

**FACTORS OF SAVING INTENTION IN ISLAMIC
BANKING INSTITUTIONS AMONG UNIVERSITY
STUDENTS IN KELANTAN**

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ABSTRACT

Islamic banks provide investment products and services to meet the needs of Muslim consumers, and university students are potential customers for these institutions. The purpose of this research is to investigate the factors of saving intention in Islamic banking institutions among university students in Kelantan. Qualitative research was used in this study. The information is gathered through primary sources like interviews and focus groups were students. This interview selected university students in Kelantan as informants in this study. There are 8 informants who were selected to assist in providing information about this study. This research also was influenced by previous research to learn about the varied outcomes. This study demonstrates that financial literacy, religiosity, and parental recommendation are valid as factors of saving intention in Islamic banking institutions among university students in Kelantan. The finding of the factors of saving in Islamic banking institutions among university students in Kelantan has research limitations. The author finds that due to movement limits, the researchers were unable to complete a comprehensive study of university students in Malaysia but only in Kelantan. The researcher expects that after this, there will be a more accurate and in-depth examination of the variables of saving among Malaysian students studying Islamic banking. Practically, this study contributes to the understanding of the Islamic finance industry in Malaysia as a foundation for imagining, developing, and implementing appropriate methods to introduce Islamic banking to others. This study makes use of an improved Theory of Planned Behaviour (TPB) but also Theory of Reasoned Action (TRA).

Keywords: Islamic banks, Saving, Intention, University Students, Financial Literacy, Religiosity, Parental Recommendation.

ABSTRAK

Bank Islam menyediakan produk dan perkhidmatan pelaburan untuk memenuhi keperluan pengguna Islam, dan pelajar universiti adalah pelanggan berpotensi untuk institusi ini. Kajian ini bertujuan untuk mengkaji faktor-faktor niat menabung di institusi perbankan Islam dalam kalangan pelajar universiti di Kelantan. Kajian kualitatif digunakan dalam kajian ini. Maklumat dikumpul melalui sumber primer seperti temu bual dan kumpulan fokus adalah pelajar. Temu bual ini telah memilih pelajar universiti di Kelantan sebagai peserta dalam kajian ini. Seramai 8 orang peserta telah dipilih untuk membantu dalam memberikan maklumat tentang kajian ini. Kajian ini juga dipengaruhi oleh kajian lepas untuk mengetahui keputusan yang berbeza. Kajian ini menunjukkan bahawa celik kewangan, agama, dan saranan ibu bapa adalah sah sebagai faktor niat untuk menabung di institusi perbankan Islam dalam kalangan pelajar universiti di Kelantan. Penemuan faktor penjimatan di institusi perbankan Islam dalam kalangan pelajar universiti di Kelantan mempunyai batasan kajian. Penulis mendapati disebabkan sekatan pergerakan, pengkaji tidak dapat menyiapkan kajian menyeluruh pelajar universiti di Malaysia tetapi hanya di Kelantan. Pengkaji menjangkakan selepas ini akan ada pemeriksaan yang lebih tepat dan mendalam terhadap pembolehubah simpanan dalam kalangan pelajar Malaysia yang mempelajari perbankan Islam. Secara praktikalnya, kajian ini menyumbang kepada pemahaman industri kewangan Islam di Malaysia sebagai asas untuk membayangkan, membangun, dan melaksanakan kaedah yang sesuai untuk memperkenalkan perbankan Islam kepada orang lain. Kajian ini menggunakan Teori Tingkah Laku Terancang (TPB) yang dipertingkatkan tetapi juga Teori Tindakan Beralasan (TRA).

Kata Kunci: Bank Islam, Simpanan, Niat, Pelajar Universiti, Celik Kewangan, Keagamaan, Saranan Ibu Bapa.

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Islam forbids its people from committing and engaging in haram (unlawful) things and means of gaining it, such as Riba (interest), bribery, fraud, Maysir (gambling), theft, liquor selling, and prostitution. Savings are typically kept in a banking institution. Muslims must choose shariah-compliant banking or also known as Islamic banking institutions. In conformity with Islamic law, the Islamic Banking system will implement the practice of conducting financial transactions. The concept of Islamic banking is based on two main sources, namely the Quran and Hadith. Profit and loss sharing of financial resources, including the restriction on collecting and paying interest on lenders and investors, are among the defining characteristics of Islamic banking. This matter is very much emphasised in the Islamic banking system. Shariah must be followed in all Islamic banking transactions. Islamic law is based on the teachings of the Quran and guided by hadith. Every transaction in Islamic banking will be governed by the rules in muamalat fiqh. Islamic banks offer a wide range of financial products to fulfil the demands of its consumers, particularly Muslims (Peni & Faizah, 2020).

As time passes, many economic activities expand in tandem with the advancement of contemporary technology. All economic operations become limitless with time and place, and banking activities are no exception. Almost all contemporary economic activity makes use of banking services such as storage and lending. As the demand for financing has increased from year to year, the number of bank and non-bank financial institutions, both government-owned and private, has increased. People from all walks of life must have utilised good banking

services in the form of loans and investment or savings (Mia & Maimun, 2018). Not least among these are Islamic financial institutions. Islamic banking has also established a position and a preference among the Malaysian people. According to Moody's Investors Service, Islamic banking institutions in Malaysia are one of the most advanced industries in the world. Investment Services Organisation mentioned that Islamic finance has risen faster than conventional financing during the last five years. "As of 31 December 2021, Shariah-compliant finance stood for 42.5 percent of overall financing in Malaysia," said Moody's Investors Service in a note. Islamic banking, according to Moody's Investors Service, benefits from a full Islamic financial ecosystem that includes Sukuk, Takaful, and Islamic funds (Mohd Zaky Zainuddin, 2022).

The ability to save in banks is not restricted to those who have worked and received a monthly pay check. However, bank deposits are also widespread among university students. Students are potential bank customers due to the fact that they must save money from their parents and education loans to pay for their schooling and living expenses. In addition, they will work and receive a wage in a few years, which will necessitate a bank savings account (Peni & Faizah, 2020). Besides, not all university students study full-time; others work part-time and run a business. As a result, their earnings will be deposited in a bank. Similarly, when it comes to paying university fees, almost all students will do so through a bank. The question is, do most university students choose Islamic banking for their savings?

All university students, and particularly those in Kelantan, have the option between Islamic and conventional banking due to their diverse religious and cultural backgrounds. Muslim students will prefer banks that provide a shariah-compliant banking system even if they do not have extensive knowledge in Islamic banking system. Religion is one of the

determining factors for individuals seeking the services of a Sharia Bank. Most people who use Islamic banking services do so because they have strong religious tendencies in their lives. The religious people will feel tranquillity as a result of their adherence to Shariah-compliant economic practices (Hariyanto & Bariyyatin, 2022). Many researchers, including Nugraheni and Widyani (2020) and Charag et al. (2019), have discovered a positive and significant effect of religiosity on saving in Islamic banks.

On the other hand, according to Ajzen's Theory of Planned Behavior (TPB), attitudes have an indirect effect on specific behaviour because of an intercorrelation with subjectively perceived standards and perceived behaviour (Hanelore & Corinna, 2019). As a result, the decision to invest in a Shariah-compliant financial institution is influenced by a variety of factors. A student behaves in accordance with their interests, and they make decisions based on what they want to do now or in the future. Certain article writers have given several reasons why university students want to save in Islamic banks. The factor also included service quality (Hariyanto & Nafi'ah, 2022), knowledge about products (Nadia & Anas, 2021), social environment and religiosity (Maryanto, Setyabudi & Riyanto, 2022), and last is pocket money toward Saving Interests (Fanny, Mardi & Santi, 2021).

1.2 Problem Statement

The issue that led to the existence of this study is when the savings deposit in the conventional banking system is higher than the savings deposit in Islamic banking system. As reported in Monthly Highlight and Statistics of Bank Negara Malaysia in latest update data, it shows total savings deposit in Malaysia banking system in August 2021 is RM 237503.0 million. From the total savings deposit, it indicates that the total deposit saving in the conventional banking system is RM 166 812.7 million. However, the total savings deposit in Islamic banking system is RM 70690.3 million. This result indicates that Islamic banking system in Malaysia is still lower than conventional although most of the Malaysians are Muslims. Perhaps most Malaysians do not have the awareness to save in Islamic banking which makes them still choose conventional banks over Islamic banks to open the savings account. Therefore, this research is required in order for Malaysians to clearly understand the concept of Islamic banking especially in saving accounts by obtaining the opinion of university students who have bank accounts regarding which factors to choose for this study between financial literacy, religiosity and parental recommendation.

In Islamic banking institutions, it is also associated with an issue that is commonly heard by depositors, namely the issue of riba. The general public who does not have extensive knowledge will give the impression that conventional banking institutions are similar to Islamic banking institutions. This causes the public to prefer to save in conventional banking institutions than in Islamic banking institutions. Conventional banking institutions are indeed wise in making profits in any way without regard to Islamic law as compared to Islamic banking institutions that make profits that do not conflict with Islam. This is supported by the online daily news (2018) said the new Islamic financial system that can help Muslims to avoid getting involved with the elements of usury which is the backbone of the conventional financial system.

This research looks at the variables that affect Muslim students' desire to save money in Islamic banks which cause percentages of saving in Islamic banking institutions increase. According to Chalimah et al., (2019), internal traits like religion, personality, and knowledge may impact saving behaviour in addition to external influences like family, culture, and demography (2019). Through Islamic colleges that teach Islamic accounting, young people may be exposed to Islamic financial organisations (IFIs). The growth of IFIs will be aided by encouraging students to do their business with Islamic banks. A sizable market sector, young people, provide a new source of income and, thus, future profitability (Mokhlis et al., 2011). People's choice to utilise Islamic banks is influenced by a variety of factors, including their culture, way of life, and political system (Ltifi et al., 2016). Furthermore, Widyastuti et al. (2016) also examine the impact of financial literacy on student teachers' saving intentions and behaviours. Furthermore, less research is done in Malaysia, particularly in Kelantan, than is done overseas by most researchers. Studies on saving that have been undertaken in Indonesia (Abu,2021: Hariyanto & Nafi'ah, 2022: Nugraheni & Widyani, 2019).

From the factors of saving intention in Islamic banking institutions identified among university students in Kelantan, this study is expected to provide awareness and exposure to the public to save in Islamic banking. If this study is not implemented, deposit savings in Islamic banking system will not be able to compete with the value of deposit savings in conventional banking while the majority of Malaysians are Muslims who are required to carry out savings activities in Islamic banking. As a result, this study will look more closely at factors of saving intention in Islamic banking institutions among university students in Kelantan.

1.3 Research Question

The research question has been developed for the purpose of achieving the objectives of the study:

1. Does financial literacy influence saving intentions in Islamic banking institutions among university students in Kelantan?
2. Does religiosity influence saving intentions in Islamic banking institutions among university students in Kelantan?
3. Does parental recommendation influence saving intention in Islamic banking institutions among university students in Kelantan?

1.4 Research Objectives

The main objective of this study is to determine whether university students in Kelantan intended to save in Islamic banking institutions. More specifically, this study will attempt to:

1. To identify financial literacy being the factors of savings intention in Islamic Banking institutions among university students in Kelantan.
2. To investigate the role of religiosity as the factors of savings intention in Islamic banking institutions among university students in Kelantan.
3. To examine parental recommendation being the factors of savings intention in Islamic Banking institutions among university students in Kelantan

1.5 Scope of The Study

The purpose of the study was to investigate the saving intention in Islamic banks among university students in Kelantan. This study focuses on the factors of saving intention in Islamic banking institutions. It is important to understand the savings factors in Islamic banks for university students since most university students are in desperate need of savings from banks and must save money provided to them by their parents to pay for their education and housing bills. The scope of this study was influenced by university students in Kelantan. The empirical study in the research is restricted to 3 universities in Kelantan wherein the opinions to 8 students' viewpoints investigated in an interview session. The informants are from Universiti Malaysia Kelantan (UMK), Universiti Sains Malaysia Universiti Sains Malaysia (USM) and Universiti Teknologi MARA. The scope of this study is limited to Kelantan and more specifically to that university student. Kelantan was chosen for our study because it is primarily populated by Muslims. According to Department of Statistic Malaysia in Kelantan is a relatively high number of public and private university students. Mostly, Islamic banking offers financial products to satisfy Muslim users' transactional needs.

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1.6 Significance of the Study

This research focuses on saving intentions in Islamic banking institutions among students in Kelantan. This will show the level of students in Kelantan's knowledge about saving in Islamic banking institutions. Some students are unfamiliar with the concept of saving in Islamic banking. Thus, this research aims to promote awareness of the necessity of saving in Islamic banking. As discussed below, there will be four stakeholders who will benefit from this study:

1.6.1 University Students

University students receive money from their parents, and some of them, particularly Muslim students, keep money in Islamic banks on their parents' suggestion. Students can learn about Islamic banking from a variety of sources, with colleges offering courses in Islamic economics, finance, and accounting that are tailored to students' needs. Students can use other resources, such as the internet and books, to assist them better comprehend the subject. Due to a lack of awareness of Islamic banking, Australian Muslims avoid utilising Islamic banks (Rammal & Zurbruegg, 2007). To grasp Islamic banking's mechanics, this author concludes that Muslims should study more about it.

1.6.1 Parents

Parents always fulfil their responsibilities by supporting life and giving money for their children who are still studying, including those studying at the university level. Therefore, they must learn how to save in the right profession such as in the banking system. Their parents must also teach their children proper money and savings management techniques. University students must act wisely in managing the money

they earn to pay university fees and cover their living while at university. Ta and Har (2000) and Awan and Bukhari (2011) assert that a person's intention and behaviour to make savings in Islamic banking is influenced by the recommendations of their parents or close friends.

1.6.2 Islamic Universities

It is crucial for educational institutions, in particular Islamic universities, to play a role in introducing young people to Islamic financial institutions. Students in higher education should be taught the importance of saving their money in sharia banks so that they can be better stewards of their financial resources. Since they represent new revenue sources and, therefore, future income, young people make up a big portion of the market (Mokhlis et al., 2011). Whether or not a person chooses to use Islamic banks depends on the individual's culture, lifestyle, and political system (Ltifi et al., 2016). Thus, Islamic universities must understand their role to educate and influence more people to save in Islamic banking.

1.6.3 Islamic Banking Institution

Islamic Banking provides the finest goods and services that are specifically customised to the demands of Muslim customers. Islamic banks must retain and create ties with their consumers in order to remain competitive (Aurier & N'Goala, 2010). Individual depositors, as well as Islamic banks, must pay close attention to, maintain, and grow their trust and commitment (Peter Ayeni & Peter Ball, 2010). Islamic banking is a rapidly expanding branch of the banking industry (Abou-Youssef et al., 2015). In terms of recruiting Muslims who wish to meet their religious and banking needs, the market holds a lot of promise (Muslim et al., 2013). Islamic banks can acquire non-Muslim customers due to profit-sharing and risk-sharing (Saleh et al., 20

1.7 Definition of Terms

There are a few terms that will be used throughout this research study. These terms are usually employed to assist readers in comprehending the research paper's content. The following terms will be regularly used:

1.7.1 Saving Intention

Saving is defined as an amount of money or time that people do not spend. Savings are divided into several forms, such as an increase in bank deposits, an increase in cash or the purchase of securities. Intention is defined as a plan or purpose to do something (Oxford Dictionary, 2015). While “intention” is briefly defined as a person’s willingness to obtain something desired, especially for future use as opposed to present use including in influencing a person’s intention to save. Saving is also defined as the activity of saving a portion of the money for which you have access to investment funds. It has a tendency to be clearly beneficial for the future (Hutasoit et al., 2022). Hence, the researchers defined the saving intention so that the reader better understood the terms used in this study.

1.7.2 Islamic Bank

It is defined as an Islamic institution which operates its management, such as saving and investments, accepting deposits, and providing financial facilities, according to the Islamic teachings or Shariah principles. Bank Islam makes a profit through sale and purchase contracts, profit sharing losses (investments) and several other shariah - recognized contracts. The nature of the activities is the same as any commercial bank except for the operations, which are according to Shariah rules. All activities involving interest (riba), gambling (Maysir), and uncertainty (Gharar) are considered unlawful

(Tarver, 2022). Therefore, the researchers defined the Islamic bank so that the reader will more understand the terms used in this study.

1.7.3 Shariah

Shariah is defined as the legal practice based on the teachings of the Quran and Sunnah (the teachings of the Prophet Muhammad). Literally, it means a way or a path (Abbas et al, 2015). Shariah scholars have different interpretations of what Shariah means. Some scholars define Shariah as rulings concerning the laws and beliefs revealed through the Prophet (PBUH), while others define Shariah as Allah's commands (SWT). All the behaviours that should be practised by Muslims in various areas of life have been set out in guidelines, including aspects of religion, personal life, community life, as well as in finance based on the law (Halton, 2019). For this reason, the researchers defined the shariah so that the reader knows better the terms used in this study.

1.8 Organization of the Thesis

Chapter 1 starting the background to give an overview and context is developed depending on the study's backdrop. That will include background on. Next, the research question, research objectives, scope of the study, significance of the study, operational definition, organization of the thesis and conclusion of the chapter.

Chapter 2 is the literature review. In chapter two, the researcher will discuss in more detail about literature review. This includes an introduction, an evaluation of the available literature from previous studies relevant to the selected topic, underpinning theory, and research gap. Then, the research framework is based on a review of the literature. Lastly, the conclusion of the chapter

Chapter 3 is about research methods. This includes an introduction., research design where this study will use qualitative data. Next, data collection method, study population, sample size, sampling techniques, research instrument development, measurement of the variables, procedure for data analysis, demonstrates how to analyse data acquired. The final section provides a summary of what has been accomplished in this chapter.

Chapter 4 is the data analysis and findings. This includes introduction, findings for financial literacy, financial for religiosity and findings for parental recommendation. Lastly, the conclusion of this chapter.

Chapter 5 is discussion and conclusion. This is including an introduction, main findings, implications of the research, contribution of the research, limitations of the research, recommendations of the research and lastly, the conclusions for the final section that provide the summary of what has been completed in this chapter.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Saving money is the most effective method of financial management for attaining life goals (Murniati et al., 2020). Individuals who achieve a certain level of income frequently start increasing their savings and progressively cutting back on their expenditures. When they approach retirement age, they frequently start spending the money that they have accumulated (Nguyen & Doan, 2020). Students with strong self-discipline may easily regulate their spending and desires, limiting their spending to necessities only. Banks should stress the importance of developing appropriate financial training courses capable of providing students with the needed skills for dealing with financial goods and services. There are many sorts of saving products and services that can compensate for a shortage of motivated individuals and pupils while also optimising the usage of available technology (Alshebami & Ali Seraj, 2021).

This section examined the studies studied on the factors influencing the intention to keep university students in Islamic banking institutions. Research is necessary to find out the reasons that lead a person to choose Islamic banking to make savings. This section will go through interrelated basic theories, literature reviews, and conceptual frameworks. The literature review is complemented by referring to additional researcher attempts to understand and investigate the study problems. A framework is a view of how ideas and interrelated variables in a survey fit together. Then, researchers will also discuss the factors of religiosity and financial literacy that led to the action of making savings in Islamic banking.

2.2 Underpinning Theory

2.2.1 The Theory of Planned Behaviour (TPB)

The Theory of Planned Behaviour (TPB) is one of the most popular theories used to examine human behaviour. According to Azjen (2006), TPB provides a strong conceptual basis for in-depth research on the complexities of human social behaviour. According to Zocchi (2013), TPB is used to analyse in detail the influential opinions of an individual's financial behaviour. In addition, Widyastuti et al. (2016) stated that behavioural intention is a stage that may lead to action, and they discovered that actual saving behaviour significantly influences saving intentions. Considering the validity of the TPB as a foundation for explaining human behaviour, numerous researchers have utilised it to investigate the relationship between financial literacy and individual saving behaviour. Thus, it is essential that research and development be conducted to assist individuals in adopting good financial behaviours. The motivation to preserve is generally present in people (Abrahamse & Steg, 2009).

2.2.2 The Theory of Reasoned Action (TRA)

Azjen and Fishel developed a theory known as the Reasoned Theory of Action (TRA) for analysing an individual's intentions. Theory of Reasoned Action (TRA) is an intention-focused theory. According to TRA theory, Subjective Norms have a significant impact on behavioural intent (Fishbein et al, 1980). On a variety of behaviour-related dimensions, the idea of behavioural intention may be found. It could be interpreted in a variety of ways, thus researchers who are interested in financial behaviour have investigated the behavioural plans to purchase when it comes to Islamic financial goods (Newaz et al., 2016), the goal of saving money (Croy et al., 2010) and desire to utilise Islamic financing (Alam et al., 2012). Additionally, TRA can also be used to assess the

acceptance or rejection of human behavioural traits and responses. In selecting or purchasing a product, TRA is able to interpret attitude (Davis, Bagozzi & Warshaw, 1989). . This theory is also applied by previous studies namely Resty (2021), the purpose of this research is to ascertain Yogyakarta's Millennials' desire to save money.



2.3 Factors of Savings Intention in Islamic Banking Institutions among University Students in Kelantan

2.3.1 Financial Literacy

The concepts of financial literacy, which are grounded in the Theory of Planned Behaviour (TPB), describe how a person intends to act. According to the Planned Behaviour Theory, an individual acts because they have an aim and a purpose to carry out a particular behaviour. TPB also emphasised that behavioural intention is a stage that may lead to action, and that actual saving behaviour has a substantial impact on saving intentions. Considering the validity of the TPB as a foundation for describing human behaviour, a number of studies employed it to investigate the relationship between financial literacy and individual saving behaviour (Peiris, 2021).

According to Dewi, Febrian, Effendi, Anwar, and Nidar (2020), financial literacy is the process of acquiring the financial knowledge necessary for making good financial decisions. This is supported by capabilities, expertise, consciousness, and positive financial management abilities in order to develop positive financial behaviour and attain financial objectives and goals. Financial literacy is a tool for improving and maintaining financial well-being, not an aim all on its own (Compen, De Witte, & Schelfhout, 2019). The Ministry of Education of Singapore emphasises that financial literacy education should begin at a young age by encouraging students to save and instilling prudent values (Xiao, 2020).

Individuals that are financially literate are more sensible in their financial decisions. This study demonstrates that members of the academic community routinely save money at financial institutions. Individuals were also shown to regularly save and

give to charity. All of these conditions are discovered to be substantially influenced by financial literacy (Dewi et al., 2020). Financial literacy is associated with desired consumer borrowing and saving behaviours (Xiao, 2020). Some studies conducted in Malaysia discovered poor money management skills. The lack of financial literacy among university students is a problem. The majority of university students spend lavishly on their scholarships or student loans on things that have a non-academic purpose (Ab Rahman, Tajudin, & Tajuddin, 2018).

Financial literacy has a substantial impact on savings, investments, stock market involvement, and the economic growth of a country (Peiris, 2021). Individuals with financial literacy in the form of knowledge and techniques for managing finances will be able to better control their financial consumption. Some of the earnings will be set aside or saved for future financial needs (Widjaja, Arifin & Setini, 2020). Financial literacy influences decisions on savings, cash management, and investing. Students who are more financially literate are less likely to take out high-interest loans and are more likely to have a long-term financial plan (Suyanto, Setiawan, Rahmawati, & Winarna, 2021).

The TPB describes attitude as an important determinant of an individual's intention to change financial behaviour. Attitudes indicate specific behaviour of individuals, whether they like or dislike a particular outcome. An individual may respond positively to certain things if they think it is good for them or respond vice versa. The same goes for financial literacy. University students who have the intention to make savings in Islamic Banking respond positively with the intention because they consider the desired thing that saving is good for them. The findings also offer empirical evidence that financial literacy is an important extension of TPB because it helps

develop capabilities theory to predict behaviour change intentions (Yajuni, Bujang & Yacob, 2018).

This paper focuses on the factors of savings intention in Islamic banking institutions among university students in Kelantan. Customers of Islamic banks must be aware of both the prohibitions and the legalities of the instruments they use. According to Durak, Oncu, and Kartal (2020), people who spend their lives according to Islamic norms are unable to invest their savings in the banking system unless they have sufficient knowledge about Islamic financial instruments and institutions. In light of the growing interest in Islamic finance, additional research is needed to identify financial literacy being the factors in savings intention in Islamic Banks among university students in Kelantan.

2.3.2 Religiosity

TRA investigates the connections between cognitive beliefs, emotions and attitudes, intentions to act, and actual behaviours in the context of voluntary human action (Fishbein & Ajzen, 2015). Intentions are determined by a person's comprehensive attitudes and beliefs about actions, as well as subjective norms that influence the eagerness and right or wrongness of a specific behaviour, as well as a person's ability to perform that behaviour, which is closely related to religiosity. Religion was second theme for this research. Religion an essential factor that shapes people's attitudes in life and defines their manner of living and engagement with Allah's instructions. A person who is religious can be seen through all aspects of their life behaviour that are influenced by religious teachings. Allport and Ross (1967) were starting to distinguish between intrinsic and extrinsic religiosity in the context of

consumer behaviour. The Religious Orientation Scale (ROS) was created in the context of Christianity, then introduced as a measure of religiosity dimension. Other researchers, such as Edwards (1976) and Batson & Schoenrade (1991), have attempted to identify dimensions of religiosity. However, the majority of the scale has been defined based on the idea of Christianity. None of these dimensions incorporate the five pillars of Islam.

When discuss religious devotion in Islam, we are talking about more than just a religion, but also a way of life (Al-Din). A guide to religious living in Islam is based on the Islamic pillars, which are central to Islamic religiosity. Religiosity is a sociological phenomenon that describes how religion exists inside and is perceived by its followers. Warsiyah (2018) defines religiosity as the application of religion to religious human life (Mahgalena et al., 2021). Islam guides its people in many aspects of daily economic life, one of which is the practice of buying and selling. Islam instructs people on how to buy and sell in order to avoid riba, Gharar, and Maysir (Saptasari and Aji, 2020). Islam, as a religion, regulates not only the relationship between man and his god but also the relationship between humans (Henda Resty and Hidayat, 2021).

This study has significant theoretical value in that it contributes to a better understanding of the significance of religiosity as a contextual determinant of Muslim saving behaviour, and it could be a valuable resource for financial institutions in finding new chances for having to consider this minority group as a customer. The sub-theme of this research was three item which is religious awareness influences decision, trust to save in an Islamic banking and effect of transacting with a conventional usury-based. Satsios et al (2020) research found that the effect of religiosity on intention was

significantly larger in the high religiosity group than in the lower religiosity group, indicating that the Muslim cultural tradition has little influence on the intention to save for the young and better educated. Young savers are an interesting collection of people to research because they attempt to form their identity and attitude depending on how they save and spend that money. Given prior research involving financial institutions, the current study might be seen as an effort to identify religion as a factor affecting personal saving behaviour in a community setting.

The application of religious values in daily life influences their behaviour positively. Understanding and applying the religious lessons learned, as well as the behaviours taught in the same manner, will foster a strong desire to save. It is a society that understands religion that Islamic banks should focus on in order to increase their customer base. According to the claim that buyers' personalities are influenced by belief and religiosity, Islamic school students all have high legalism and should know about fiqh Muamalat and Sharia law (Faridah et al., 2021).

Research conducted by Marta and Hakim (2021) revealed that religiosity could influence the intention to use Islamic banking services. Based on the findings of the research, Maryanto et al. (2022) conclude that religiosity has a positive influence on student interest in saving in Islamic banks. According to the next study by Henda and Hidayat (2021), religiosity has a significant impact on millennial attitudes. Meanwhile, Faridah et al. (2021) found that the religious variable has no effect on public interest in dealing with Islamic banks. As a person's religious level is personal and cannot be measured, it should not be used as a benchmark in selecting an Islamic bank. Therefore, in this study, religiosity becomes one of the important factors to encourage consumers to have saving intentions in Islamic banking.

2.3.3 Parental recommendation

Students need bank accounts so they may save money for personal expenses, sometimes for the first time in their life (Mokhlis et al., 2011). Receiving funds from their parents and paying tuition and other university expenses are among these Study of intention to save in Islamic banks 1449 activities. The demands and experiences of parents of students are often taken into account when choosing a bank. Parents will propose or promote a bank to their children if they have personal experience with the performance and service of that bank. Parents will be eager to advise their children on how to wisely spend and preserve this money since the money for students comes from their parents.

According to Ta and Har (2000) and Awan and Bukhari (2011), recommendations from parents or friends have an impact on people's intents to open accounts with Islamic banks. Lewis (1982) asserts that students' savings decisions are impacted by their parents' knowledge and experience, whereas Blankson et al. (2009) demonstrate that parental endorsement has a positive effect on students' banking decisions in the United States and Ghana.

Young people may develop their financial attitudes, behaviours, and financial literacy skills via familial connections as well as observation and imitation of adult behaviour (Gudmundson & Danes, 2011). Parental assistance has been proven to predict better total savings in young people, and deliberate parental advice is essential for the development of financial abilities in children. Talking about money with young children may teach them a lot about it (Hanson & Olson, 2018). Parents are the primary source of information when it comes to financial literacy, and parental financial literacy education is favourably correlated with kids' financial well-being (Harrison et al. 2017).

However, parental recommendation is also supported by the Theory of planned behaviour or TPB which has three crucial factors, namely attitudes, subjective norms, and perceived behavioural control, which are key components in this model. Parental recommendation is closely related to subjective norms. Subjective norms are an individual's perception of social pressure from others who are important to him. This is supported by (Ajzen, 1992), the perception of a relative's or friend's expectations influences the specific action to be performed. This means that if an individual thinks the relevant people expect them to engage in one particular behaviour, they are more likely to commit that behaviour. Therefore, order to secure future security, parental recommendation is crucial for persuading students or children to save in Islamic banking institutions.

2.4 Research Gap

According to Fernandez (2019), research gap is what problems and questions have not yet been identified by other researchers completely. The researchers of this study identified a few past studies which related to the saving intention in Islamic banking. Muslichah and Sanusi (2019) identify financial literacy and religiosity to identify the intention to use Islamic banking products. From a study by Hariyanto and Bariyyatin Nafi'ah (2022), the authors identified factors such as religiosity, service quality and serving intention to find out Factors Affecting on Saving Intention in Islamic Banks in Indonesia. The study by Nugraheni and Widayani (2020) identified factors such as parental recommendation, location, profit sharing, religiosity, knowledge and financial information disclosure. However, from this study, the researchers choose and combine three factors which are financial literacy, religiosity and parental recommendation to be determined. Therefore, the three factors filled the gap of the lacking in past research.

2.5 Conceptual Framework

The aim of this study is to determine the factors of saving intention in Islamic banking institutions among university students in Kelantan. Figure 2.5 illustrates the research framework for this study. There are many factors on saving intention in Islamic banking in previous articles and studies. For this research, there are three factors chosen such as financial literacy, religiosity, and parental recommendation. Based on underpinning theories, all these factors are studied whether or not they are related to the intention to save in Islamic banking institutions among university students in Kelantan.

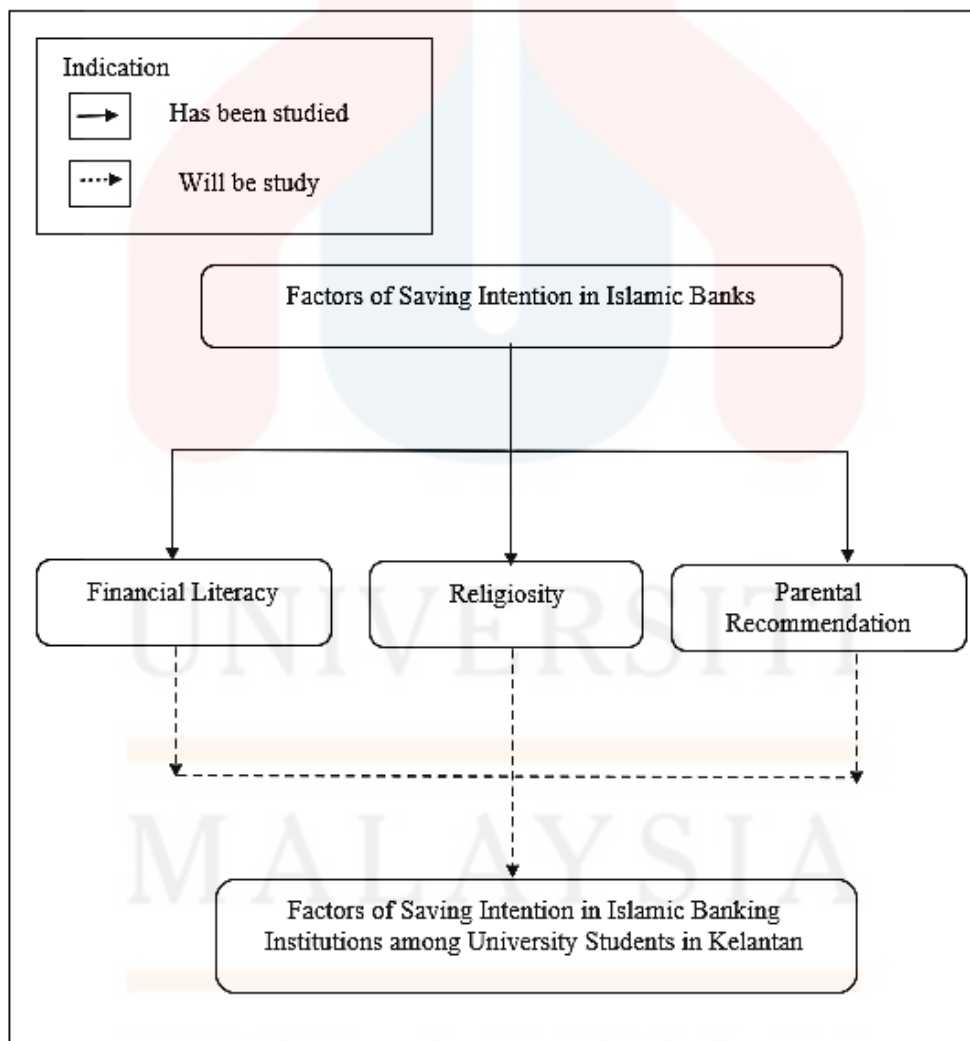


Figure 2.5 Factors of Saving Intention in Islamic Banking Institution among University Students in Kelantan

2.6 Chapter Summary

This chapter reviewed the literature related to the topic which Factors of Saving Intention in Islamic Banking Institutions among University Students in Kelantan. There are two related theories in this study, which are Theories of Planned Behaviour (TPB) and Theory of Reasoned Action (TRA). Both theories are related to the topic of this study. Furthermore, this study provides evidence on the Factors of Saving Intention in Islamic Banking Institutions Among University Students in Kelantan by referencing numerous relevant articles, journals, and prior research. Following that is a conceptual framework that explains more briefly through diagrams. The methodology of the research will be discussed in the following chapter.

CHAPTER 3

RESEARCH METHODS

3.1 Introduction

This chapter discussed focused more about the methodology of research that was used to conduct this study. Firstly, the researchers explained about the research design that was chosen in this study. Secondly, the researchers reveal data collection methods for this study. Then the researchers mentioned sampling techniques that used for the interview. Further explanation will include the reason for choosing the sampling technique that was used in this study. Also, this chapter will explain more about the data collection procedure and reason for the chosen research instrument in the study. This chapter finishes with a summary.

3.2 Research Design

The goal of research design is to establish a proper outline of the study. Research strategy selection is crucial as in the research process since it impacts how significant information for the study is acquired. Qualitative research involves a variety of approaches, and space doesn't allow for in-depth discussion of each approach (Creswell 2007). However, Creswell's excellent overview, it appears useful to briefly describe five main approaches: narrative research, phenomenology, ethnography, case studies, and grounded theory, in that order (Creswell 2007).

Narrative research is firmly grounded in the humanities and social sciences and, as the title suggests, concentrates on stories. The stories of (frequently one or two) individuals are

analysed in detail and chronologically, with special emphasis on the perspective in which the stories actually happened (Creswell 2007). Phenomenology is deeply rooted in continental philosophy and focuses on the significance of a particular phenomenon for different groups of people. It seeks to comprehend the essence of a phenomenon (for example, "What does it mean to be anorexic?") by interviewing people who have experienced the phenomenon in question (here: patients with anorexia). Ethnography is a branch of cultural anthropology that focuses on a cultural group's behaviour, language, values, and beliefs (Harris 1968). It investigates this group through extensive observation, often while immersed in the cultural group (meaning that the researcher may actually participate with the group for a period of time). Case studies attempt to comprehend a specific issue over time by utilising various sources of information (i.e., interviews, photos, observations, reports, and so on). Grounded theory is a sociological approach to developing theories about a specific social phenomenon. To uncover a theory, it frequently relies on in-depth interviews and focus groups, followed by the development of relationships between various categories (Ritchie et al. 2013). Therefore, this research focuses on case studies.

This is consistent with (Sjberg et al., 2007; Mugenda & Mugenda, 2003), who define case study as an in-depth examination of a person, group, institutional, or occurrence within its real-life setting, particularly when the occurrences and context change only slightly. Essentially, a case study's purpose is to determine the variables and its interconnections that result in the observed behaviour. It gives detailed information on the unit under consideration

There for this study use case study due to a form of research under which a researchers observe an issue in depth. According to this research there are several authors who use the case study research to demonstrate that study is appropriate for conducting using

this method. Chowdhury, Saba, and Habib (2019), for example, used case studies in their study on Factors Influencing Customers' Islamic Banking Choices. In addition, Utamy and Widhiastuti (2020) also used case studies in their study to find the influence of Shariah financial services understanding, promotion, and facilities on investment decisions in shariah banks using savings interest as an intermediary variable. As a consequence, it can be proved that the case study technique is applicable for the theme of this research.

The author sought to look into the Factors influencing saving intentions in Islamic banking institutions among Kelantan students. The research design for this was built on interviews. Those questioned are targeted students in Kelantan who have saved in Islamic banking, and the questions answered during the interview are based on the research purpose. The researcher interviewed around 8 students who are studying in Kelantan who have savings in Islamic banking.

3.3 Data Collection Methods

To gather the information required for the qualitative research approach in this research, primary data will be used with an interview. The researcher is focusing from the perspective of a Kelantan university student. The university student population in Kelantan will be the target response when asked about their intentions to saving money in an Islamic banking institution in Kelantan. Additionally, all three experts namely Yin, Stake and Merriam agree that in order to accurately depict the complexity and scope of the research being studied, researchers must gather information from a number of sources. Individuals' choices and perspectives on the whole data gathering process are influenced by the epistemic tradition to which they belong when it comes to data collection technology. Experts Yin mixing the two types of evidence

since he views both quantitative and qualitative evidence as equally significant, while Stake and Merriam support simply utilising qualitative data.

According to experts Yin, the researchers should use six different categories of evidence namely documentation, archival records, interviews, direct observations, informants observation, and physical artefacts. Additionally, he emphasises that the list is much larger and that these are only the examples that are used the most. He refers to data gathering techniques as the strategies linked with exploiting each piece of evidence (Yin, 2002). Experts Merriam (1998), whose book's main subject is qualitative research in general, continues to place focus on the distinctions between quantitative and qualitative research in her position on data collection.

Experts Stake argument highlights the significance of the skills that researchers need in order to do qualitative research, even if it is not as powerful as Yin's. Among these are knowing what facilitates crucial understanding, identifying reliable data sources, and consciously and unconsciously evaluating the veracity of their perceptions and the force of their judgments. Both sensitivity and scepticism are necessary (Stake, 1995).

Comparatively to a Stake's qualitative case study technique, Merriam's description, however provides more detailed and comprehensive guidance for data collection methods. As the titles of the sections of her book suggest, Merriam, for instance, explains the strategies and processes that researchers need to become good users of the gathering instruments she proposes, which include conducting effective interviews, paying attention while observing, and mining data from documents. These characteristics of interviews in the data gathering process are not given as much emphasis by Stake (1995) and Yin (2002) as they are by Merriam.

Merriam's explanation is thus far more instructive and beneficial in terms of data collection guidelines for novice investigators creating qualitative research.

Researcher feel that expert Yin's and Merriam's explanations of data gathering in case studies complement each other after looking at the three different perspectives on case studies. Researcher would benefit most from experts Yin which is three criteria combined with Merriam's comprehensive data collection methodologies guidelines.

To keep focused on the connection between data collection and the questions and theoretical assumptions researcher embrace Yin's perspective. Finally, a comparison of the three research viewpoints yields the following finding: Merriam and Stake do not see quantitative data sources as reliable sources of information for the research because they respect their epistemic commitments as qualitative researchers. As a consequence, their idea seems to have a finite amount of data it can acquire. In contrast, Yin argues that the development of validity and reliability at every level of the research process determines the quality of an inquiry. As a result, experts Yin provides six instruments for collect the data, which has an impact on validity in particular. As a result, the interview will be employed in this research as a crucial tool for gathering primary data for this research. This interview method is also supported and adopted from previous research by Szabo (2022), they interviewed students in Hungary pursuing BA and MA degrees in English language trainings to learn about their saving practises. Therefore, the interview method is also used in obtaining data by previous research.

Work based on in-depth interviews is not as concerned with establishing generalisations to a larger population of interest, and it typically does not rely on hypothesis testing. Instead,

the process of working with this method is more empirical and emergent in origin (Dworkin, 2012). An interview is a method of gathering information about the viewpoints of those being interviewed. Therefore, the researchers must conduct enough interviews to obtain the majority of similar characteristics for the research questions. Certainly, researchers want to know which opinions are more prevalent or frequent, although this is not the fundamental objective of qualitative research (Cobern & Adams, 2020).

Interviews with 8 informants chosen for their differences (Gudala et al., 2022). Therefore, 8 informants were interviewed for this study. As long as data saturation is achieved, the number of informants is considered sufficient for this study. According to Fusch and Ness (2015), data saturation cannot be assumed simply because resources have been depleted. Data saturation is about the depth of the data rather than the numbers themselves. Data saturation occurs when there is sufficient information to reconstruct the study, once the capability to gather additional new information has been reached, and when further coding is no longer possible. Therefore, 8 informants were enough in this study.

Inductive reasoning and deductive reasoning are two general approaches to reasoning that can result in the acquisition of new knowledge. Inductive reasoning is a theory-building process that begins with specific observations and seeks to establish generalisations about the phenomenon under investigation. Deductive reasoning is a theory testing process that begins with an established theory or generalisation and seeks to determine whether the theory applies to specific instances (Hyde, 2000). According to Pearse (2019), deductive qualitative research can be distinguished from other qualitative approaches. This is because, he obtained his research from other sources and applied it in the collection and analysis of data to form a new finding based on the theory studied. For this study, deductive approach was used.

3.4 Sampling Techniques

It is crucial to comprehend what sampling entails and the rationales behind sample selection by researchers, according to (Taherdoost 2016). In most cases, such as when conducting a survey questionnaire survey, it is not practicable to evaluate the entire population. Instead of looking into every individual, sampling is a technique that enables researchers to draw conclusions about a population from the findings of a selection of that group. It is possible to collect high-quality data by reducing the number of study informants, but this must be matched with a big enough sample size and strong enough statistical power to identify meaningful connections. Numerous sampling techniques exist, and they can be categorised into two groups: probability sampling and non-probability sampling. Non-probability research, or qualitative sampling, is the most effective method for this study. In qualitative research and case studies, non-probability sampling is widely used. Contrarily, case studies tend to concentrate on small samples and examine actual events rather than drawing generalisations about the community from statistical data (Yin, 2003). It is not necessary for a sample of informants or cases to be random or representative, but there must be a strong argument in favour of choosing one sample or person over another. There are four different categories of non-probabilities: quotas, snowballs, convenience, and purposeful sampling or consideration. Purposeful sampling, also known as judgemental sampling, is a technique in which a certain person or event is purposefully chosen to provide significant knowledge that cannot be learned in any other way (Maxwell, 1996). This approach is used when researchers think a case or person should be included in the sample. Purposeful sampling works best, when concentrating intently on a relatively small sample. When examining problems that might involve unusual situations, one might want to access particular subgroups of the population that have certain features. Purposeful sampling's major objective is to find the examples, people, or communities most suitable for assisting in the solution of the research topic. For this reason, purposive

sampling functions best when there is a wealth of prior knowledge regarding the research issue. The quality of the sample increases with the amount of information. For this study, the purposive sampling or judgemental sampling are used in this research.

3.5 Data Analysis

According to Alyahmady and Saleh (2013), qualitative data analysis is the process of bringing order, structure, and relevance to a huge amount of data. Such a method is not straightforward to do. It is disorganised, complex, and time-consuming, while being an original and intriguing method. As truth, qualitative data analysis explores the relation between data categories and themes to acquire a deeper comprehension of the situation. Therefore, the researcher must be alert, adaptable, and eager to interact with the obtained data, rather than being rigid and procedure-driven.

3.5.1 Manual Coding

Researchers were use a coding manual for data analysis of this study. A Coding Manual for Qualitative Research methods highlights an important factors among many qualitative studies traditions: assigning relevant attributes (codes) to primary analysis, allowing researchers to participate in a variety of analytic processes such as pattern recognition, classification, and theory development. According to Belotto (2018), large amounts of text and information could be interpreted in new ways as a result of the coding procedure. The identification of themes resulted from analysing how these meaning units were interconnected. There is a significant tradition in qualitative research of deriving codes "straight" from the data. Textual data, such as recorded

interviews, handwritten field notes recording actual actions, and/or different types of content, such as newspaper articles, articles, social sites samples, and etc, are common types for qualitative coding. Line-by-line coding is a concept in research that depicts this precisely. It is challenging to strike a balance between keeping the number of codes modest and reflecting the richness and diversity of study results. To investigate the research objective and identify the sub-theme from the answer from informants at research findings, therefore coding each answer will easily researcher identify factor saving intention in Islamic banking among eight informants.

3.5.2 Thematic Analysis

Thematic analysis is a sort of qualitative data research process that involves searching throughout data sets for recurrent patterns, evaluating them, and reporting on them. Thematic analysis techniques, such as how to encode data, uncover and refine themes, and publish findings, may be used to a variety of different qualitative methodologies, including foundational theory and discourse analysis. In connection with this study, which collects data through interview sessions, the data will be collated. Once this procedure is completed, theme analysis is a suitable and powerful tool to apply when searching, i.e. interviewing and coding to comprehend a collection of beliefs or behaviours shared by university students in saving in Islamic banking data set (factors). The research generates themes via thematic analysis to reframe, reinterpret, and/or link data pieces. Thus, themes are more than just organisational tools for categorising and labelling material. While theme analysis techniques include the researcher establishing organisational and categorization labels to characterise the data, thematic analysis also includes get data interpretation and transformation processes.

3.6 Conclusion

This chapter is inclusive of the research methodology that will be used in this study. The determination of the population and sample of study has been set which includes university students in Kelantan. To obtain more accurate information about the factors of saving intention in Islamic banking institutions among university students in Kelantan, the researchers used primary data by interviewing 8 informants from three universities in Kelantan. The informants are from Universiti Malaysia Kelantan (UMK), Universiti Sains Malaysia Universiti Sains Malaysia (USM) and Universiti Teknologi MARA. The responses from informants are strictly confidential and are used for the purpose of this study only. The data obtained will be collected, analysed and discussed to obtain the desired result of the study on factors of saving intention in Islamic banking institutions among university students in Kelantan.

CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.1 Introduction

In this chapter, the researcher will present the result and information that gained through the interview that had been conducted. The informants involved in the interview were eight students from three different universities in Kelantan. All informants voluntarily participated in this study. The interview session involved questions which related to the objectives of the research. The outcomes will be clarified in findings from the informants

Demography of Informants

Eight informants were interviewed for this study. The informants are Munifah Binti Mat Jusoh (Universiti Sains Malaysia Kelantan), Nik Nur Najihah Binti Norazni (Universiti Teknologi Mara Cawangan Kota Bharu), Khairunnisa' Binti Mustafa (Universiti Teknologi Mara Cawangan Kota Bharu), Ainnur Shahirah Binti Hasyim (Universiti Malaysia Kelantan), Nuratikah Shobirah Binti Mat Sabli (Universiti Malaysia Kelantan), Intan Shukrina Binti Md Sokori (Universiti Malaysia Kelantan), Nur Aliah Binti Jais (Universiti Malaysia Kelantan) and Norlaina Binti Nordin (Universiti Malaysia Kelantan).

Interview

Interviewing is a useful method to collect qualitative research data about phenomena that cannot be directly observed (Irani, 2019). Interviews in this study are conducted through two methods, namely telephone or face to face. A face-to-face interview is an interview conducted at the same time and place and is considered formal. Video, telephone and online chat interviews are interviews conducted at the same time but in different places. Telephone

interviews are also one of the permitted methods. This technology allows for greater opportunities to interview informants in difficult areas achieved for a variety of reasons including widespread dissemination from infectious diseases (Saarijärvi and Bratt, 2021). Both of these methods are effective because researchers use a voice recorder to facilitate the process of transcribing the data. The interview was conducted on the phone because of the distance between the person being interviewed and the interviewer. In order to save time and cost, the telephone method has been used because it is also allowed to obtain research information. Phone interviews also allowed for convenient transcription of recorded interviews. Recording and transcription of interviews was done through the app named Transkriptor. Interviews were transcribed within a couple of days of occurrence, after which informants were able to review, change, and verify their comments. The researcher also took field notes during each interview. All interviews were conducted during the months of November.

4.2 Findings for Financial Literacy

The first theme of this research is financial literacy. These studies indicate that there are four sub-themes on financial literacy that influence among university students in Kelantan that will be the factor in savings intention in Islamic Banking Institutions. The first sub-theme is does someone who has savings in Islamic banking have a financially literate attitude. Second sub-themes are since when and where did first get exposure to financial management in Islamic banking. Third sub-theme is when opening a savings account in Islamic banking. Lastly the fourth sub-theme is does the practice of saving in Islamic banking give benefits and advantages. Informants were university students in Kelantan who have been asked questions about the research.

According to first sub-themes that have discussed financial literacy is does someone who has savings in Islamic banking have a financially literate attitude, the studies have found several informants said that someone who has savings in Islamic banking has financial literacy. Also, some informants said that not just Islamic banking or not all who have the Islamic banking are financially literate. According to informant 2:

“Yes, in my opinion, someone who chooses to make savings in Islamic banking would recognize the difference between conventional bank (ordinary bank) and Islamic banking”.

This supported by Beckmann (2013), Ianole (2014), Gaisina & Kaidarova, Fry, Mihajilo, Russell, & Brooks (2008), said that customer financial literacy is influenced by how much they understand the advantages of saving money in a bank or other financial institution.

While according to informant 5

“In my opinion, it's not because every institution emphasises financial literacy, which is saving, but Islamic banking is more encouraged for Muslims because they are more Shariah-compliant than conventional banks.”

To determine whether all of the activities met with Shariah or not, it is necessary for Muslims to understand the terms and conditions of each bank with which they deal financially. Muslim consumers are not only eager to partake in the global consumer culture but also work hard to uphold their Islamic principles (Wilson et al., 2013). According to Islamic teaching, “Interest” is “Haram.” Islamic law forbids the accumulation of interest under any circumstances. Instead of "Credit or loan," Islamic banks typically refer to "Interest" and "Financing" as "Usury and Riba" (Khalidin and Masbar, 2017). As a Muslims, it is also necessary for us to obey what the Shariah taught and avoid all the forbidden things.

For the second sub-themes is since when and where did first get exposure to financial management in Islamic banking, the research found that most informants have different opinions, although some do, depending on the exposure they have had from their families since childhood and from their subsequently continuing their education at universities. According to informants 2

“I began to gain exposure to Islamic banking when I was child. This is because my parents are very concerned about the financial management of their children, including me. Our parents have opened savings accounts in Islamic banking since we were children. Indirectly, my other siblings and I have gained some knowledge about Islamic banking”. The interest in saving money in Islamic banks is related with knowledge, according to

Khairunnisa and Cahyono's study in 2020. The more the community's understanding of Islamic banking, the greater the desire in saving money in Islamic banks.

While according to informant 5,

“I remember since I got an offer at the Malaysian University of Kelantan where I had to open an Islamic Bank card and from there, I got a little bit about financial management by the bank officers themselves”.

This statement supported by Lewis (1982) said that higher education, particularly in Islamic universities that provide courses in Islamic finance to their students, supports the establishment of Islamic banks. This is a way that Islamic universities are supporting the creation of Islamic banks. One of the objectives is to inform students about IFI and inspire them to get involved in its development. One way to do this is to save money in Islamic banks. Because students will use the same bank account beginning in college and continuing until they graduate, Lewis (1982) claims that children are prospective clients for the banking business. growth of IFIs will be aided if students are encouraged to do their business with Islamic banks. Young people make up a substantial portion of the market and are a source of new clients and, consequently, future revenues (Mokhlis et al., 2011).

Third sub-themes on financial literacy is when opening a savings account in Islamic banking. Due to parental exposure, the researchers discovered that a number of informants had opened savings accounts with Islamic banks when they were young whereas for others, starting a savings account when they enrol in university. According to informant 1,

“My parents have opened a savings account in Islamic banking for me since I was a child. Meanwhile, I have opened my own account in Bank Islam since I want to start studying at university”. According to Ta and Har (2000) and Awan and Bukhari (2011) said that the parents of the student are frequently taken into account while selecting the bank. Parents will propose or promote a bank to their children if they have personal experience with the bank and are aware of its positive performance and level of service. Parents will be eager to counsel their children on how to utilise and save this money appropriately because the money that pupils have originates from their parents. According to the informant 7

“I opened an account since I entered university in 2019” this supported view of Shome et al., 2018” numerous sources may be used to educate students about Islamic banking, but universities that provide courses in Islamic economics, finance, and accounting are particularly effective at doing so”.

The last sub-themes in this part is does the practice of saving in Islamic banking give benefits and advantages. The research has found that all informants have the same opinion of the Islamic banking gives benefits and advantages for the users while all eight informants give the similar answer. Product knowledge is crucial when discussing Islamic banks since there are some key distinctions between conventional and Islamic bank products. The user should be aware that under Islam, societal well-being comes first. Because interest rates only benefit one party, they are thus illegal. Profit sharing plans are an alternative that takes into account the needs of society as a whole (Hilman, 2016). Therefore, researchers concluded that this factor achieved the objectives which to identify financial literacy being the factors of savings intention in Islamic Banking institutions among university students in Kelantan.

Table 4.2: Financial Literacy as a factor in saving intention in Islamic banking institutions among university students in Kelantan.

NO	Statements	Informant 1 (IF1)	Informant 2 (IF2)	Informant 3 (IF3)	Informant 4 (IF4)	Informant 5 (IF5)	Informant 6 (IF6)	Informant 7 (IF7)	Informant 8 (IF8)
1.	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think?	In my opinion, those who make savings in Islamic banking are those who are financially literate because they are	Yes, because that attitude gives us the opportunity to save and save for the future with a system based on Islamic shariah.	Yes, in my opinion, someone who chooses to make savings in Islamic would recognize The difference between	Yes, that's right, I think it's a smart move. Because as a Muslim we must use Islamic banking products and comply with Shariah.	In my opinion, it's not because every institution emphasizes financial literacy, which is saving, but Islamic banking is more encouraged for Muslims because they are more Shariah-compliant than conventional	In my opinion, yes, this is because the Islamic savings account is a type of profit-based investment account which is guided by mudharabah	Only a few individuals know about financial literacy. This is due to the individuals who open a bank driven by their employer, that	I think only a few individuals are financially literate. This is because students are now Less interested in participatin g

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		far-sighted and also have knowledge about the benefits of saving in Islamic banking.		conventional bank (ordinary bank) and Islamic banking		banks.	rules and where the objective is to give a return on the investment	is their workplace, they choose their job to open a bank that is demanded for the implementation of salary. For example, I did an industrial training in a	in programs related to proper financial management. In fact, they prefer to spend money rather than save. In
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								company and the employer asked me to open an RHB bank or an Islamic bank	addition, Individuals who have saved in Islamic banking are not necessarily financially literate because they may be driven by parents or other factors.
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2.	Since when and where did you first get exposure to financial management in Islamic banking?	I began to gain exposure to Islamic banking since furthering my studies as a university student.	I began to gain exposure to Islamic banking when I was a child. This is because my parents are very concerned about the financial management of their	Since primary school was exposed by the family & secondary school. Also by those who come to school to provide a seminar about Islamic	At first, I only knew the basics about Islamic banking. After entering the university, I got a more in-depth explanation	Before that, I took a conventional, conventional bank when I was in primary school. That's when I took baitulmal. At that time, I shared an account with my father. I only know from my father but when I entered secondary school Baitulmal, it changed to the system from	I remember since I got an offer at the Malaysian University of Kelantan where I had to open an Islamic Bank card and from there I got a little bit about financial management by the bank	When I'm not sure but maybe I can look on the website to see the information and advantages of Islamic banking. In addition, when I open a bank account, the	Since high school. At school I was exposed to financial management in Islamic banking. There, I participated in a program organized by the
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			<p>children, including me. Our parents have opened savings accounts in Islamic banking since we were children. Indirectly, my other siblings and</p>	<p>finance</p>	<p>conventional banks to Islamic banking which is Bank Islam Malaysia Berhad BIMB. Because the purpose of this Baitulmal is that we people of Baitulmal are more for zakat that is more for Muslims, it is better for us to use things or systems</p>	<p>officers themselves.</p>	<p>bank officer will also explain the advantages of saving in Islamic banking</p>	<p>counselling</p>
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			I have gained some knowledge about Islamic banking			that involve Islamic finance as opposed to conventional ones.			
3.	When do you open a savings account in Islamic banking	My parents have opened a savings account in Islamic banking for me since I was a child.	My parents have opened a savings account in Islamic banking for me since I was	As early as 6 years old, the nominee was still a mother at that time	20 years old	I first received Baitulmal's assistance when I was a senior in high school. Because he advised us to employ Bank Islam Berhad in	3 years ago	I opened an account since I entered university in 2019	Since high school

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		<p>Meanwhile, I have opened my own account in Bank Islam since I want to start studying at university.</p>	<p>6 years old. Meanwhile, I have opened my own account since I want to start studying at university.</p>			<p>BIMB in Baitulmal matters at the time. Baitulmal is similar to zakat because of this. Zakat and Islamic banking are related</p>			
4.	<p>Does the practice of saving in Islamic banking give you</p>	<p>Yes, I feel more confident, safer and there is no element of</p>	<p>Because the management are according to the Shariah</p>	<p>Yes, unlike other conventional banks, Islamic banking</p>	<p>in my opinion it provides a lot of benefits, one of</p>	<p>For me its gives an advantage because I know the right products to use. After all, Islamic banking</p>	<p>Yes, as we already know, this Islamic banking is free</p>	<p>Yes, because Islamic banking does not practice riba or make</p>	<p>Yes. because there is no riba element and all</p>

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<p>benefits and advantages? Why is such a thing?</p>	<p>suspicion in the Islamic banking management .</p>	<p>Islam and as a Muslim is a benefit for me. In addition, Malaysia is an Islamic country and muslim can get many Islamic banking institution services here.</p>	<p>does not engage in Riba, etc. So We as savers/depositors, get benefit (avoid haram method.)</p>	<p>which is that customers who deposit money in an Islamic savings account will become Mudarib or a partner to the bank</p>	<p>adheres more closely to Shariah. Because I am a Muslim, I must avoid three situations that must be avoided in business operations, such as purchasing and selling flowers or uncertainty after that gambling business,</p>	<p>from riba elements, which means that all products and services implemented must be free and do not involve illegal elements such as usury, gharar and maysir</p>	<p>deductions in user accounts</p>	<p>depositors are trusted. And I, as a depositor in Islamic banking, do not feel doubt and fear because the system used is based on Islamic Sharia</p>
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4.3 Findings for Religiosity

For this study religiosity is considered as second theme and consists of three sub-themes, namely first sub-themes is awareness influence your decision to save in Islamic banking, second sub-themes is save in an Islamic banking account because of your trust that its management system is according to Islamic Shariah and third sub-themes is effect of transacting with a conventional usury-based system

According to first sub-themes that discussed on how does religious awareness influence your decision to save in Islamic banking, the studies found that all the informant have similarly opinion which is agree with religious awareness influence their decision to save in Islamic Banking. According to informant 6:

“Islamic banking is one of the services that is free from the element of riba. In addition, Islam also emphasizes that a person must comply with Sharia as provided by Islamic banking”. This was supported by Alam et al. (2011) in one of her articles which said, *“religiosity is an important element because it is able to influence individuals in terms of cognitive and behavior.”*

While according to informant 7:

“Islam prohibits usury. so I think religion is the main reason why I choose to save in Islamic banking over conventional banks”. This supported by the Prophet said, *“prohibited the taking of even a small gift, service or favour as a condition for the loan, in addition to the principal.”*

It is very important for students to identify the terms and condition of every bank they involve their financial with in order for them to check whether all the activity complied with Shariah or not.

For the second sub-themes that discuss whether you save in an Islamic banking account because of your trust that its management system is according to Islamic Shariah, the research also found that all informants have the same opinion which is trust that its Islamic banking management system is according to Islamic Shariah.

According to informant 2,

“True. I strongly believe that Islamic banking will not practice riba in their management”.

This statement was supported by Julia and Kassim (2019) which stated that *“Islamic banking and finance is based on the Quran and Sunnah and it is managed in accordance with the Islamic principles of justice and equality for the sake of the public”.*

While according to informant 6:

“I opened an Islamic bank account because I wanted to apply for scholarships and matters involving my university.”

Third sub-themes on religiosity discussed the effect of transacting with a conventional usury-based system. The researchers found that all informants have the same opinion in this question that it is known the effect of transacting with a conventional usury-based system.

According to informant 2:

“I know the effect in the concept of religion, one of which is to be angry with Allah. Allah will not bless the life of a person who does something based on the usury system.” Based on the statement, it is also supported by the Prophet (pbuh) said, *“Allah has forbidden you to take usury therefore all interest obligations shall henceforth be waived.”*

From the analysis, researchers conclude that all the informants have the religiosity that is a factor in saving intention in Islamic banking institutions among university students in Kelantan. All informants can give clear explanations on this research. Importance of having religiosity in saving attention in Islamic banking because it is important to all Muslim to know the right sources of their financial transactions that follow the Shariah compliance and avoid usury.

Based on table 4.3, the eight informants have similar perceptions about the level of religiosity as a factor in saving intention in Islamic banking institutions among university students in Kelantan. In this interview, their perception of religiosity as a factor in saving intention in Islamic banking institutions among university students in Kelantan is they know about it. They had similar perceptions in different conversations during the interview. Therefore, researchers concluded that this factor achieved the objectives which to investigate the role of religiosity as the factors of savings intention in Islamic banking institutions among university students in Kelantan.

Table 4.3: Religiosity as a factor in saving intention in Islamic banking institutions among university students in Kelantan.

NO	Statements	Informant 1 (IF1)	Informant 2 (IF2)	Informant 3 (IF3)	Informant 4 (IF4)	Informant 5 (IF5)	Informant 6 (IF6)	Informant 7 (IF7)	Informant8 (IF8)
1.	How does religious awareness influence your decision to save in Islamic banking?	Yes, I strongly agree that religious awareness is important in my decision to save in Islamic banking because it is	To avoid saving in banking management that does not practise the Islamic law in their management.	Islam insists on the element of Riba etc. it is very necessary to avoid it. So, when we have the choice to choose	Because Islam is a religion that prohibits sources that do not comply with sharia such as gambling or from the sale of	Okay, as we know, every Muslim must obey the sharia that has been established in Islam. That is in the business of buying and selling. Therefore, I myself have to avoid encountering these three things, so that	I am a Muslim. This really motivates me to save in Islamic banking because this Islamic banking is one of the services	Islam prohibits usury. So, I think religion is the main reason why I choose to save in Islamic banking over	Islam also prohibits usury. So, if I choose conventional banking, I might get a sin because I have been exposed

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	<p>in the demands of religion itself that gives awareness that every property acquired will be a source of human flesh and blood. When I save in Islamic banking, I believe that Islamic</p>		<p>conventional or Islamic banking. Of course we choose Islamic banking.</p>	<p>liquor. So, this kind of thing should be avoided.</p>	<p>the system that is done will be fair, so it will be even more fair. Following that, Islam also exhorts us to make future savings because doing so will ensure that we can fulfil our everyday necessities in the future. His awareness of religion was the impetus behind my decision to save in</p>	<p>that is free from the element of riba. In addition, Islam also emphasizes that a person must comply with Sharia as provided by Islamic banking</p>	<p>conventional banks</p>	<p>since I was in school. So, I think this religious factor also pushed me to open an account in Islamic banking</p>
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		banking, especially in Malaysia, implements management in accordance with the true laws of Islam.				Islamic financial institutions.			
2.	Do you save in an Islamic banking account because of	Yes, because Islamic banking practices sharia	True. I strongly believe that Islamic banking will	yes	Yes, I trust the management of the bank because	Yes, because in Islamic banking there are various products related to savings provided by	Yes, exactly.	I opened an Islamic bank account because I wanted to	Yes. because Islamic banking has guidelines

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	<p>your trust that its management system is according to Islamic Shari'a?</p>	<p>principles that are free from prohibited elements such as riba, gharar (doubt), maisir (gambling), tadbis (fraud), oppression, injustice, monopolizing property and so on.</p>	<p>not practice riba in their management.</p>		<p>Islamic banking was introduced to provide banking services to Muslims. Which obeys sharia laws</p>	<p>various Muslims. we as consumers can choose because most of the products offered are in line with the times. After that, the basic sincerity between the parties involved causes me to believe more in the management system that is seen according to Islamic Shari'a</p>		<p>apply for scholarships and matters involving my university and until now I just continued and I still know Islamic banking management system is according to Islamic Shari'a</p>	<p>based on Islamic Shari'ah that are so strict to create public trust</p>
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3.	Do you know the effect of transacting with a conventional usury-based system?	Yes, because it causes the collected property to be unclean and the source of the blood is not good from an Islamic point of view.	I know the effect in the concept of religion, one of which is to be angry with Allah. Allah will not bless the life of a person who does something	yes	If we know that a transaction that has an element of riba, it is a sin	Yes, I know that although this riba does not interfere with my finances or my savings or my savings if I can afford to pay the interest. But the effect of this usury will be huge, if there is no monitoring party. This riba will	I know why bank conventional does not obey Islamic Sharia	Yes	Yes, I know
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			based on the usury system.			continue to grow. After that it became a habit to the point that we ourselves feel that usury is not a wrong thing. So that is the bad thing about riba.			
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4.4 Findings For Parental Recommendation

For this research, parental recommendation is considered as theme 3 and consists of 4 sub-theme namely who suggests Islamic banking for students saving, since when did student's parent suggest saving in Islamic Banking, did students parents' advice to save in Islamic banking have a big influence to them, and if there is no recommendation from parents, do they save in conventional banking.

According to first sub-themes that discussed in parental recommendation was about who suggests Islamic banking for students saving. According to the findings of an interview with eight informants, the majority stated that their parents and family members such as her sister, advised them to save their money in Islamic banking. However, one student stated that it was not recommended by her parents to save in Islamic banking for savings. According to informant 1 (IF1):

"My parents and also my sister because she also studied Islamic finance". This supported by Salwani et al., (2022), said that "without the support and guidance of my parents and siblings, no attempt at any level can be completed satisfactorily".

However, one student stated that it was not her parents that recommended Islamic banking for savings. According to the answer of informant 7 (IF7):

"Yayasan Pelajaran Johor (YPJ) recommends opening an Islamic bank account if you want to apply for a study scholarship". Rifda and Ratna (2019) in their article said that "Students have different sources of income such as money from their parents, scholarships, business, and so on. And thus, students have their own decisions to manage their finances, one

of the decisions that can be made by students is to become customers in Sharia Financial Institutions, so that income has a positive effect on the interest of students to become customers in Sharia Financial Institutions.

Therefore, parents take responsibility in ensuring that their children are given exposure from the early stages that it is important to save in Islamic banking institutions because they comply with syariah and are on the justification of the Islamic religion. Even if they just suggest saving money according Islamic approaches, parents become early educators for their children, and the habit of saving money is highly regarded in Islam. The variables revealed are attitudes toward banking products, attitudes toward Islamic banking products, parental effect on Islamic financial products and services, determinants of security investment, attitudes toward conventional banking goods, the effect of personal financial management, and comprehension of wealth planning and management (Arief and Alfina, 2020).

For the second sub-themes is since when did student's parent suggest saving in Islamic Banking. It relates to the parental aspect as a motivator for saving money in sharia-compliant financial institutions. According to the eight informants, and their answers were nearly same, and they had practice of saving money in Islamic financial institutions. The majority of responses, five out of eight students, had nearly identical answers. Such as responder 6 (IF6) told that:

“Actually, from a young age I was exposed by both my fathers to make savings in Islamic banking.” It's related to the research by Noor, Ainon, and Rosmaizura (2021) inform that: *Knowledge about savings and Islamic financial instrument are revealed low among youngest.*

Other students differed slightly from other informants, namely IF4 told that:

“When I first wanted to open a bank account.”

IF5 respond was:

“My parents started using Islamic banking when the family received Baitulmal's, that is, encouraged my parents to open a BIMB account, an Islamic banking account. After think the good organizing system, he encouraged me to use Islamic banking in saving matters.”

As seen in table 4.4 below, according to finding of Juma, Musa and Irene (2019) research, Mass sensitization is crucial since it will influence the attitude of the public toward Islamic banking and enable acquisition of product knowledge by friends and family members whose opinions have been found key in the adoption process.

The last question which is Q3 mentions, did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?

The third sub-themes for the parental recommendation was did students parents' advice to save in Islamic banking have a big influence to them. The respon for this sub-themes, they all say "yes" show that they agreed that their parents' advice to save in Islamic banking had a large effect on them. For example is informant 6 (IF6):

“Yes, that is correct. support and encouragement from both my parents. I saving in Islamic banking.

While according to informant 8 (IF8):

“Yes. because parents know better what is best for their children's future and parents have also been exposed in advance to the advantages of saving in Islamic banking”

According to Achmad and Irmadatus (2020), Islamic financial literacy, promotion, and brand image improve the desire to save in Islamic banks since having high financial literacy in each particular community will assist people to recognize the advantages of saving in Islamic banks.

The last sub-theme for this theme is if there is no recommendation from parents, do they save in conventional banking. The research has found that informants have different opinions, some of them told that still will save in Islamic banking but other informants told that will choose conventional banking. According to informants 2 (IF2):

“Yes, my parents' advice had a great influence on me. But if not recommended by my parents, I will also not save in conventional banking because I am sure to look for the right information in a matter. I also usually ask experts before doing something and the experts will definitely explain to me which system I should choose as a Muslim.”

While according to informant 1 (IF1):

“Yes, my parents' advice had a great influence on me and without their encouragement I would probably have saved in conventional banking.”

University students are still responsible under their parents. This is because university students typically range on age from 18 to 24 years old. They still do not have a fixed income and depending on their parents for their daily costs and basic requirements. As a result, it is not surprising that parents influence students to save money in Islamic financial institutions.

Table 4.4 explains the above-mentioned description: To examine parental recommendation as a factor in savings intention in Islamic Banking institutions among university students in Kelantan. All of the informants have stated their respective responses and opinions on the role of parents as a factor in the suggestion to save in Islamic banking, which has a significant influence on students. Seven informants agreed that their parents encouraged them to save in Islamic banking, while one disagreed for the reasons. Saving in Islamic banking has become the main choice among university students in Kelantan, whether recommended by parents or not, because it is based on Islamic law as required by religion. Therefore, researchers concluded that this factor achieved the objectives which to examine parental recommendation being the factors of savings intention in Islamic Banking institutions among university students in Kelantan.

Table 4.4: To examine parental recommendation being the factor in savings intention in Islamic Banking institutions among university students in Kelantan.

NO	Statements	Informant 1 (IF1)	Informant 2 (IF2)	Informant 3 (IF3)	Informant 4 (IF4)	Informant 5 (IF5)	Informant 6 (IF6)	Informant 7 (IF7)	Informant 8 (IF8)
1.	Who suggested Islamic banking for your savings? (Q1)	- My parents. - and also, my sister because she also studied Islamic finance	- My parents.	- Family especially my mother	- In the early stages of family members	- who are close to me are my parents - and also, the cost I took at Universiti Malaysia Kelantan. My mother who is a user who saves in Islamic banking recommended me	-My parents but -since I accepted the offer from the University of Malaysia Kelantan have also recommended	- Yayasan Pelajaran Johor (YPJ) recommends opening an Islamic bank account if you want to apply for a	- My mother

					<p>after that I started to be interested when my parents use Islamic banking and also added to the knowledge that I got from the subjects offered by the course in Islamic banking made me more aware to save in Islamic banking itself</p>	<p>that I make savings in Islamic banking.</p>	<p>study scholarship</p>	
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2.	Since when did your parents suggest you save in Islamic banking? (Q2)	- Since I was a child.	- Since I was a child.	- As early as the age of 6, my mother already open a bank account in the Tabung Haji. While I created my own	- When I first wanted to open a bank account	- My parents started using Islamic banking when the family received Baitulmal's, that is, encouraged my parents to open a BIMB account, an Islamic banking account. After think the good organizing system,	- Actually, from a young age I was exposed by both my fathers to make savings in Islamic banking.	- My family does not recommend saving in Islamic banking	- Since high school
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				account in an Bank Islam.		he encouraged me to use Islamic banking in saving matters.			
3.	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from	- Yes, my parents' advice had a great influence on me and without their encouragement I would probably have saved in	- Yes, my parents' advice had a great influence on me. - But if not recommended by my parents, I will also not save in	- Yes, If there is no recommendation, I am still interested in saving in both types of banks.	- Yes, it gave a big influence, and maybe I will use conventional banking because at that time my knowledge	- Yes, it had a great influence on me - because of the facilities offered and it's pleased my mother, but if my parents had not given me advice, I would still choose to save in Islamic banking.	- Yes, that is correct. - support and encouragement from both my parents. - I saving in Islamic banking	- If my parents suggest me to open an account in Islamic banking, I will follow. And if my parents don't recommend	- Yes. because parents know better what is best for their children's future and parents have also been

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	<p>your parents, do you save in conventional banking? (Q3)</p>	<p>conventional banking.</p>	<p>conventional banking because I am sure to look for the right information in a matter. - I also usually ask experts before doing</p>		<p>about Islamic banking still low</p>			<p>me, maybe I will open an account according to my needs. For example, the employer instructs to open the desired account for the</p>	<p>exposed in advance to the advantages of saving in Islamic banking</p>
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			<p>something</p> <p>and the</p> <p>experts will</p> <p>definitely</p> <p>explain to</p> <p>me which</p> <p>system I</p> <p>should</p> <p>choose as</p> <p>a Muslim.</p>					<p>implementati</p> <p>on of salary</p> <p>payments</p>	
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4.5 Proposed Framework

This study finds out the factor of saving intention Islamic Banking Institutions among University Students in Kelantan. Figure 4.5 illustrates the findings obtained in the study. Based on the study that has been done, all the factors studied, namely financial literacy, religiosity and parental recommendation, influence saving intention at Islamic Banking Institutions among university students in Kelantan.

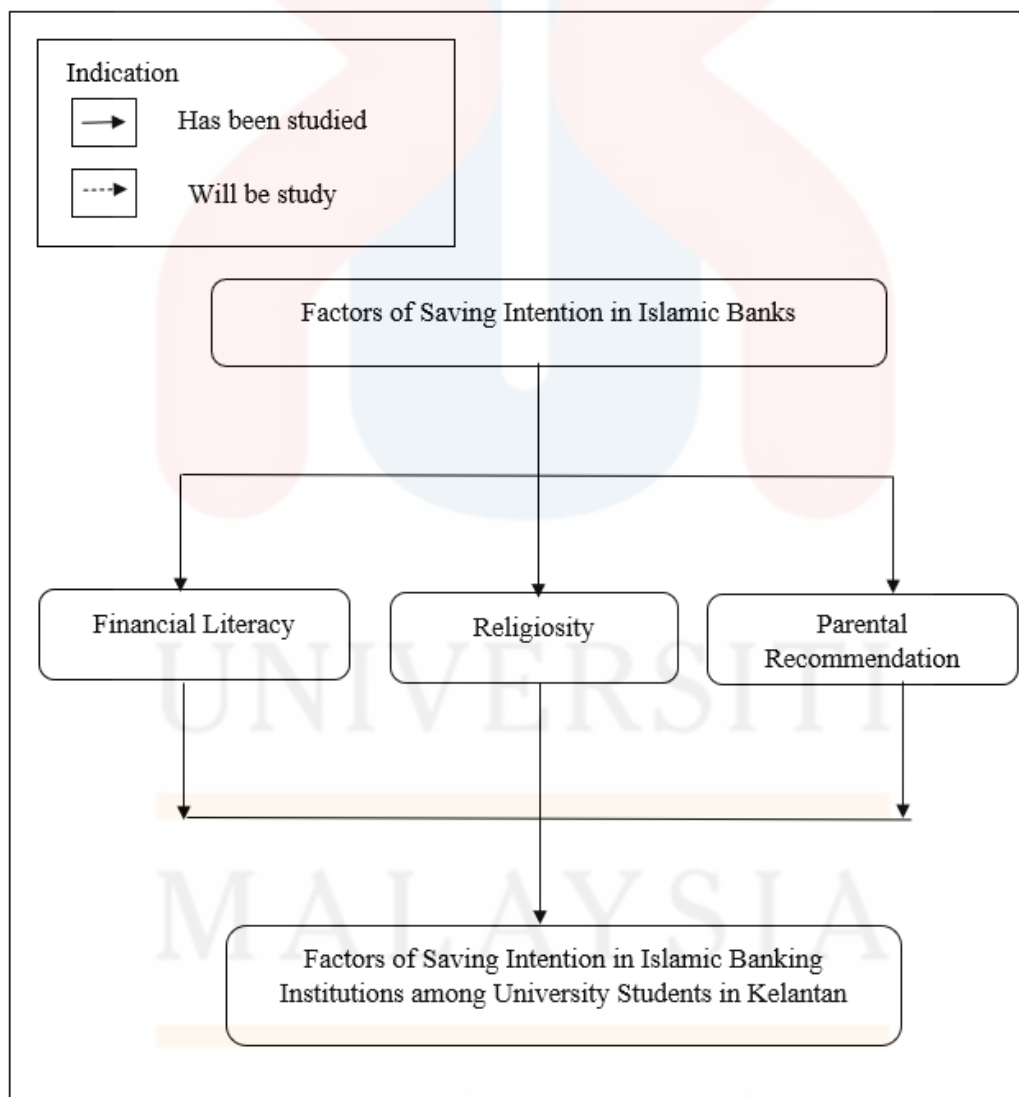


Figure 4.5 Finding Factors of Saving Intention in Islamic Banking Institutions among University Students in Kelantan

4.6 Conclusions

In a nutshell, this chapter focuses on interpreting data and the observations collected through the interview with university students in Kelantan. It has answered the factors saving intention in Islamic banking institutions among university students in Kelantan. The researchers make analysis and interpret more to give more understanding of the research. From the answers that have been obtained, the majority have the same view. The majority of informants also know that riba is prohibited in Islamic finance. This shows that university students in Kelantan are still aware and gain exposure to Islamic financial and banking systems.

CHAPTER 5

CONCLUSION AND DISCUSSION

5.1 Introduction

The previous chapter was about the interpretation of data and discussion. The researchers had presented the result and discussion gained after the interview and observations sessions that focus on the objectives of the research. The researchers list the limitations that have been taken during the study. The researchers also have made some recommendations on this study. The recommendations were made for future research and also the responsible authorities. It might be helpful to gain more people to save in Islamic banks. Lastly, the research ends with conclusions from the overall of the study.

5.2 Main Findings

The main findings for the research are based on the research objectives which are financial literacy, religiosity and parental recommendation. These three objectives are the factors of saving intention in Islamic banking institutions among university students in Kelantan. From the interview, researcher can make conclusions as stated below:

- i. This study highlighted that financial literacy is the factor of saving intention in Islamic banking institutions among university students in Kelantan. It is because, majority of informants agreed that someone who has savings in Islamic banking have a financially literate attitude. There are informants who have been exposed to Islamic banking management since school because they started receiving scholarships or assistance such as Baitulmal which required them to open a savings account. There are also informants who have received exposure since they were in university, also when they want to open a

savings account for scholarship or study loan purposes. So most informants are exposed to this Islamic banking management when they themselves manage their savings account activities. However, not all informants started to open savings accounts themselves, there are also cases where their parents opened savings accounts for them since they were children. Perhaps due to their young age at the time, they did not understand bank management but when given the opportunity to open their own accounts, they understood better and received exposure more clearly about Islamic banking management.

- ii. This study revealed that religiosity is the factor of saving intention in Islamic banking institutions among university students in Kelantan. Most informants know about riba and usury which are prohibited in the Islamic financial system and these matters influence their decision to save in Islamic banking. In the interview, 7 informants made savings in Islamic banking because they knew Islamic shariah rules that prohibit riba, usury and gambling in finance. Only one informant made savings without caring about the bank system and only followed their scholarship management. All informants know the effect of transacting with a conventional usury-based system, one of which is to cause wrath from Allah.
- iii. This study mentioned that parental recommendation is the factor of saving intention in Islamic banking institutions among university students in Kelantan. The majority of informants said that parents are the ones who encourage them to save in Islamic banking. Because the informants interviewed are university students, the average will depend on or still be influenced by their parents. This is a good thing because it can give the authorities an idea that something related to students including financial matters must involve their parents. The majority also opened a savings account by their parents since they were young, although the informants were not given detailed disclosure at that time.

Informants also agree that parents are among the people who give exposure to Islamic banking to them and they think that if parents do not give suggestions, they may not be very sensitive about Islamic banking and deal with any bank regardless of conventional or Islamic banking.

5.3 Implications of The Research

This section is a discussion about the implications of the study based on the discussion of the findings of the previous study. The researchers outline two main implications involving theoretical implications and practice implications. The theoretical implications refer to the discussion for the comparison of the study findings with the theory that underlies the results and is used in this study. While the implications of practice are the steps taken by the interested parties and those directly involved.

Theoretical Implications

This study emphasises financial products which is saving that must be in accordance with Islamic shariah. Most students do not care about the financial system whether it is necessary to follow shariah or not. Thus, this study will give them knowledge that every financial deal must not involve illegal elements such as riba, maysir and gharar that affect the sanctity of a person's financial resources.

Practice Implications

Most of the students said that if there was no recommendation from their parents, they would probably save in conventional banking. Based on research, parents are the most important people in influencing children. Parents who are concerned about their children's finances will

start saving when their children are young. Even for Muslims who are knowledgeable about the Islamic financial system, they will choose Islamic banking to make savings. With this study, authorities such as the government can make announcements or provide information to parents, especially those who are Muslim, about practices related to the financial system that should follow the Islamic Shariah. Starting from financial literacy among parents, to the religious nature in them, their role as parents lead to the existence of savings accounts in Islamic banking for Muslim children from childhood. Then the parents' knowledge of the Islamic financial system is spread or revealed to the children which will give them knowledge about Islamic finance. So this study is very important and beneficial from the authorities onwards in the Islamic family institution.

5.4 Contribution of The Research

This study will benefit several parties. Motivating other students to create an account in an Islamic bank. The majority of university students in Malaysia are at least 18 years old. At the age of 18, students can create an individual savings account without the supervision of a parent or guardian. University students really need a savings account for themselves to make their lives easier in the university world, whether for savings, daily use, study loans or learning assistance. With a savings account, all these activities can be done by students themselves. With this study, university students will be more aware of the importance of saving in Islamic banking. Perhaps before this study, students did not know where and which type they should open a savings account. There are also university students who think all bank managements are the same. In this study, it is emphasized that Islamic banking is the best banking for Muslims to keep because of its transparent management system according to Islamic Shariah. The main thing to avoid is the practice of usury because usury is forbidden in Islam.

This study also gives knowledge to people on Islamic finance. Although a person is born naturally as a Muslim, not everyone knows or acquires knowledge about Islamic Shariah. Some have a lot of Islamic knowledge, some have only a few and some have no understanding at all due to the shallowness of religious knowledge. Likewise with knowledge related to Islamic finance. Some Muslims including university students do not know about the existence of Islamic banking and consider it unimportant. There are also university students who think Islamic banking is the same as other banking. Through this study, it is shown that parents play a major role in shaping and applying the values of Islamic Sharia to their children, including financially. Although university students are considered adults, parental advice is very important for many of them. This study is no exception will contribute important information in the Islamic banking system and attract more people including university students to make savings in Islamic banking.

This study also provides information to responsible authorities to attract more people including students to save in Islamic banks. This study will contribute important information in the Islamic banking system and attract more people, especially university students, to make savings in Islamic banking. In this study, there are three factors that are emphasized namely financial literacy, religiosity and parental recommendation. Responsible parties can also promote Islamic banking to other religious communities because Islamic banking is not limited to Muslims only. Although the Islamic banking system is formed based on Sharia principles to meet the financial needs of Muslims, it is not limited to Muslims only, but it is also offered to non-Muslims. So through the findings of the study, authorities can make an assessment and use those factors to attract the interest of university students to make savings in Islamic banking.

5.5 Limitations of The Research

These are some of the limitations found during this study. Firstly, it is limited in terms of sample size because the scope is only university students in Kelantan instead of uni students in other states. In this study, the researcher chose only the students as their informants. The study was also only carried out in the state of Kelantan. In fact, the data on savings deposits is comprehensive for all Malaysians, but this study only focuses on university students in the state of Kelantan. This shows that there is a limitation in the sample size of this study.

The adequacy of data to analyse factors that influence the factors the intention to save in Islamic banks. In this study, there are 3 variables or factors that are focused on. If possible, in future studies, the researchers can present some other factors so that the information obtained is more and more accurate. When only three factors are presented, the informants' answers in the interview are also limited and may not match the answers that should be given by the informants. Therefore, the authors suggest for future research on this topic to add several variables.

This study only takes the views of Muslim students. In Islamic banking, management is not limited to Muslims only. Most people think Islamic banking is only for Muslims and non-Muslims are not allowed to deal with products in this banking. People think that it will be a mistake for them to deal with Islamic banking products. On the other hand, Islamic banking does not limit their products to any race or religion and everyone can deal in Islamic banking.

In addition, the results show that informants have less knowledge of Islamic banking, including in terms of savings. The majority do not have answers that follow the desired specifications because most students do not care to make savings in banking. The information obtained from the interview is not very accurate. The studies could not fully explore all of its potential knowledge and information due to this.

5.6 Recommendations of The Research

This study has been able to provide a detailed overview of Factors that Influencing saving in Islamic Banks among University Students in Kelantan. However, the limitations of the study have been limited to university students in Kelantan and limited to three variables only. This section discusses some suggestions for further research that can be used as a guide for future researchers. Based on this study, researchers made the following recommendation for future research.

5.6.1 Conducting research in other states in Malaysia

This study was conducted by involving university students in Kelantan only while the savings data taken from the national bank website involved all citizens in this country. So, the population that researchers do this is quite limited. In order to obtain more accurate data and information, the researcher must conduct extensive and in-depth research but still set in a certain population so that the data is accurate. In addition to students, future studies can also interview other members of the public. As this study is exclusively conducted in one state in Malaysia which is Kelantan, further study needs to be conducted to gain more comprehensive information and findings. Perhaps by expanding the scope of the study will further increase the precision and accuracy of the information to be studied.

5.6.2 Identify more other factors

This study only involved three factors namely financial literacy, religiosity and parental recommendation. This study only focuses on those three factors because they are more closely related to students. Researchers have asked for opinions from informants about other factors that influence saving in Islamic Banks among University

Students in Kelantan. Informants listed several other factors such as requirements from the university, image highlighted by Islamic banking, peer influence, promotion, service quality and reputation of the bank. Besides, we also suggest factors such as excess income.

5.7 Conclusions

This study is particularly related to the exposure of factors that encourage university students to save in Islamic banking. Disclosure of these factors is done to provide knowledge and attract more Muslim communities in this country to open savings accounts in Islamic banking. Islamic savings accounts are based on the practice of Sharia Law. Islam prohibits earning money on interest used under conventional savings accounts.

Based on the three factors studied, all of them provide encouragement for university students to save in Islamic banking, but the most influential is religiosity. From the interview, researchers concluded that all informants know the basic knowledge that Muslims must manage their savings according to Shariah. Most students also say that they make savings in Islamic banking because of their belief in the Islamic banking system based on shariah. Then it follows by financial literacy which most informants are financial literate. Informants get exposure to have saving since they were children. Not to forget, university students also make savings in Islamic banking institutions because they were influence by the parents since they were still children. Although university students are considered adults, their financial problems are also driven by their own parents' opinions. This may be due to practicality from childhood where financial matters are managed by their parents. Not only that, as a child, the student must believe that all the steps taken by the parents are the best for them and have a certain reason. Before parents disclose about savings, parents also apply religious teachings in every act and behaviour of their children so that it is always based on Islamic Sharia. So, students apply their parents' advice and it is also applied in their respective financial activities including when making savings in the bank.

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APPENDIX A (INTERVIEW QUESTIONS)



UNIVERSITI
MALAYSIA
KELANTAN

INTERVIEW CONSENT FORM

RESEARCH TOPIC:

**FACTORS OF INTENTION TO SAVE IN ISLAMIC BANKING INSTITUTIONS
AMONG UNIVERSITY STUDENTS IN KELANTAN**

Research objective:

- 1) Identifying financial literacy as a factor in the intention to save in Islamic banking institutions among university students in Kelantan.
- 2) To investigate the role of religion as the factor in the intention to save in Islamic banking institutions among university students in Kelantan.
- 3) Studying parents' recommendations that are factors in the intention to save in Islamic banking institutions among university students in Kelantan.

Name:

University:

I hereby agree/disagree to be one of the study informants to be interviewed by members of this group. I have been informed of the purpose of this interview. I have also been informed that this interview session will be recorded for research purposes. I give permission to this group to use any information collected as long as it does not touch the sensitivities of any party.

Signature: _____

Date: _____



UNIVERSITI
MALAYSIA
KELANTAN

FKP

BORANG PERSETUJUAN TEMUBUAL

TAJUK KAJIAN:

**FAKTOR NIAT MENYIMPAN DI INSTITUSI PERBANKAN ISLAM DALAM
KALANGAN PELAJAR UNIVERSITI DI KELANTAN**

Objektif kajian:

- 1) Mengenal pasti celik kewangan menjadi faktor niat menabung di institusi Perbankan Islam dalam kalangan pelajar universiti di Kelantan.
- 2) Untuk menyiasat peranan agama sebagai faktor niat menabung di institusi perbankan Islam dalam kalangan pelajar universiti di Kelantan.
- 3) Mengkaji saranan ibu bapa yang menjadi faktor niat menabung di institusi Perbankan Islam dalam kalangan pelajar universiti di Kelantan.

Nama :

Universiti:

Dengan ini saya bersetuju/ tidak bersetuju untuk menjadi salah satu peserta kajian untuk ditemu bual oleh ahli kumpulan ini. Saya telah dimaklumkan akan tujuan temu bual ini. Saya juga telah dimaklumkan bahawa sesi temu bual ini akan dirakam untuk tujuan kajian. Saya memberi kebenaran kepada kumpulan ini untuk menggunakan segala maklumat yang dikumpul asalkan ia tidak menyentuh sensitiviti mana mana pihak.

Tandatangan: _____

Tarikh: _____

**FACTORS OF SAVING INTENTION IN ISLAMIC BANKING INSTITUTIONS
AMONG UNIVERSITY STUDENTS IN KELANTAN**

Informant Demography

Interviewer:

Student Name

Student University:

Age:

Gender:

RO1: To identify financial literacy being the factor in savings intention in Islamic Banking institutions among university students in Kelantan

1.	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think? (Adakah seseorang yang membuat simpanan di perbankan Islam mempunyai sikap yang celik kewangan? Bagaimana pendapat anda?)
2.	Since when and where did you first get exposure to financial management in Islamic banking? (Sejak bila dan di mana anda mula mendapat pendedahan tentang pengurusan kewangan di perbankan Islam?)
3.	When do you open a savings account in Islamic banking? (Bila anda membuka akaun simpanan di perbankan Islam?)
4.	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing? (Adakah amalan menyimpan di perbankan Islam memberi manfaat dan kelebihan kepada anda? Mengapakah hal sedemikian?)

RO2: To investigate the role of religiosity as a factor in savings intention in Islamic banking institutions among university students in Kelantan

1.	How does religious awareness influence your decision to save in Islamic banking? (Bagaimana kesedaran agama menjadi faktor kepada anda untuk menyimpan di perbankan Islam?)
2.	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a? (Adakah anda membuat simpanan di akaun perbankan Islam kerana mempercayai sistem pengurusannya mengikut syariat Islam?)
3.	Do you know the effect of transacting with a conventional usury-based system? (Adakah anda tahu kesan sekiranya bertransaksi dengan sistem konvensional yang

	berteraskan riba?)
RO3: To examine parental recommendation being the factor in savings intention in Islamic Banking institutions among university students in Kelantan	
1.	Who suggested Islamic banking for your savings? (Siapakah yang memberi saranan untuk anda membuat simpanan di perbankan Islam?)
2.	Since when did your parents suggest you save in Islamic banking? (Sejak bilakah ibu bapa anda menyarankan anda membuat simpanan di perbankan Islam?)
3.	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking? (Adakah saranan ibu bapa untuk menyimpan di perbankan Islam memberi pengaruh besar kepada anda? Jika tiada saranan ibu bapa anda, adakah anda menabung di perbankan konvensional?)
Additional question	
1.	What other factors influence students' intention to save in Islamic banking? Specify. (Apakah faktor lain yang mempengaruhi niat pelajar untuk menyimpan di perbankan Islam? Nyatakan.)

Interview Transcript

Informant 1

Interviewer: Nur Faqihah Binti Ahmad Paudzi
 Student Name: Munifah Binti Mat Jusoh
 Student University: Universiti Sains Malaysia Kelantan
 Age:23
 Gender: Female

FKP

Interviewer	2.30 pm
	Assalamualaikum, I am Faqihah, a final year student at UMK. My group for the final year project conducted research on Factors of saving Intention in Islamic banking institutions among University Students in Kelantan. As a representative for my group, can I interview you on this matter?
Informant	2.31 pm
	Walaikumussalam, sure.
Interviewer	2.31pm
	Before we continue on the questions, can you introduce yourself first?
Informant	2.32pm
	Alright, my name is Munifah binti Mat Jusoh, a fifth year student at University Sains Malaysia, Kubang Kerian.
Interviewer	2.33 pm
	Okay Munifah. Firstly, thank you for willingly being our informant for this research. There are a few questions that I want to know from you. First question is, in your opinion, does someone who has savings in Islamic banking have a financially literate attitude?
Informant	2.35 pm
	In my opinion, those who make savings in Islamic banking are those who are financially literate because they are far-sighted and also have knowledge about the benefits of saving in Islamic banking.
Interviewer	2.36 pm
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	2.38 pm
	I began to gain exposure to Islamic banking since furthering my studies as a university student.

Interviewer	2.39 pm
	When do you open a savings account in Islamic banking?
Informant	2.42 pm
	My parents have opened a savings account in Islamic banking for me since I was a child. Meanwhile, I have opened my own account in Bank Islam since I want to start studying at university.
Interviewer	2.44 pm
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	2.45 pm
	Yes, I feel more confident, safer and there is no element of suspicion in the Islamic banking management.
Interviewer	2.46 pm
	How does religious awareness influence your decision to save in Islamic banking?
Informant	2.47 pm
	Yes, I strongly agree that religious awareness is important in my decision to save in Islamic banking because it is in the demands of religion itself that gives awareness that every property acquired will be a source of human flesh and blood. When I save in Islamic banking, I believe that Islamic banking, especially in Malaysia, implements management in accordance with the true laws of Islam.
Interviewer	2.50 pm
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a?
Informant	2.55 pm
	Yes, because Islamic banking practices sharia principles that are free from prohibited elements such as riba, gharar (doubt), maisir (gambling), tadbis (fraud), oppression, injustice, monopolizing property and so on.
Interviewer	2.58 pm
	Do you know the effect of transacting with a conventional usury-based system?

Informant	3.00 pm
	Yes, because it causes the collected property to be unclean and the source of the blood is not good from an Islamic point of view.
Interviewer	3.01 pm
	Who suggested Islamic banking for your savings?
Informant	3.02 pm
	My parents and also my sister because she also studied Islamic finance.
Interviewer	3.03 pm
	Since when did your parents suggest you save in Islamic banking?
Informant	3.04 pm
	Since I was a child.
Interviewer	3.05 pm
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	3.06 pm
	Yes, my parents' advice had a great influence on me and without their encouragement I would probably have saved in conventional banking.
Interviewer	3.06 pm
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	3.07 pm
	Requirement from the university.
Interviewer	3.08 pm
	Thank you Munifah for participating in this interview.
Informant	3.08 pm
	Welcome.

Informant 2

Interviewer: Nur Faqihah Binti Ahmad Paudzi
 Student Name: Nik Nur Najihah Binti Norazni
 Student University: Universiti Teknologi Mara Cawangan Kota Bharu
 Age: 23
 Gender: Female

Interviewer	4.05 pm
	Assalamualaikum, I am Faqihah, a final year student at UMK. My group for the final year project conducted research on Factors of saving Intention in Islamic banking institutions among University Students in Kelantan. As a representative for my group, can I interview you on this matter?
Informant	4.06 pm
	Walaikumussalam, sure.
Interviewer	4.06 pm
	Before we continue on the questions, can you introduce yourself first?
Informant	4.07 pm
	Alright, my name is Nik Nur Najihah binti Norazni. I am a third year student from UITM Kampus Kota Bharu.
Interviewer	4.08 pm
	Okay Najihah. Firstly, thank you for willingly being our informant for this research. There are a few questions that I want to know from you. First question is for your opinion, does someone who has savings in Islamic banking have a financially literate attitude?
Informant	4.09 pm
	Yes, because that attitude gives us the opportunity to save and save for the future with a system based on Islamic shariah.
Interviewer	4.10 pm
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	4.11 pm
	I began to gain exposure to Islamic banking since I was child. This is because my parents are very concerned about the financial management of their children, including me. Our parents have opened savings accounts in Islamic banking since we were children. Indirectly, my other siblings and I have gained some knowledge about Islamic

	banking since we were children.
Interviewer	4.13 pm
	When do you open a savings account in Islamic banking?
Informant	4.14 pm
	My parents have opened a savings account in Islamic banking for me since I was 6 years old. Meanwhile, I have opened my own account since I want to start studying at university.
Interviewer	4.16 pm
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	4.17 pm
	Because the management are according to the Shariah Islam and as a Muslim that is the benefit for me. In addition, Malaysia is an Islamic country and muslim can get many Islamic banking institution services here than in other countries.
Interviewer	4.19 pm
	How does religious awareness influence your decision to save in Islamic banking?
Informant	4.20 pm
	To avoid saving in banking management that not practice the Islamic law in their management.
Interviewer	4.22 pm
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a?
Informant	4.23 pm
	True. I strongly believe that Islamic banking will not practice riba in their management.
Interviewer	4.24 pm
	Do you know the effect of transacting with a conventional usury-based system?
Informant	4.25 pm
	I know the effect in the concept of religion, one of which is to be angry with Allah. Allah will not bless the life of a person who does something based on the usury system.

Interviewer	4.27 pm
	Who suggested Islamic banking for your savings?
Informant	4.27 pm
	My parents.
Interviewer	4.28 pm
	Since when did your parents suggest you save in Islamic banking?
Informant	4.28 pm
	Since I was a child.
Interviewer	4.29 pm
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	4.30 pm
	Yes, my parents' advice had a great influence on me. But if not recommended by my parents, I will also not save in conventional banking because I am sure to look for the right information in a matter. I also usually ask experts before doing something and the experts will definitely explain to me which system I should choose as a Muslim.
Interviewer	4.33 pm
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	4.34 pm
	Requirement from the university.
Interviewer	4.34 pm
	Alright Najihah. Thank you for cooperating with us for this research.
Informant	4.35 pm
	Welcome.

Informant 3

Interviewer: Nur Haslina Binti Mat Nawi
 Student Name: Khairunnisa' Binti Mustafa
 Student University: Uitm Kelantan (Kampus Kota Bharu)
 Age:23
 Gender: Female

FKP

Interviewer	3:57 PM
	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think?
Informant	4:00 PM
	Yes, in my opinion, someone who chooses to make savings in islamic would recognize the difference between conventional bank (ordinary bank) and Islamic banking.
Interviewer	4:01 PM
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	4:02 PM
	Since primary school was exposed by the family & secondary school Also by those who come to school to provide a seminar about Islamic finance
Interviewer	4:03 PM
	When do you open a savings account in Islamic banking?
Informant	4:03 PM
	As early as 6 years old, the nominee was still a mother at that time
Interviewer	4:03 PM
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	4:05 PM
	Yes, unlike other conventional banks, Islamic banking does not engage in Riba, etc. So, we as savers/depositors, get benefit (avoid haram method.)
Interviewer	4:05 PM
	How does religious awareness influence your decision to save in Islamic banking?
Informant	4:07 PM
	Islam insists on the element of Riba etc. it is very necessary to avoid it. So, when we have the choice to choose conventional or Islamic banking. Of course we choose Islamic banking.
Interviewer	4:07 PM
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a?
Informant	4:07 PM
	yes
Interviewer	4:08 PM
	Do you know the effect of transacting with a conventional usury-based

	system?
Informant	4:08 PM
	yes
Interviewer	4:08 PM
	Who suggested Islamic banking for your savings?
Informant	4:09 PM
	Family especially my mother
Interviewer	4:09 PM
	Since when did your parents suggest you save in Islamic banking?
Informant	4:10 PM
	As early as the age of 6, my mother already open a bank account in the Tabung Haji. While I created a my own account in an Bank Islam.
Interviewer	4:10 PM
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	4:11 PM
	Yes, If there is no recommendation, I am still interested in saving in both types of banks.
Interviewer	4:11 PM
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	4:14 PM
	Because there are not too many deductions & the dividend percentage is quite high. As a student, I am called to save by saving in Islamic banking Acceptance of PTPTN requires UITM students to have 1 Islamic bank account so I'm as a UITM student, create an Islamic bank account to receive PTPTN

Informant 4

Interviewer: Nur Haslina Binti Mat Nawi
 Student Name: Ainnur Shahirah Binti Hasyim
 Student University: Universiti Malaysia Kelantan
 Age:23
 Gender: Female

Interviewer	4:03 PM
	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think?
Informant	4:11 PM
	Yes, that's right, I think it's a smart move. Because as a Muslim we must use Islamic banking products and comply with Sharia.
Interviewer	4:12 PM
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	4:14 PM
	at first only knew the basics about Islamic banking. After entering the university, I got a more in-depth explanation
Interviewer	4:14 PM
	When do you open a savings account in Islamic banking?
Informant	4:15 PM
	20 years old
Interviewer	4:15 PM
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	4:17 PM
	in my opinion it provides a lot of benefits, one of which is that customers who deposit money in an Islamic savings account will become Mudarib or a partner to the bank
Interviewer	4:17 PM
	How does religious awareness influence your decision to save in Islamic banking?
Informant	4:19 PM
	Because Islam is a religion that prohibits sources that do not comply with sharia such as gambling or from the sale of liquor. so this kind of thing should be avoided.
Interviewer	4:20 PM
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a?
Informant	4:26 PM
	Yes, I trust the management of the bank because Islamic banking was introduced to provide banking services to Muslims. Which obeys sharia laws
Interviewer	4:26 PM

	Do you know the effect of transacting with a conventional usury-based system?
Informant	4:30 PM
	If we know that a transaction that has an element of riba, it is a sin
Interviewer	4:30 PM
	Who suggested Islamic banking for your savings?
Informant	4:31 PM
	In the early stages of family members
Interviewer	4:31 PM
	Since when did your parents suggest you save in Islamic banking?
Informant	4:32 PM
	When I first wanted to open a bank account
Interviewer	4:32 PM
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	4:36 PM
	Yes, it gave a big influence, and maybe I will use conventional banking because at that time my knowledge about Islamic banking still low.
Interviewer	4:36 PM
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	4:37 PM
	Yes, I get benefits, maybe offer a lucky draw from the bank institution, and easy transactions without any worries.

Informant 5

Interviewer: Nur Hamizah Binti Akiruddin
 Student Name: Nuratikah Shobirah Binti Mat Sabli
 Student University: Universiti Malaysia Kelantan
 Age:23
 Gender: Female

FKP

Interviewer	10.30 PM
	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think?
Informant	10.32 PM
	In my opinion, it's not because every institution emphasizes financial literacy, which is saving, but Islamic banking is more encouraged for Muslims because they are more Sharia-compliant than conventional banks.
Interviewer	10.36 PM
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	10.37 PM
	Before that, I took a conventional, conventional bank when I was in primary school. That's when I took baitulmal. At that time, I shared an account with my father. I only know from my father but when I entered secondary school Baitulmal, its changed to the system from conventional banks to Islamic banking which is Bank Islam Malaysia Berhad BIMB. Because the purpose of this Baitulmal is that we people of Baitulmal are more for zakat that is more for Muslims, it is better for us to use things or systems that involve Islamic finance as opposed to conventional ones.
Interviewer	10.41 PM
	When do you open a savings account in Islamic banking?
Informant	10.42 PM
	I first received Baitulmal's assistance when I was a senior in high school. Because he advised us to employ Bank Islam Berhad in BIMB in Baitulmal matters at the time. Baitulmal is similar to zakat because of this. Zakat and Islamic banking are related.
Interviewer	10.44 PM
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	10.45 PM
	For me its gives an advantage because I know the right products to use. After all, Islamic banking adheres more closely to Shariah. Because I am a Muslim, I must avoid three situations that must be avoided in business operations, such as purchasing and selling flowers or uncertainty after that gambling business,
Interviewer	10.48 PM
	How does religious awareness influence your decision to save in Islamic banking?

Informant	10.49 PM
	Okay, as we know, every Muslim must obey the sharia that has been established in Islam. That is in a business of buying and selling. therefore, I myself have to avoid encountering these three things, so that the system that is done will be fair, so it will be even more fair. Following that, Islam also exhorts us to make future savings because doing so will ensure that we can fulfil our everyday necessities in the future. His awareness of religion was the impetus behind my decision to save in Islamic financial institutions.
Interviewer	10.52 PM
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a?
Informant	10.53 PM
	Yes, because in Islamic banking there are various products related to savings provided by various Muslims. we as consumers can choose because most of the products offered are in line with the times. After that, the basic sincerity between the parties involved causes me to believe more in the management system that is seen according to Islamic Shari'a
Interviewer	10.56 PM
	Do you know the effect of transacting with a conventional usury-based system?
Informant	10.57 PM
	Yes, I know that although this riba does not interfere with my finances or my savings or my savings if I can afford to pay the interest. But the effect of this usury will be huge, if there is no monitoring party. This riba will continue to grow. After that it became a habit to the point that we ourselves feel that usury is not a wrong thing. So that is the bad thing about riba.
Interviewer	11 PM
	Who suggested Islamic banking for your savings?
Informant	11.01 PM
	who are close to me are my parents and also the cost I took at Universiti Malaysia Kelantan. My mother who is a user who saves in Islamic banking recommended me after that I started to be interested when my parents use Islamic banking and also added to the knowledge that I got from the subjects offered by the kos in Islamic banking made me more aware to save in Islamic banking itself.
Interviewer	11.04 PM
	Since when did your parents suggest you save in Islamic banking?
Informant	11.05 PM
	My parents started using Islamic banking when the family received Baitulmal's, that is, encouraged my parents to open a BIMB account, an Islamic banking account. After think the good organizing system, he encouraged me to use Islamic banking in saving matters.
Interviewer	11.07 PM
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	11.08 PM

	Yes, it had a great influence on me because of the facilities offered and its pleased my mother, but if my parents had not given me advice, I would still choose to save in Islamic banking.
Interviewer	11.10 PM
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	11.11 PM
	<p>For me there are three influencing factors to save in Islamic banking. First, the image highlighted by Islamic banking. This means that when it comes to Islamic banking, takes care of quality or in his dealings with consumers. That user will trust Islamic banking more, After that maybe they will sharing to other people, to his friends or family. they will cause us to encourage people to use Islamic banking.</p> <p>The last factor is risk. So, we know the goodness of Islam, he gives us relief in using him as an example of a transaction between a buyer and a seller, we cannot hide any information. It implies that the buyer is likewise required to provide the seller with the information that we must share with the seller from beginning to end.</p>



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Informant 6

Interviewer: Nur Hamizah Binti Akiruddin
 Student Name: Intan Shukrina Binti Md Sokori
 Student University: Universiti Malaysia Kelantan
 Age:23
 Gender: Female

FKP

Interviewer	2:03 PM
	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think?
Informant	2:11 PM
	In my opinion, yes, this is because the Islamic savings account is a type of profit-based investment account. Which is guided by mudharabah rules and where the objective is to give a return on the investment
Interviewer	2:12 PM
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	2:14 PM
	I remember since I got an offer at the Malaysian University of Kelantan where I had to open an Islamic Bank card and from there I got a little bit about financial management by the bank officers themselves.
Interviewer	2:14 PM
	When do you open a savings account in Islamic banking?
Informant	2:15 PM
	3 years ago
Interviewer	2:15 PM
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	2:17 PM
	Yes, as we already know, this Islamic banking is banking that is free from riba elements, which means that all products and services implemented must be free and do not involve illegal elements such as usury, gharar and maysir
Interviewer	2:17 PM
	How does religious awareness influence your decision to save in Islamic banking?
Informant	2:19 PM
	I am a Muslim. This really motivates me to save in Islamic banking because this Islamic banking is one of the services that is free from the element of riba. In addition, Islam also emphasizes that a person must comply with Sharia as provided by Islamic banking
Interviewer	2:23 PM
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic Shari'a?
Informant	2:24 PM
	Yes exactly.

Interviewer	2:25 PM
	Do you know the effect of transacting with a conventional usury-based system?
Informant	2:26 PM
	I know why bank conventional does not obey Islamic Sharia
Interviewer	2:27 PM
	Who suggested Islamic banking for your savings?
Informant	2:27 PM
	My parents but since I accepted the offer from the University of Malaysia Kelantan have also recommended that I make savings in Islamic banking
Interviewer	2:30 PM
	Since when did your parents suggest you save in Islamic banking?
Informant	2:31 PM
	Actually, from a young age I was exposed by both my fathers to make savings in Islamic banking
Interviewer	2:32 PM
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	2:33 PM
	Yes, that is correct. support and encouragement from both my parents. I saving in Islamic banking
Interviewer	2:34 PM
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	2:35 PM
	As a student, making savings in Islamic banking is a little bit helpful for me to repay my PTPTN payment in the future.



Informant 7

Interview: Nur Fazilah Binti Azhar
 Student Name: Nur Aliah Binti Jais
 Student University: Universiti Malaysia Kelantan
 Age:22
 Gender: Female

Interviewer	10:55pm
	Does someone who has savings in Islamic banking have a financially literate attitude? What do you think?
Informant	10:57pm
	Only a few individuals know about financial literacy. This is due to the individuals who open a bank driven by their employer, that is their workplace, they choose their job to open a bank that is demanded for the implementation of salary. For example, I did an industrial training in a company and the employer asked me to open an RHB bank or an Islamic bank
Interviewer	11:00pm
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	11:01pm
	When I'm not sure but maybe I can look on the website to see the information and advantages of Islamic banking. In addition, when I open a bank account, the bank officer will also explain the advantages of saving in Islamic banking
Interviewer	11:03pm
	When do you open a savings account in Islamic banking?
Informant	11:04pm
	I opened an account since i entered university in 2019
Interviewer	11:05pm
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	11:06pm
	Yes, because Islamic banking does not practice riba or make deductions in user accounts

Interviewer	11:08pm
	How does religious awareness influence your decision to save in Islamic banking?
Informant	11:09pm
	Islam prohibits usury. So, I think religion is the main reason why i choose to save in Islamic banking over conventional banks
Interviewer	11:11pm
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic shari'a?
Informant	11:13pm
	I opened an Islamic bank account because I wanted to apply for scholarships and matters involving my university and until now i just continued without knowing about the bank's management system according to Islamic sharia or not
Interviewer	11:15pm
	Do you know the effect of transacting with a conventional usury-based system?
Informant	11:06pm
	I know why bank conventional does not obey Islamic Sharia.
Interviewer	11:07pm
	Who suggested Islamic banking for your savings?
Informant	11:09pm
	Yayasan Pelajaran Johor (YPJ) recommends opening an Islamic bank account if you want to apply for a study scholarship
Interviewer	11:11pm
	Since when did your parents suggest you save in Islamic banking?
Informant	11:12pm
	My family does not recommend saving in Islamic banking
Interviewer	11:13pm

	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	11:15pm
	If my parents suggest me to open an account in Islamic banking, i will follow. And if my parents don't recommend me, maybe i will open an account according to my needs. For example, the employer instructs to open the desired account for the implementation of salary payments
Interviewer	11:17pm
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	11:18pm
	Sharia-based Islamic banking will be a factor in encouraging students to save to avoid usury

Informant 8

Interview: Nur Fazilah Binti Azhar
 Student Name: Norlaina Binti Nordin
 Student University: Universiti Malaysia Kelantan
 Age:23
 Gender: Female

Interviewer	3:15pm
	Does someone who has savings in islamic banking have a financially literate attitude? What do you think?
Informant	3:16pm
	I think only a few individuals are financially literate. This is because students are now less interested in participating in programs related to proper financial management. In fact, they prefer to spend money rather than save. In addition, individuals who have saved in Islamic banking are not necessarily financially literate because they may be driven by parents or other factors.
Interviewer	3:18pm
	Since when and where did you first get exposure to financial management in Islamic banking?
Informant	3:19pm
	Since high school. At school I was exposed to financial management in Islamic banking. There, I participated in a program organized by the counselling.
Interviewer	3:21pm
	When do you open a savings account in Islamic banking?
Informant	3:22pm
	Since high school
Interviewer	3:22pm
	Does the practice of saving in Islamic banking give you benefits and advantages? Why is such a thing?
Informant	3:23pm

	Yes. Because there is no riba element and all depositors are trusted. And I, as a depositor in Islamic banking, do not feel doubt and fear because the system used is based on Islamic sharia
Interviewer	3:25pm
	How does religious awareness influence your decision to save in Islamic banking?
Informant	3:26pm
	Islam also prohibits usury. So, if I choose conventional banking, I might get a sin because I have been exposed since I was in school. So, I think this religious factor also pushed me to open an account in Islamic banking
Interviewer	3:28pm
	Do you save in an Islamic banking account because of your trust that its management system is according to Islamic shari'a?
Informant	3:29pm
	Yes. Because Islamic banking has guidelines based on Islamic shari'ah that are so strict to create public trust
Interviewer	3:30pm
	Do you know the effect of transacting with a conventional usury-based system?
Informant	3:31pm
	Yes, I know.
Interviewer	3:32pm
	Who suggested Islamic banking for your savings?
Informant	3:32pm
	My mother
Interviewer	3:33pm
	Since when did your parents suggest you save in Islamic banking?
Informant	3:34pm

	Since high school
Interviewer	3:35pm
	Did your parents' advice to save in Islamic banking have a big influence on you? If there is no recommendation from your parents, do you save in conventional banking?
Informant	3:37pm
	Yes. Because parents know better what is best for their children's future and parents have also been exposed in advance to the advantages of saving in Islamic banking
Interviewer	3:38pm
	What other factors influence students' intention to save in Islamic banking? Specify.
Informant	3:39pm
	Peer influence can encourage me to saving in Islamic banking

APPENDIX B (GANTT CHART)

Year/Month	2022					2023	
	25-Jun	14-Jul	Nov 6-Nov 19	Nov 20-Dec 3	Dis 11-Dec 24	Jan 7- Jan 12	Jan 14-Jan 19
Preparation of Thesis							
Final corrections and amendments							
Data Collection							
Analysis of Data							
Writing the final report							
Report submission for supervisor review							
Submission of final report to supervisor and examiner for assessment							