysian residents in this study use Islamic banking based on the quality of services offered by the institution and has a significant impact on the continued intention to use the service. Quality service will attract customers to use it. Service quality of Islamic banks is affecting to the customers loyalty and trust.

4.5 RELIABILITY TEST

Table 4.4 shows the reliability test for all variables in this study.

Table 4.4: Reliability Test

Variables	Cronbach's Alpha	No of Items	Level of Reliability
Attitude Factor	0.938	7	Excellent
The Image of the Bank	0.940	6	Excellent
Religiosity Factor	0.941	6	Excellent
Service Quality Factor	0.733	7	Acceptable
Preference	0.602	6	Questionable

The value of Cronbach's alpha obtained for the variables are above 0.60 which is ranged from 0.602 to 0.941. Therefore, this indicated that the measurements for all variables for the pilot test are reliable in this study.

4.6 NORMALITY TEST

The normality tests shown by the SPSS software are the Kolmogorov-Smirnov test and the Shapiro-Wilk test. Since the total sample is 384 respondents from among those using the products and services of Islamic banking in Malaysia, the researcher used the Kolmogorov-Smirnov data normality test because N>30. As a rule, the study concludes that the variable is not normally distributed if it is less than 0.05.

Table 4.5: Test of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
Using the Product and Service of Islamic Banking	.276	384	.000	.602	384	.000
Attitude	.257	384	.000	.825	384	.000
The Image of the Bank	.260	384	.000	.822	384	.000
Religiosity	.277	384	.000	.773	384	.000
Service Quality	.217	384	.000	.767	384	.000

a. Lilliefors Significance Correction

Based on table 4.6 shows the results of the normality test using the Kolmogorov-Smirnov test, and the Shapiro-Wilk test. The results of the analysis show that the normality table test for all dependent and independent variables has a significant value because p-value is 0.000. This means that the data does not follow a normal distribution because the value of 0.000 is smaller than 0.05 (p<0.05)

4.7 MULTIPLE LINEAR REGRESSION

Multiple linear regression was used in this research to measure the four independent variables (attitude, the image of the bank, religiosity, and service quality) towards the dependent variable (using the product and service of Islamic banking).

Table 4.6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.659[a]	.434	.428	.54404

a. Predictors: (Constant), Service Quality, Religiosity, Attitude, and The Image of The Bank.
b. Dependent Variable: Using the Product and Service of Islamic Banking

Table 4.7 explains the strength of the model's correlation with the using the product and service of Islamic banking. R, the multiple correlation coefficient indicates 0.659 where a large value indicates a strong influence between variables. The coefficient of determination, R Square is 0.434 or 43.4% of the variation in the dependent variable. The remaining 56.2% indicates that there is no explanation of the variation in the dependent variable in this research.

Table 4.7: ANOVA table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	86.149	4	21.537	72.766	.000[b]
	Residual	112.176	379	.296		
	Total	198.325	383			

a. Dependent Variable: Using the Product and Service of Islamic Banking
b. Predictors: (Constant), Service Quality, Religiosity, Attitude, and The Image of The Bank.

Table 4.8 shows the value of F is 72.766 with a P-value of <0.000 (Sig 0.000) is less than 0.05 representing those four independent variables were significantly influence the using the product and services of Islamic banking. Thus, the four independent variables influence the preference of customers toward using the product and service of Islamic banking.

Table 4.8: Result of Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	1.003	.214		4.691	.000
Attitude	.273	.098	.254	2.795	.005
Image of the Bank	.002	.109	.002	.022	.982
Religiosity	.575	.083	.481	6.902	.000
Service Quality	-.050	.062	-.053	-.807	.420

a. Dependent Variable: Using the Product and Service of Islamic Banking

Table 4.9 shows the P values of the variables of attitude and religiosity 0.005 and 0.000 respectively. Therefore, the variables of attitude and religiosity significantly influence the using the product and services of Islamic banking because these variables have a value of less than <0.05. While the results of p-value are 0.982 and 0.420 for the variables of bank image and service quality are not significant factors in using the product and service of Islamic banking Therefore, hypothesis 1 (H1) and hypothesis 3 (H3) are supported while hypothesis 2 (H2) and hypothesis 4 (H4) are not supported. Thus, attitude and religiosity significantly influence using the product and services of Islamic banking while the image of the bank and service quality does not significantly influence using the product and services of Islamic banking.

4.8 DISCUSSION OF FINDING

The study objective is to identify the attitude factor, the image of the bank factor, the religiosity factor, and the service quality factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia. This study used multiple linear regression to test the effects of using the product and service of Islamic banking and the findings are discussed below.

Table 4.9 shows that attitude significantly influences the using the product and services of Islamic banking in Malaysia, this is also supported by previous research. Previous studies have confirmed the preference of customers towards using the product and services of Islamic banking (Kaakeh et al.,2019; Albaity and Rahman, 2019). This could be explained based on the result that the respondent in this study looks at the cost and benefit of using Islamic banks which influences their attitude toward using the product and services of Islamic banking.

The image of the bank did not significantly influence the using the product and services of Islamic banking in Malaysia. It is supported by Dawami, Q (2020), who found that the Image of the bank is not significantly determining the customers' preference towards Islamic banking. This could be explained that even if customers are aware of the reputation of the bank and the bank's sustainability, they might still be hesitant to use the products and services of Islamic banking.

Religiosity significantly influences the using the product and services of Islamic banking, this is also supported by previous studies. Previous studies have found that religiosity has a positive effect on attitudes toward Islamic banking products (Muslichah, I., & Sanusi, S., 2019). The result showed that the majority of the respondents in this study are mostly Muslim and highly educated. This could be explained that the customers are knowledgeable about religious prohibition. Therefore, the result implied that the attitude factor influenced using the product and services of Islamic banking.

Service quality did not significantly influence the use of the product and services of Islamic banking in Malaysia. However, Previous studies have found that the service quality of Islamic banks is affecting customers' loyalty and trust (Abror et al., 2019). This could be explained that the respondent in this study does not look at accessibility and serviceability in Islamic banking, used as factors for customer preference in using the product and services of Islamic banking because Islamic banking institutions in Malaysia have grown rapidly at the global level which causes the quality of services not to be one of the factors that cause increased demand in the using the products and services of Islamic banking in Malaysia. Therefore, the result showed that not indicate that service quality factors influenced using the product and services of Islamic banking.

4.9 SUMMARY / CONCLUSION

This study determines the factor influencing the preference of customers towards using the products and services of Islamic banking in Malaysia. Our objective in this research is to identify the attitude factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia, to identify the image of the bank factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia, to identify the religiosity factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia, and to identify the level of service quality factor that affects the preference of customers toward using the products and services of Islamic banking in Malaysia.

This study was measured by the multiple linear regression method using a Statistical Package for Social Sciences (SPSS) to achieve the study's objective. This significantly indicated that the attitude factor, and service quality factor affect the preference of customers toward using the products and services of Islamic banking in Malaysia, while the bank image factor and religiosity factor do not affect the preference of customers toward using the products and services of Islamic banking in Malaysia.

CHAPTER 5: CONCLUSION, LIMITATION AND RECOMMENDATION FOR FUTURE STUDY

5.1 CONCLUSION

The purpose of the study is to determine the variables influencing consumers' preference for Islamic banking products and services in Malaysia. Numerous tests were run on the survey data to examine this study. The data analysis shows that the intention of consumers to use Islamic banking products and services in Malaysia for attitude and religiosity are significantly. This is because attitude and religiosity are the most important things for people's lives in determining something. Furthermore, people know the principle and rules in Islam, and they also know the benefits of using products and services of Islamic banking. Meanwhile, the image of the bank and the quality of service are not so significant because this factor sometimes has gaps or distance and is perceived and accepted by customers with what they expect. It is also because the image of the bank reputation is not important to them. The service quality is not significant because of Islamic banking institutions in Malaysia have grown rapidly at the global level and most give the best service for people. Furthermore, according to the researcher, more than 50% of the respondents are students, and university students are required to use Islamic banking as their primary transaction flow with the university and they know what is important for them to use products and services of Islamic banking.

5.2 LIMITATIONS OF THE STUDY

The scale used in the research is one of the limitations. Because this study employs the Likert Scale to capture respondents' impressions, bias may arise from respondents' tendency to reply to questions regardless of their real substance. In other words, each responder will have their own views and opinions that will impact their replies to the inquiry. As a result, it will fail to capture the respondent's genuine mindset.

Besides that, respondents of this study are from users of Islamic Banking from various ages, statuses, occupations and how long they have been using Islamic banking services and products plus the questionnaire also opened for Muslim and non-Muslim users. It shows, possibility of the response result being different is higher. For example, results of this study may be different due to the part of religion in the questionnaire since it was also answered by non-Muslim respondents. The differences may occur at the part of religion.

Finally, as students, our major restriction would be time, as we had other responsibilities for other classes at the same time. As a result, time for detailed research is restricted, but researchers strive to give full information on the study.

5.3 RECOMMENDATIONS OR SUGGESTION FOR FUTURE RESEARCH

For future study, potential researchers should be familiar with the terminology utilized in the creation of questionnaires. Future studies also should make the questionnaire available in three languages (eg: Malay, English and Mandarin). This aspect should be underlined because this research is available to people of all ages and religions. So, their English word completion may be minimal. As a result, the diversity of languages in the questionnaire is critical to ensuring that this study obtains correct results.

Future researchers should also increase the sample size and recruit more respondents to obtain more precise data on the elements that impact customers' decisions to use Islamic banking products and services. Because many other respondents have varied opinions and attitudes about Islamic banking products and services, the more respondents present, the more trustworthy, legitimate, and significant the conclusion will be. This enables the researcher to generate more exact and trustworthy test data.

Finally, future researchers should do in-depth research on the factors that influence customers' decisions to use Islamic banking products and services. This is because it is influenced by more than just the four independent factors. In reality, group influence, information availability, and financial stability and integrity all have an impact. The bank's reputation is also determined by consistently providing the same sort of service to consumers. Financial stability and transparency are critical factors for any consumer when selecting a bank. It is critical to provide excellent customer service.

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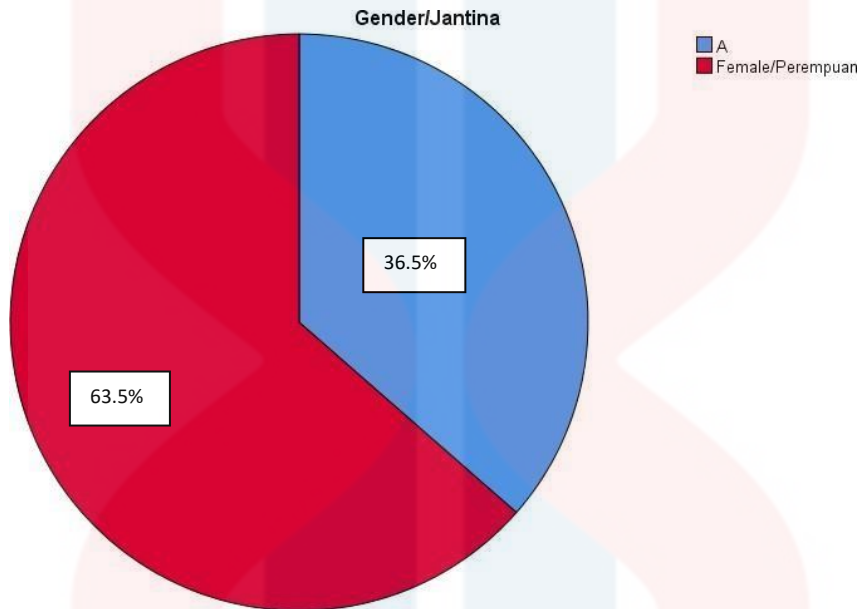
PIE CHART

Figure 4.1: Gender
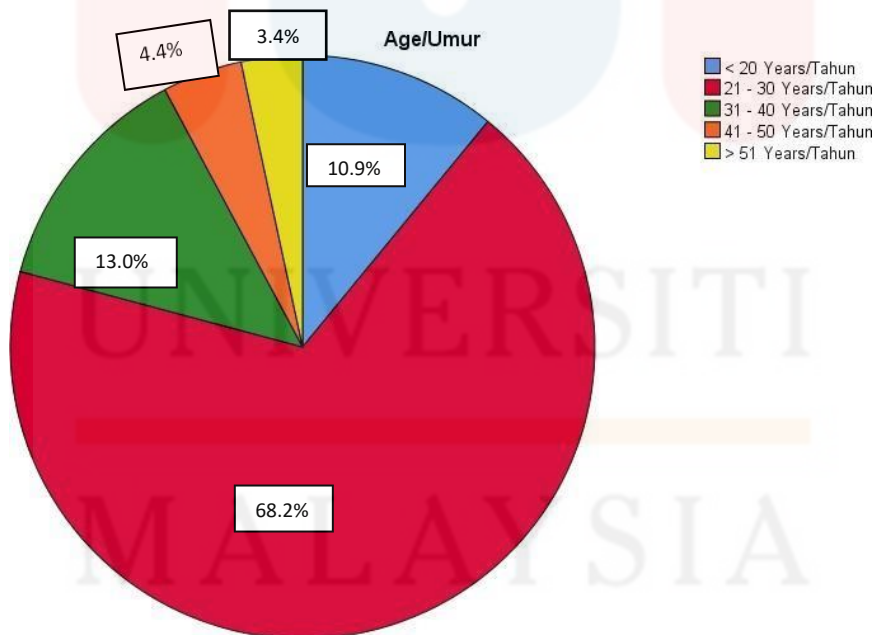
Figure 4.2: Age
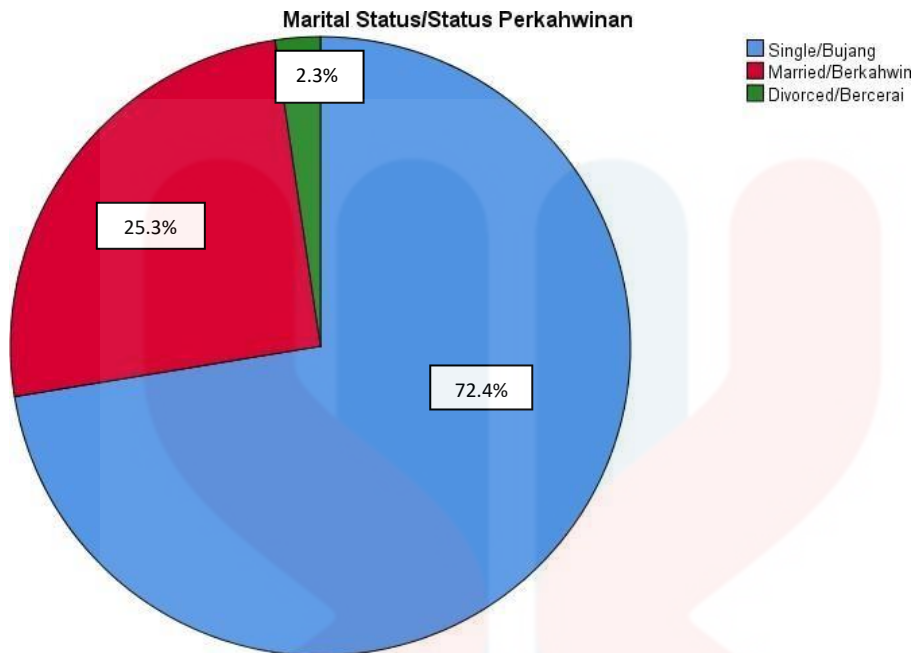
Figure 4.3: Marital Status
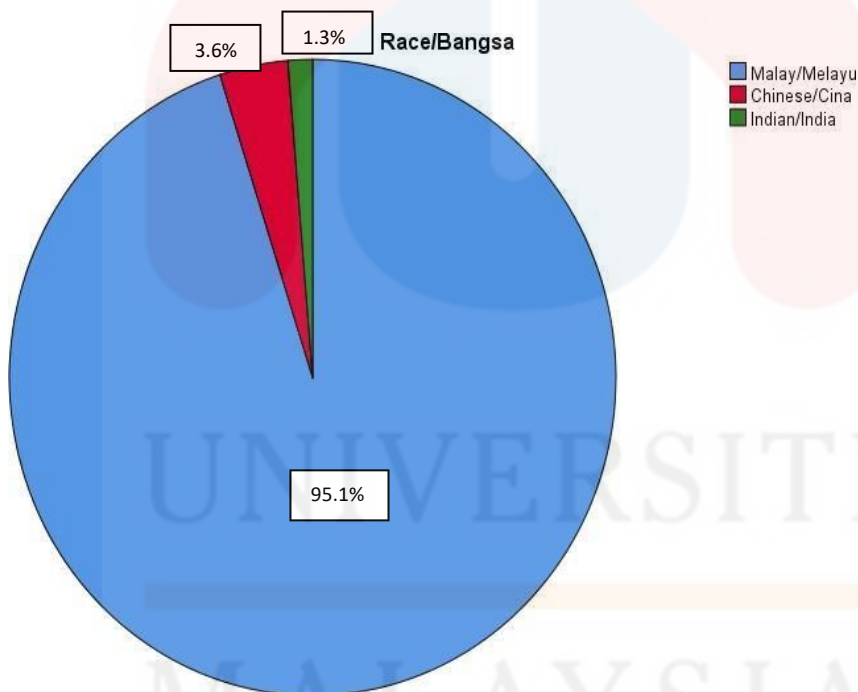
Figure 4.4: Race
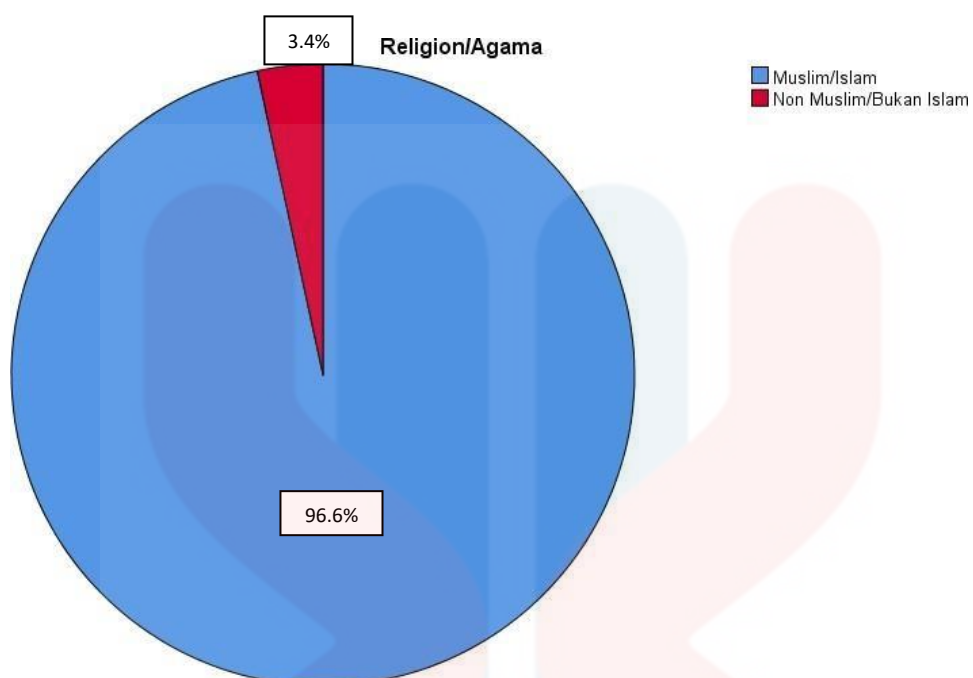
Figure 4.5: Religion
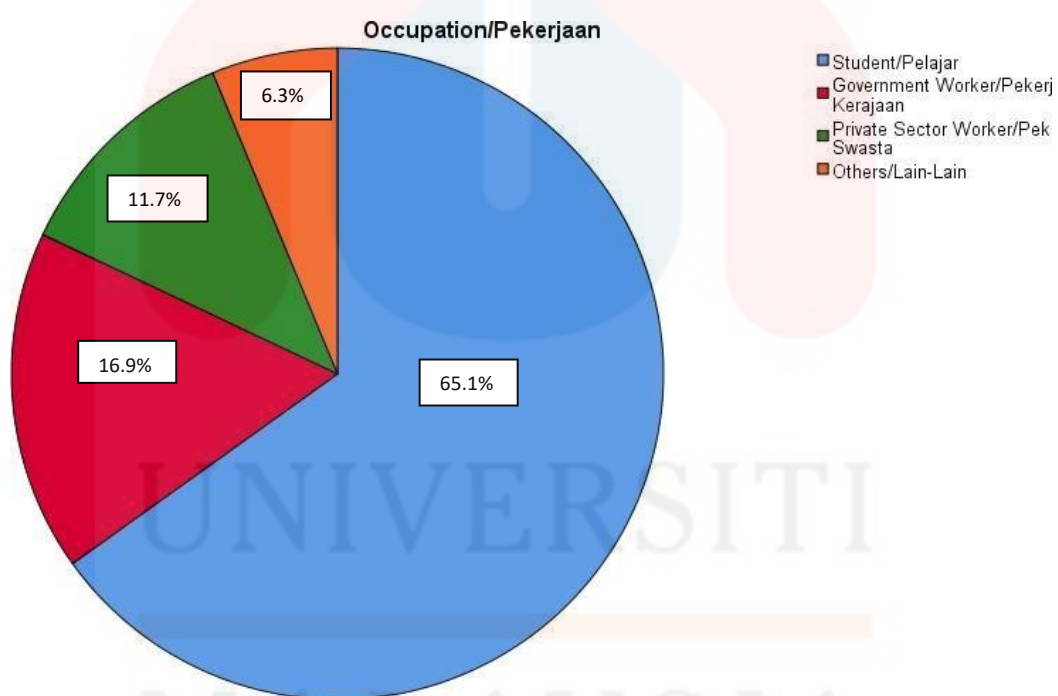
Figure 4.6: Occupation

Experience with Islamic Banking/Pengalaman bersama Perbankan Islam
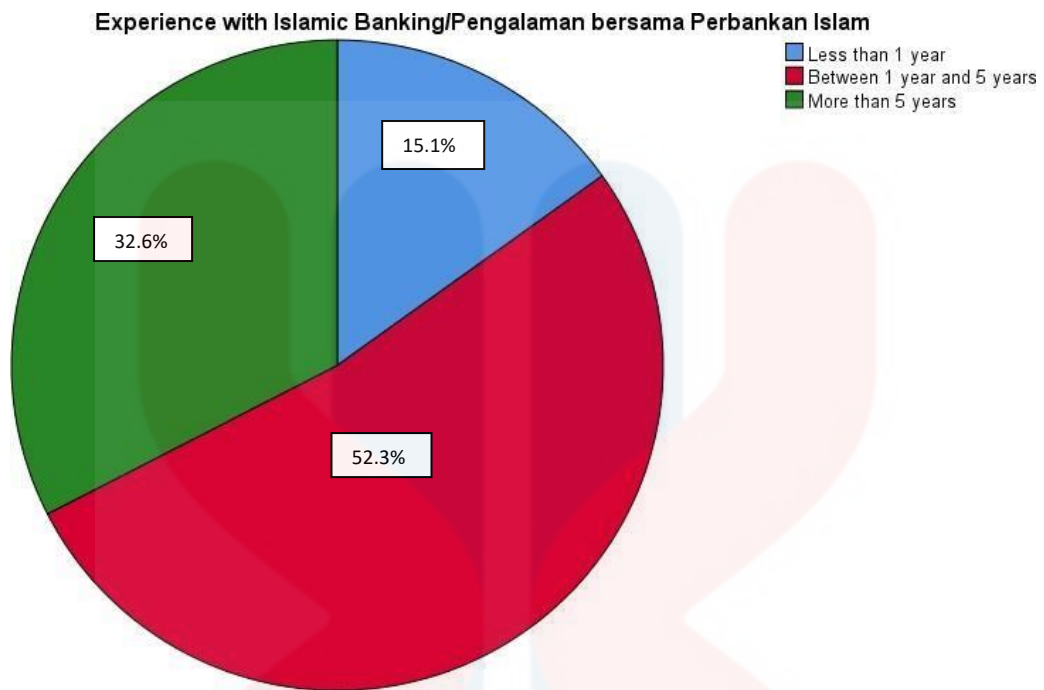
Figure 4.7: Experience with Islamic banking

APPENDIX A: DRAFT OF QUESTIONNAIRE

Factors Influencing the Preference of Customers Toward Using the Products and Services of Islamic Banking in Malaysia.

Assalamualaikum and Salam Sejahtera.

Dear respondents

We are final year students from Faculty of Business Administration (FKP) Universiti Malaysia Kelantan (UMK).

We are currently conduct research on " FACTORS INFLUENCING THE PREFERENCE OF CUSTOMERS TOWARD THE USING OF PRODUCTS AND SERVICES OF ISLAMIC BANKING IN MALAYSIA. The purpose of this study is to identify the attitude factors, the image of the bank factors, religiosity factors and service quality factors influence customers to use Islamic banking products and services in Malaysia. Your participation will contribute to the success of this research. In order to obtain the validity and reliability of good research findings, you must to answer all the questions honestly and sincerely. We greatly appreciate your participation in this research. All the data collection just for academic purpose only.

Thank you.

This questionnaire has FOUR sections. Please answer all sections.

Section A: Demographic Profile

1. Gender *(Jantina)*

Male *(Lelaki)*	
Famale *(Perempuan)*	

2. Age *(Umur)*

<20 years *(tahun)*	
21 – 30 years *(tahun)*	
31 – 40 years *(tahun)*	
41 – 50 years *(tahun)*	
>51 years *(tahun)*	
Other:	

3. Marital status (Status perkahwinan)

Single *(Bujang)*	
Married *(Berkahwin)*	
Divorced *(Bercerai)*	

4. Race *(Bangsa)*

Malay	
Chinese	
Indian	
Other:	

5. Religion *(Agama)*

Muslim *(Islam)*	
Non Muslim *(Bukan Islam)*	

6. Occupation *(Pekerjaan)*

Student *(Pelajar)*	
Government worker *(Pekerja kerajaan)*	
Private sector worker *(Pekerja swasta)*	
Other *(Lain-lain)*	

7. Experience with Islamic banking *(Pengalaman ystem perbankan Islam)*

Less than 1 year *(Kurang dari1 tahun)*	
Between 1 year and 5 year *(Antara 1 tahun dan 5 tahun)*	
More than 5 years *(Lebih dari 5 tahun)*	

Section B: Attitudes Factor

This section is designed to find out the attitudes factor that influence toward the using the product and service of Islamic banking. Please indicate whether you 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) with the following statements below.

Attitudes Factor	1	2	3	4	5
6. I choose Islamic banking products and services because its follow the Islamic law and principles. *(Saya memilih produk dan perkhidmatan perbankan islam kerana ia berpandukan kepada undang-undang dan prinsip Islam.)*					
2. I choose Islamic banking products and services because of the offering financial counseling. . *(Saya memilih produk dan perkhidmatan perbankan Islam kerana kaunseling kewangan yang ditawarkan)*					
3. I choose Islamic banking products and services because of the offering lowers interest charges on loans. *(Saya memilih produk dan perkhidmatan perbankan Islam kerana tawaran pengurangan caj faedah pinjaman)*					
4. I choose Islamic banking products and services because of the offering guarantee transactions and savings are secured. *(Saya memilih produk dan perkhidmatan perbankan Islam kerana tawaran jaminan transaksi dan simpanan)*					

5. I choose Islamic banking products and services because of the offering attractive physical facilities. *(Saya memilih produk dan perkhidmatan perbankan Islam kerana menawarkan kemudahan fizikal)*					
6. I choose Islamic banking products and services because it is comparable conventional bank. *(Saya memilih produk dan perkhidmatan perbankan Islam kerana ystemg bank konvensional)*					
7. I choose Islamic banking products and services because it is provides profit sharing investment products. *(Saya memilih produk dan perkhidmatan perbankan Islam kerana menyediakan produk pelaburan perkongsian keuntungan)*					

Section C: The Image of Bank Factor

This section is designed to find out the image of bank factor that influence towards the using of the product and service of Islamic banking. Please indicate whether you 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) with the following statements below.

The Image of Bank Factor	1	2	3	4	5
6. I can evaluate the level of satisfaction in using Islamic banking. *(Saya boleh menilai tahap kepuasan dalam menggunakan perbankan Islam)*					
2. I can compare the level of user satisfaction between Islamic banks. *(Saya boleh membuat perbandingan tahap kepuasan penggunaan antara bank-bank Islam)*					
3. I chose Islamic banking based on its reputation in the banking industry. *(Saya memilih perbankan Islam berdasarkan reputasi mereka dalam industry perbankan)*					
4. I will look at the image of an Islamic bank first before deciding. *(Saya akan melihat kepada image sesebuah perbankan Islam terlebih dahulu sebelum membuat keputusan)*					

	1	2	3	4	5
5. The image of the bank influences my intention to patronize an Islamic banking. *(Imej bank mempengaruhi saya untuk menaungi perbankan Islam).*					
6. I believed a good image can attract many customers to use Islamic banking. *(Saya percaya imej yang baik dapat menarik ramai pelanggan untuk menggunakan perbankan Islam)*					

Section D: Religiosity Factor

This section is designed to find out the religiosity factor that influences towards using the product and service of Islamic banking. Please indicate whether you 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) with the following statements below.

Religiosity Factor	1	2	3	4	5
6. I have self-awareness and interested in choosing an Islamic banking system that follows Shariah. *(Saya mempunyai kesedaran diri dan berminat untuk memilih sistem perbankan Islam yang mengikut Syariah.)*					
2. I believe in the Islamic banking system that has no elements riba' (increase on the loan amount) in offering its products and services. *(Saya percaya bahawa ystem perbankan Islam tidak mempunyai unsur riba' (pertambahan ke atas jumlah pinjaman) dalam menawarkan produk dan perkhidmatan)*					

60

3. I am convinced that the 'Tawarruq' the customers will receive financing at the end of the contract concept used on personal loans according to Islamic banking is the best. *(Saya yakin konsep 'Tawarruq' iaitu pelanggan akan menerima pembiayaan diakhir kontrak yang digunakan untuk pinjaman peribadi mengikut perbankan Islam adalah yang terbaik.)*				
4. Islamic banking promotes Islamic values and ethic in organization based on syariah. *(Perbankan Islam mempromosi nilai dan etika dalam organisasi berlandaskan syariah)*				
5. I choose Islamic banking products and services because of the administration has no doubts which violates sharia law. *(Saya memilih produk dan perkhidmatan perbankan Islam kerana pentadbirannya tidak mempunyai keraguan yang menyalahi undang-undang Syariah).*				
6. The religious factor became my primary motivation to use Islamic banking products and services. *(Faktor agama menjadi motivasi utama saya untuk menggunakan produk dan perkhidmatan perbankan Islam)*				

Section E: Service Quality Factor

This section is designed to find out the service quality factor that influences towards the using of the product and service of Islamic banking. Please indicate whether you 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) with the following statements below.

Service Quality Factor	1	2	3	4	**5**
6. I prefer to use Islamic banking products and services because of the high quality of the customer interaction. *(Saya cenderung untuk menggunakan produk dan perkhidmatan perbankan Islam kerana kualiti interaksi pelanggan yang tinggi)*					
2. I prefer to use Islamic banking products and services because its provide Shariah compliant service quality. *(Saya cenderung menggunakan produk dan perkhidmatan perbankan Islam kerana ia memberikan kualiti perkhidmatan patuh Syariah)*					
3. I prefer to use Islamic banking products and services because of the fast and easy service in financial transactions. *(Saya cenderung menggunakan produk dan perkhidmatan perbankan Islam kerana perkhidmatan yang cepat dan mudah dalam transaksi kewangan)*					
4. I prefer to use Islamic banking products and services because of the offering services that avoids any interest based transaction. *(Saya cenderung menggunakan produk dan perkhidmatan perbankan Islam kerana menawarkan perkhidmatan yang mengelakkan sebarang transaksi berasaskan kepada faedah)*					

5. I prefer to use Islamic banking products and services because of the provides facilities for parking. *(Saya cenderung menggunakan produk dan perkhidmatan perbankan Islam kerana kemudahan parkir yang disediakan)*					
6. I prefer to use Islamic banking products and services because of the staff have sufficient skills, interpersonal communication and good contact with client. *(Saya cenderung menggunakan produk dan perkhidmatan perbankan Islam kerana kakitangan mempunyai kemahiran yang mencukupi, komunikasi interpersonal dan hubungan yang baik dengan pelanggan)*					
7. I prefer to use Islamic banking products and services because of the staff provided has been trained. *(Saya cenderung menggunakan produk dan perkhidmatan perbankan islam kerana kakitangan yang disediakan telah dilatih)*					

Section F: Dependent variable

This section is designed to find out the use of the product and services of Islamic banking. Please indicate whether you 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) with the following statements below.

Dependent Variable	1	2	3	4	5
6. I am a user of Islamic banking. *(Saya merupakan pengguna perbankan Islam)*					
2. I support the services and products provided by Islamic Banking because I am a Muslim. *(Saya menyokong perkhidmatan dan produk yang disediakan oleh Perbankan Islam kerana saya seorang Muslim)*					
3. I was influenced to choose its products and services because of the concept of mudharabah which is fair profit sharing followed by Islamic banking. *(Saya terpengaruh untuk memilih produk dan perkhidmatannya kerana konsep mudharabah iaitu perkongsian untung yang adil diikuti oleh perbankan Islam)*					
4. I use Islamic banking because it considers morality to draw in non-Islamic customers. *(Saya menggunakan perbankan Islam kerana ia sangat mengambil berat berkaitan dengan etika untuk menarik pelanggan bukan Islam)*					
5. I prefer to use Islamic banking because it is Shariah compliant. *(Saya cenderung menggunakan perbankan Islam kerana patuh syariah)*					
6. I prefer to use Islamic banking because it uses the concept of "profit" obtained from transactions permitted by Shariah such as sales contracts. *(saya cenderung menggunakan perbankan islam kerana ia menggunakan konsep "untung" yang diperoleh daripada transaksi yang dibenarkan oleh syarak seperti kontrak jual beli)*					

APPENDIX B: GANTT CHART

NO	ACTIVITIES/ WEEKS	PPTA 1				PPTA 2		
		MAY	JUNE	JULY	OCT	NOV	DEC	JAN
1	Identify issues/problems of research	🟥						
2	Read articles on the study's topic.	🟥						
3	Determine the study's objectives.	🟥						
4	Submission of the Research Project Proposal draft to the supervisor		🟥					
5	Make a Corrections		🟥					
6	Make a research proposal.			🟥				
7	Proposal submission			🟥				
8	Online presentation			🟥				

No	Activity							
9	Develop questionnaires				■			
10	Make correction for FYP 1				■	■		
11	Have a pilot test				■			
12	Dispense the questionnaires				■	■		
13	Data transferred into SPSS.					■		
14	Complete research proposal chapter 4					■	■	
15	Complete research proposal chapter 5						■	
16	Complete research proposal submission to supervisor						■	
17	Check Turnitin						■	
18	Make a Correction							■
19	Presentation							■

UMK/FKP/PPTA/03

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Kod/Nama Kursus*:*
Code/ Course Name:
Sesi/*Session:*
Semester*:*
Nama Program/*Name of Programme:* SAK, SAB, SAL, SAR, SAP, SAH, SAW
Fakulti/Pusat/*Faculty/Centre:* Fakulti Keusahawanan Dan Perniagaan/
                                                    Faculty of Entrepreneurship and Business

Pengesahan Penyaringan Plagiat/ *Verification of Plagiarism Screening*

Saya, Noorita Binti Jaafar (A19A0438), Nor Hanan Binti Mohd Azlan (A19A0454), Nor Sahira Binti Ismail (A19A0462), Nor Salsabila Binti Mat Saluwi (A19A0463) dengan ini mengesahkan Kertas Projek Penyelidikan ini telah melalui saringan aplikasi turnitin. Bersama ini dilampirkan sesalinan laporan saringan Turnitin dengan skor persamaan sebanyak ………%.

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Tajuk Kertas Kerja Penyelidikan/ *The Tittle of Research Project Paper*:-

FACTORS INFLUENCING THE PREFERENCE OF CUSTOMERS TOWARD USING THE PRODUCTS AND SERVICES OF ISLAMIC BANKING IN MALAYSIA

Tandatangan/*Signature*

Nama Pelajar/*Student Name*: NOORITA BINTI JAAFAR

No.Matrik/*Matrix No*: A19A0438

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Tandatangan/*Signature*

Nama Pelajar/*Student Name*: NOR HANAN BINTI MOHD AZLAN

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Tandatangan/*Signature*

Nama Pelajar/*Student Name*: NOR SALSABILA BINTI MAT SALUWI

No.Matrik/*Matrix No*: A19A0463

Tarikh/*Date*:

Pengesahan
Penyelia/*Supervisor*:

Tandatangan/*Signature:*

Tarikh/*Date:*

ASSESSMENT FORM FOR FINAL YEAR RESEARCH PROJECT (PPTAII): REFLECTIVE NOTE (Weight 20%)
(COMPLETED BY SUPERVISOR)

Student's Name: <u>NOORITA BINTI JAAFAR</u>   Matric No. <u>A19A0438</u>
Student's Name: <u>NOR HANAN BINTI MOHD AZLAN</u>   Matric No. <u>A19A0454</u>
Student's Name: <u>NOR SAHIRA BINTI ISMAIL</u>   Matric No. <u>A19A0462</u>
Student's Name: <u>NOR SALSABILA BINTI MAT SALUWI</u>   Matric No. <u>A19A0463</u>
Name of Supervisor: <u>DR. NUR SYAFIQAH BINTI A. SAMAD</u>   Name of Programme: <u>SAB</u>
Research Topic: <u>FACTORS INFLUENCING THE PREFERENCE OF CUSTOMERS TOWARD USING THE PRODUCTS AND SERVICES OF ISLAMIC BANKING IN MALAYSIA</u>

NO.	CRITERIA	PERFORMANCE LEVEL				WEIGHT	TOTAL
		POOR (1 MARK)	FAIR (2 MARKS)	GOOD (3 MARKS)	EXCELLENT (4 MARKS)		
1.	**Content (10 MARKS)** (Research objective and Research Methodology in accordance to comprehensive literature review) Content of report is systematic and scientific (Systematic includes Background of study, Problem Statement, Research Objective, Research Question) (Scientific refers to researchable topic)	Poorly clarified and not focused on Research objective and Research Methodology in accordance to comprehensive literature review.	Fairly defined and fairly focused on Research objective and Research Methodology in accordance to comprehensive literature review.	Good and clear of Research objective and Research Methodology in accordance to comprehensive literature review with good facts.	Strong and very clear of Research objective and Research Methodology in accordance to comprehensive literature review with very good facts.	_____ x 1.25 (Max: 5)	
		Content of report is written unsystematic that not include Background of study, Problem Statement, Research Objective, Research Question and unscientific with unsearchable topic.	Content of report is written less systematic with include fairly Background of study, Problem Statement, Research Objective, Research Question and less scientific with fairly researchable topic.	Content of report is written systematic with include good Background of study, Problem Statement, Research Objective, Research Question and scientific with good researchable topic.	Content of report is written very systematic with excellent Background of study, Problem Statement, Research Objective, Research Question and scientific with very good researchable topic.	_____ x 1.25 (Max: 5)	

ASSESSMENT FORM FOR FINAL YEAR RESEARCH PROJECT (PPTAII): REFLECTIVE NOTE (Weight 20%)
(COMPLETED BY SUPERVISOR)

2.	Overall report format (5 MARKS)	Submit according to acquired format	The report is not produced according to the specified time and/ or according to the format	The report is produced according to the specified time but fails to adhere to the format.	The report is produced on time, adheres to the format but with few weaknesses.	The report is produced on time, adheres to the format without any weaknesses.	____ x 0.25 (Max: 1)	
		Writing styles (clarity, expression of ideas and coherence)	The report is poorly written and difficult to read. Many points are not explained well. Flow of ideas is incoherent.	The report is adequately written; Some points lack clarity. Flow of ideas is less coherent.	The report is well written and easy to read; Majority of the points is well explained, and flow of ideas is coherent.	The report is written in an excellent manner and easy to read. All of the points made are crystal clear with coherent argument.	____ x 0.25 (Max: 1)	
		Technicality (Grammar, theory, logic and reasoning)	The report is grammatically, theoretically, technically and logically incorrect.	There are many errors in the report, grammatically, theoretically, technically and logically.	The report is grammatically, theoretically, technically and logically correct in most of the chapters with few weaknesses.	The report is grammatically, theoretically, technically, and logically perfect in all chapters without any weaknesses.	____ x 0.25 (Max: 1)	
		Reference list (APA Format)	No or incomplete reference list.	Incomplete reference list and/ or is not according to the format.	Complete reference list with few mistakes in format adherence.	Complete reference list according to format.	____ x 0.25 (Max: 1)	
		Format organizing (cover page, spacing, alignment, format structure, etc.)	Writing is disorganized and underdeveloped with no transitions or closure.	Writing is confused and loosely organized. Transitions are weak and closure is ineffective.	Uses correct writing format. Incorporates a coherent closure.	Writing include a strong beginning, middle, and end with clear transitions and a focused closure.	____ x 0.25 (Max: 1)	

ASSESSMENT FORM FOR FINAL YEAR RESEARCH PROJECT (PPTAII): REFLECTIVE NOTE (Weight 20%)
(COMPLETED BY SUPERVISOR)

3.	Research Findings and Discussion (20 MARKS)	Data is not adequate and irrelevant.	Data is fairly adequate and irrelevant.	Data is adequate and relevant.	Data is adequate and very relevant.	____ x 1 (Max: 4)	
		Measurement is wrong and irrelevant	Measurement is suitable and relevant but need major adjustment.	Measurement is suitable and relevant but need minor adjustment.	Measurement is excellent and very relevant.	____ x 1 (Max: 4)	
		Data analysis is inaccurate	Data analysis is fairly done but needs major modification.	Data analysis is satisfactory but needs minor modification.	Data analysis is correct and accurate.	____ x 1 (Max: 4)	
		Data analysis is not supported with relevant output/figures/tables and etc.	Data analysis is fairly supported with relevant output/figures/tables and etc.	Data analysis is adequately supported with relevant output/figures/table and etc.	Data analysis is strongly supported with relevant output/figures/table and etc.	____ x 1 (Max: 4)	
		Interpretation on analyzed data is wrong.	Interpretation on analyzed data is weak.	Interpretation on analyzed data is satisfactory.	Interpretation on analyzed data is excellent	____ x 1 (Max: 4)	
4.	Conclusion and Recommendations (15 MARKS)	Implication of study is not stated.	Implication of study is weak.	Implication of study is good.	Implication of study is excellent	____ x 1.25 (Max: 5)	
		Conclusion is not Stated.	Conclusion is weakly explained.	Conclusion is satisfactorily explained.	Conclusion is well explained.	____ x 1.25 (Max:5)	
		Recommendation is not adequate and irrelevant.	Recommendation is fairly adequate and irrelevant.	Recommendation is adequate and relevant.	Recommendation is adequate and very relevant.	____ x 1.25 (Max:5)	
						TOTAL (50 MARKS	

ASSESSMENT FORM FOR FINAL YEAR RESEARCH PROJECT (PPTAII): REFLECTIVE NOTE (Weight 20%)
(COMPLETED BY SUPERVISOR)

Title of Paper: _____

Student's Name: NOORITA BINTI JAAFAR   Matric No. A19A0438
Student's Name: NOR HANAN BINTI MOHD AZLAN   Matric No. A19A0454
Student's Name: NOR SAHIRA BINTI ISMAIL   Matric No. A19A0462
Student's Name: NOR SALSABILA BINTI MAT SALUWI   Matric No. A19A0463

CATEGORY	POOR (1-3)	AVERAGE (4-6)	GOOD (7-9)	EXCELLENT (10-12)	SCORE
Abstract	Problem is vague, does not provide a summary of the whole project	Summarizes problem, method, results and conclusions with limited details	Summarizes problem, method, results, and conclusions but lacks some details	Clearly states problem to be resolved, coherently summarizes method, results, and conclusions	___ x 5 / 12 =
Introduction	Fails to identify a relevant research topic or is not clearly defined and/or the paper lacks focus throughout.	Identifies a research topic but may be too broad in scope, somewhat unclear and needs to be developed further.	Identifies a relevant research topic that provides adequate direction for the paper with some degree of interest for the reader.	Identifies a relevant research topic that provides direction for the paper that is engaging and thought provoking.	___ x 15 / 12 =
Research Methods	Little of explanation provided for the choice of methodology and few links made to the research objective. Research methodology is no connection to the theoretical framework	Some explanation provided for the choice of methodology and its links to the research objective. Research methodology is limited connection to the theoretical framework.	A good explanation of the choice of methodology and its links to the research objective. Research methodology is provided connection to the theoretical framework	Clear explanation of the choice of methodology and its links to the research objective. Research methodology is clearly supports the theoretical framework.	___ x 15 / 12 =
Analysis and Discussion	Demonstrates a lack of understanding and inadequate analysis of the research topic. Analysis is superficial based on opinions and preferences rather than critical analysis.	Demonstrates general understanding with limited critical analysis of the research topic. Summarizes perspectives, counter-arguments, or opposing positions.	Demonstrates an understanding and some critical analysis of the research topic. Adequately compares/contrasts perspectives, counter-arguments, or opposing positions but broader connections and/or implications are not as thoroughly explored.	Demonstrates a sophisticated understanding and careful, critical analysis of the research topic. Compares/contrasts perspectives, considers counter arguments or opposing positions, and draws original and thoughtful conclusions with future implications.	___ x 30 / 12 =
Conclusion and Future Research	Presents a conclusion, irrelevant recommendations and/or implications for future research	Presents a conclusion, limited recommendations and/or implications for future research	Presents a conclusion, logical recommendations and/or implications for future research	Presents a coherent conclusion, clear recommendations and/or implications for future research	___ x 15 / 12 =

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Organization	Paper lacks logical organization and impedes readers' comprehension of ideas.	Paper is somewhat organized, although occasionally ideas from paragraph to paragraph may not flow well and/or connect to the central position or be clear as a whole.	Paper is adequately organized. Ideas are arranged reasonably with a progression of thought from paragraph to paragraph connecting to the central position.	Paper is effectively organized. Ideas are arranged logically, flow smoothly, with a strong progression of thought from paragraph to paragraph connecting to the central position.	___ x 10 12 =
Format and References	Frequent errors in spelling, grammar, punctuation, spelling, usage, and/or formatting. Does not cite sources.	Some errors in spelling, grammar, punctuation, usage, and/or formatting. Citation style is either inconsistent or incorrect.	Minor errors in grammar, punctuation, spelling, usage, and/or formatting. APA citation style is used in both text and references.	Basically free from grammar, punctuation, spelling, usage, or formatting errors. APA citation style is used in both text and references.	___ x 10 12 =
				TOTAL (100 MARKS)	
				GRAND TOTAL (10%)	

ASSESSMENT FORM FOR FINAL YEAR RESEARCH PROJECT (PPTAII): REFLECTIVE NOTE (Weight 20%)
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Student's Name: <u>NOORITA BINTI JAAFAR</u>   Matric No. <u>A19A0438</u>
Student's Name: <u>NOR HANAN BINTI MOHD AZLAN</u>   Matric No. <u>A19A0454</u>
Student's Name: <u>NOR SAHIRA BINTI ISMAIL</u>   Matric No. <u>A19A0462</u>
Student's Name: <u>NOR SALSABILA BINTI MAT SALUWI</u>   Matric No. <u>A19A0463</u>
Name of Supervisor: <u>DR. NUR SYAFIQAH BINTI A. SAMAD</u>   Name of Programme: <u>SAB</u>
Research Topic: <u>FACTORS INFLUENCING THE PREFERENCE OF CUSTOMERS TOWARD USING THE PRODUCTS AND SERVICES OF ISLAMIC BANKING IN MALAYSIA</u>

NO.	CRITERIA	PERFORMANCE LEVEL				WEIGHT	TOTAL
		POOR (1 MARK)	FAIR (2 MARKS)	GOOD (3 MARKS)	EXCELLENT (4 MARKS)		
1.	Determination	Is not determined and does not put in any effort in completing the research report	Is determined but puts in little effort in completing the research report	Is determined and puts in reasonable effort in completing the research report	Is very determined and puts in maximum effort in completing the research report	____ x 1 (Max: 4)	
2.	Commitment	Is not committed and does not aim to complete on time and/ or according to the requirements.	Is committed but makes little effort to complete according to the requirements	Is committed and makes reasonable effort in fulfilling some of the requirements	Is very committed and makes very good effort in fulfilling all the requirements, without fail.	____ x 1 (Max: 4)	
3.	Frequency in meeting supervisor	Has not met the supervisor at all.	Has met the supervisor but less than five times.	Has met the supervisor for at least five times.	Has met the supervisor for more than five times.	____ x 1 (Max: 4)	
4.	Take corrective measures according to supervisor's advice	Has not taken any corrective action according to supervisor's advice.	Has taken some corrective actions but not according to supervisor's advice, or with many mistakes.	Has taken some corrective actions and most are according to supervisor's advice, with some mistakes.	Has taken corrective actions all according to supervisor's advice with few mistakes.	____ x 1 (Max: 4)	
5.	Initiative	Does not make any initiative to do the research.	Make the initiative to work but requires consistent monitoring.	Make the initiative to do the research with minimal monitoring required.	Makes very good initiative to do the research with very little monitoring required.	____ x 1 (Max: 4)	
	TOTAL (20 MARKS)						/20

TOTAL MARKING SCHEME

Assessment	Marks Given By Supervisor	Marks Given By Examiner	Total
(A) Effort (10%)			
(B) Oral Presentation (20%)			/ 2 =
(C) Research Report (60%)			/ 2 =
(D) Peer Evaluation (10%)i)			i)
ii)			ii)
iii)			iii)
iv)			iv)
Grand Total			i)
Grand Total			ii)
Grand Total			iii)
Grand Total			iv)

Name of Supervisor/ Examiner:_____Signature:_____Date