

**VIEWPOINTS OF ISLAMIC BANKING AMONG  
MUSLIMS AND NON-MUSLIMS STUDENTS IN  
MALAYSIA**

SYAHIRA FARAHANA BINTI MOHD HASNI

SYAZWINA BINTI MAT ARIFFIN

TENGGU SHARIFAH NORMADIHA BINTI KU MAT AZAHA

TUAN NUR ATIKAH SHAHIRA BINTI TUAN DIN

UNIVERSITI

MALAYSIA

DEGREE OF BUSINESS ADMINISTRATION (ISLAMIC BANKING AND FINANCE)

WITH HONOURS

2024

FKP



UNIVERSITI  
MALAYSIA  
KELANTAN

# **VIEWPOINTS OF ISLAMIC BANKING AMONG MUSLIMS AND NON-MUSLIMS STUDENTS IN MALAYSIA**

by

**Syahira Farahana Binti Mohd Hasni**

**Syazwina Binti Mat Ariffin**

**Tengku Sharifah Normadiha Binti Ku Mat Azaha**

**Tuan Nur Atikah Shahira Binti Tuan Din**

A thesis submitted in fulfillment of the requirements for the degree of Business Administration

(Islamic Banking and Finance) with Honors

UNIVERSITI  
MALAYSIA  
FACULTY OF ENTREPRENEURSHIP AND BUSINESS

UNIVERSITI MALAYSIA KELANTAN

KELANTAN

2024

FKPP






## THESIS DECLARATION

I hereby certify that the work embodied in this thesis is the result of the original research and has not been submitted for a higher degree to any other University or Institution.

<input checked="" type="checkbox"/>	<b>OPEN ACCESS</b>	I agree that my thesis is to be made immediately available as hardcopy or on-line open access (full text).
<input checked="" type="checkbox"/>	<b>EMBARGOES</b>	I agree that my thesis is to be made available as hardcopy or on-line (full text) for a period approved by the Post Graduate Committee.  Dated from <u>8 Oktober 2023</u> until <u>27 January 2024</u> .
<input checked="" type="checkbox"/>	<b>CONFIDENTIAL</b>	(Contain confidential information under the Official Secret Act 1972) *
<input checked="" type="checkbox"/>	<b>RESTRICTED</b>	(Contains restricted information as specified by the organization where research was done) *

I acknowledge that Universiti Malaysia Kelantan reserves the right as follows:

1. The thesis is the property of Universiti Malaysia Kelantan.
2. The library of Universiti Malaysia Kelantan has the right to make copies for the purpose of research only.
3. The library has the right to make copies of the thesis for academic exchange.

<p><b>Signature:</b></p>  <p><b>Student Name:</b> Syahira Farahana Binti Mohd Hasni</p> <p><b>Matrix No:</b> A20A2008</p> <p><b>Date:</b> 27 January 2024</p>	<p><b>Signature:</b></p>  <p><b>Student Name:</b> Syazwina Binti Ariffin</p> <p><b>Matrix No:</b> A20A2011</p> <p><b>Date:</b> 27 January 2024</p>
<p><b>Signature:</b></p>  <p><b>Student Name:</b> Tengku Sharifah Normadiha Binti Ku Mat Azaha</p> <p><b>Matrix No:</b> A20A2033</p> <p><b>Date:</b> 27 January 2024</p>	<p><b>Signature:</b></p>  <p><b>Student Name:</b> Tuan Nur Atikah Binti Tuan Din</p> <p><b>Matrix No:</b> A20A2047</p> <p><b>Date:</b> 27 January 2024</p>
<p><b>Validation</b></p>	
<p><b>Signature:</b></p>  <p><b>Supervisor:</b> <small>NOORMARIANA BINTI MOHD DIN</small> Pensyarah Fakulti Keusahawanan dan Perniagaan Universiti Malaysia Kelantan</p> <p>Dr. Noormariana Binti Mohd Din</p> <p>Pensyarah Kanan, Fakulti Keusahawanan dan Perniagaan, Universiti Malaysia Kelantan.</p> <p><b>Date:</b> 27 January 2024</p>	

**ASSESSMENT FORM FOR FINAL YEAR RESEARCH PROJECT: RESEARCH REPORT (WEIGHT 50 %)**

**Student's Name** : Syahira Farahana Binti Mohd Hasni

**Matric No.** : A20A2008

**Student's Name** : Syazwina Binti Mat Arifin

**Matric No.** : A20A2011

**Student's Name** : Tengku Sharifah Normadiha Binti Ku Mat Azaha

**Matric No.** : A20A2033

**Student's Name** : Tuan Nur Atikah Shahira Binti Tuan Din

**Matric No.** : A20A2047

**Name of Supervisor** : Dr. Noormariana Binti Mohd Din

**Name of Programmed** : SAB

**Research Topic** : Viewpoints of Islamic Banking Among Muslims and Non-Muslims Students in Malaysia



No.	Criteria	Performance Levels				Weight	Total
		Poor (1 Mark)	Fair (2 Marks)	Good (3 Marks)	Excellent (4 Marks)		
1.	<b>Content (10 Marks)</b>  (Research objective and research methodology in accordance to comprehensive literature review)	Poorly clarified and not focused on research objective and research methodology in accordance to comprehensive literature review.	Fairly defined and fairly focused on research objective and research methodology in accordance to comprehensive literature review.	Good and clear of research objective and research methodology in accordance to comprehensive literature review with good facts.	Strong and very clear of research objective and research methodology in accordance to comprehensive literature review with very good facts.	x ___ 1.25  (Max: 5)	

	Content of report is systematic and scientific (systematic includes background of study, problem statement, research objective, research question) (scientific refers to researchable topic)	Content of report is written unsystematic that not include background of study, problem statement, research objective, research question and unscientific with unsearchable topic.	Content of report is written less systematic with include fairly background of study, problem statement, research objective, research question and less scientific with fairly researchable topic.	Content of report is written systematic with include good background of study, problem statement, research objective, research question and scientific with good researchable topic.	Content of report is written very systematic with excellent background of study, problem statement, research objective, research question and scientific with very good researchable topic.	x ___ 1.25  (Max: 5)	
<b>2.</b>	<b>Overall Report Format (5 Marks)</b>						
	Submit according to acquired format	The report is not produced according to the specified time and / or according to the format.	The report is produced according to the specified time but fails to adhere to the format.	The report is produced on time, adheres to the format but with few weaknesses.	The report is produced on time, adheres to the format without any weaknesses.	x ___ 0.25  (Max: 1)	
	Writing styles (clarity, expression of ideas and coherence)	The report is poorly written and difficult to read. Many points are not explained well. Flow of ideas is incoherent.	The report is adequately written; Some points lack clarity. Flow of ideas is less coherent.	Writing styles (clarity, expression of ideas and coherence).	The report is poorly written and difficult to read. Many points are not explained well. Flow of ideas is incoherent.	x ___ 0.25  (Max: 1)	

	Technicality (grammar, theory, logic and reasoning)	The report is grammatically, theoretically, technically and logically incorrect.	There are many errors in the report, grammatically, theoretically, technically and logically.	The report is grammatically, theoretically, technically and logically correct in most of the chapters with few weaknesses.	The report is grammatically, theoretically, technically, and logically perfect in all chapters without any weaknesses.	x ___ 0.25  (Max: 1)	
	Reference list (APA format)	No or incomplete reference list.	Incomplete reference list and / or is not according to the format.	Complete reference list with few mistakes in format adherence.	Complete reference list according to format.	x ___ 0.25  (Max: 1)	
	Format organizing (cover page, spacing, alignment, format structure, etc.)	Writing is disorganized and underdeveloped with no transitions or closure.	Writing is confused and loosely organized. Transitions are weak and closure is ineffective.	Uses correct writing format. Incorporates a coherent closure.	Writing includes a strong beginning, middle, and end with clear transitions and a focused closure.	x ___ 0.25  (Max: 1)	
3.	<b>Research Findings and Discussion (20 Marks)</b>	Data is not adequate and irrelevant.	Data is fairly adequate and irrelevant.	Data is adequate and relevant.	Data is adequate and very relevant.	x ___ 1  (Max: 4)	
		Measurement is wrong and irrelevant.	Measurement is suitable and relevant but need major adjustment.	Measurement is suitable and relevant but need minor adjustment.	Measurement is excellent and very relevant.	x ___ 1  (Max: 4)	

FHKP

		Data analysis is inaccurate	Data analysis is fairly done but needs major modification.	Data analysis is satisfactory but needs minor modification.	Data analysis is correct and accurate.	x ____ 1 (Max: 4)	
		Data analysis is not supported with relevant output / figures / tables and etc.	Data analysis is fairly supported with relevant output / figures / tables and etc.	Data analysis is adequately supported with relevant output / figures / table and etc.	Data analysis is strongly supported with relevant output / figures / table and etc.	x ____ 1 (Max: 4)	
		Interpretation on analyzed data is wrong.	Interpretation on analyzed data is weak.	Interpretation on analyzed data is satisfactory.	Interpretation on analyzed data is excellent.	____ x 1 (Max: 4)	
4.	<b>Conclusion and Recommendations (15 Marks)</b>	Implication of study is not stated.	Implication of study is weak.	Implication of study is good.	Implication of study is excellent.	x ____ 1.25 (Max: 5)	
		Conclusion is not stated.	Conclusion is weakly explained.	Conclusion is satisfactorily explained.	Conclusion is well explained.	x ____ 1.25 (Max: 5)	
		Recommendation is not adequate and irrelevant.	Recommendation is fairly adequate and irrelevant.	Recommendation is adequate and relevant.	Recommendation is adequate and very relevant.	x ____ 1.25 (Max: 5)	
<b>Total (50 Marks)</b>							

HKB



## ACKNOWLEDGMENT

We would like to take this opportunity to thank everyone who helped us through the process by providing advice, suggestions, and encouragement that allowed us to continue to refine and improve our research. Our excellent supervisor, Dr. Noormariana Binti Mohd Din, is the first person we would like to thank for her unwavering support and guidance as we completed this study. We would like to express our gratitude to her for her patience and willingness to answer all of our questions.

In addition to expressing our gratitude to our supervisor, we would also like to thank our examiner, Dr Ahmad Ridhwan Bin Abdullah, for his participation in our presentation and his patience and enthusiasm in reviewing all aspects of our research to give us the highest marks. We would like to express our sincere gratitude to our fellow researchers, Syahira Farahana Binti Mohd Hasni, Syazwina Binti Mat Ariffin, Tengku Sharifah Normadiha Binti Ku Mat Azaha, and Tuan Nur Atikah Binti Tuan Din, who contribute to this research project for their hard work and dedication.

Finally, we would like to thank everyone who took the time to answer our short questionnaire and share their thoughts with us. Everything you have done for us is greatly appreciated. We would also like to take this opportunity to thank our loved ones and friends for their emotional and material support, keeping us optimistic about our ability to complete this research project. We would not have been able to complete this study on time without everyone's help.

## TABLE OF CONTENT

ITEMS	PAGES
Cover Page	
Title Page	
Thesis Declaration	i - ii
Assessment Form	iii - vi
Acknowledgment	vii
Table of Content	vii - xiii
List of Tables	xiv - xv
List of Figures	xvi
List of Abbreviation	xvii
Abstrak	xviii
Abstract	xix
<b>CHAPTER 1: INTRODUCTION</b>	
1.1 Background of the Study	1 - 2
1.2 Problem Statement	3
1.3 Research Question	4
1.4 Research Objectives	5

1.5 Scope of the Study	6
1.6 Significance of Study	7 - 8
1.7 Definition of Term	9
<i>1.7.1 Viewpoints</i>	9
<i>1.7.2 Trust</i>	9
<i>1.7.3 Convenience</i>	9
<i>1.7.4 Social Influence</i>	9
<i>1.7.5 Knowledge</i>	9
<i>1.7.6 Islamic Banking</i>	10
1.8 Organization of the Proposal	11
<b>CHAPTER 2: LITERATURE REVIEW</b>	
2.1 Introduction	12
2.2 Underpinning Theory	13 - 14
2.3 Previous Studies	15
<i>2.3.1 Viewpoints of Islamic Banking</i>	15 - 16
<i>2.3.2 Trust</i>	17
<i>2.3.3 Convenience</i>	18 - 19

2.3.4 <i>Social Influence</i>	20
2.3.5 <i>Knowledge</i>	21
2.4 Hypotheses Statement	22 - 24
2.5 Conceptual Framework	25
2.6 Summary / Conclusion	26
<b>CHAPTER 3: RESEARCH METHODS</b>	
3.1 Introduction	27
3.2 Research Design	28
3.3 Data Collection Methods	29
3.4 Study Population	30
3.5 Sample Size	31
3.6 Sampling Techniques	32
3.7 Research Instrument Development	33
3.7.1 <i>Questionnaire Design</i>	33 - 34
3.8 Measurement of the Variables	35
3.8.1 <i>Nominal Scale</i>	35
3.8.2 <i>Interval Scale</i>	36
3.8.3 <i>Ratio Scale</i>	36

3.9 Procedure for Data Analysis	37
3.9.1 Data Process and Data Analysis	37
3.9.2 Descriptive Analysis	37
3.9.3 Reliability Test	38
3.9.4 Pearson Correlation Coefficient	38 - 39
3.10 Summary / Conclusion	40
<b>CHAPTER 4: DATA ANALYSIS AND FINDINGS</b>	
4.1 Introduction	41
4.2 Preliminary Analysis	42
4.3 Demographic Profile of Respondents	43
4.3.1 Gender	43
4.3.2 Age	44
4.3.3 Race	45
4.3.4 Religion	46
4.3.5 Summary of Demographic Profiles of Respondents	47 - 48
4.4 Descriptive Analysis	49
4.4.1 Overall Descriptive Analysis	50
4.4.2 Descriptive Analysis for Dependent Variable	51 - 52

4.4.3 <i>Descriptive Analysis for Independent Variables</i>	53 - 59
4.5 Validity and Reliability Test	60
4.5.1 <i>Reliability Result for the Viewpoints of Islamic Banking</i>	61
4.5.2 <i>Reliability Result for Trust</i>	62
4.5.3 <i>Reliability Result for Convenience</i>	63
4.5.4 <i>Reliability Result for Social Influence</i>	64
4.5.5 <i>Reliability Result for Knowledge</i>	65
4.5.6 <i>Summary of Reliability Statistic</i>	66
4.6 Normality Test	67 - 70
4.7 Hypotheses Testing	71
4.7.1 <i>Hypothesis 1</i>	72 - 73
4.7.2 <i>Hypothesis 2</i>	74 - 75
4.7.3 <i>Hypothesis 3</i>	76 - 77
4.7.4 <i>Hypothesis 4</i>	78 - 79
4.8 Summary / Conclusion	80
<b>CHAPTER 5: DISCUSSION AND CONCLUSION</b>	
5.1 Introduction	81

5.2 Key Findings	82 - 83
5.3 Discussion	84
5.3.1 Hypothesis 1	85
5.3.2 Hypothesis 2	86
5.3.3 Hypothesis 3	87
5.3.4 Hypothesis 4	88
5.4 Implications of the Study	89
5.5 Limitations of the Study	90 - 91
5.6 Recommendations / Suggestion for Future Research	92 - 93
5.7 Overall Conclusion of the Study	94
<b>REFERENCES</b>	95 - 99
<b>APPENDIX A: DRAFT OF QUESTIONNAIRE</b>	100 - 102
<b>APPENDIX B: GANTT CHART</b>	103

## LIST OF TABLES

- Table 3.1: Example of Section A, Demographic Profile
- Table 3.2: Example of Section B, The Viewpoints of Islamic Banking
- Table 4.1: Pilot Test Result
- Table 4.2: Summary of Demographic Profiles
- Table 4.3: The Level of Means
- Table 4.4: Overall Descriptive Analysis
- Table 4.5: Descriptive Statistics for Viewpoints of Islamic Banking
- Table 4.6: Descriptive Statistics for Trust
- Table 4.7: Descriptive Statistic for Convenience
- Table 4.8: Descriptive Statistic for Social Influence
- Table 4.9: Descriptive Statistic for Knowledge
- Table 4.10: Rule of Thumb Cronbach's Alpha
- Table 4.11: Reliability Result for the Dependent Variable of the Viewpoints of Islamic Banking
- Table 4.12: Reliability Result for the Independent Variable of the Factor of Trust
- Table 4.13: Reliability Result for the Independent Variable of the Factor of Convenience
- Table 4.14: Reliability Result for the Independent Variable of the Factor of Social Influence
- Table 4.15: Reliability Result for the Independent Variable of the Factor of Knowledge



Table 4.16: Summary of Reliability Statistic

Table 4.17: Table of Normality Test

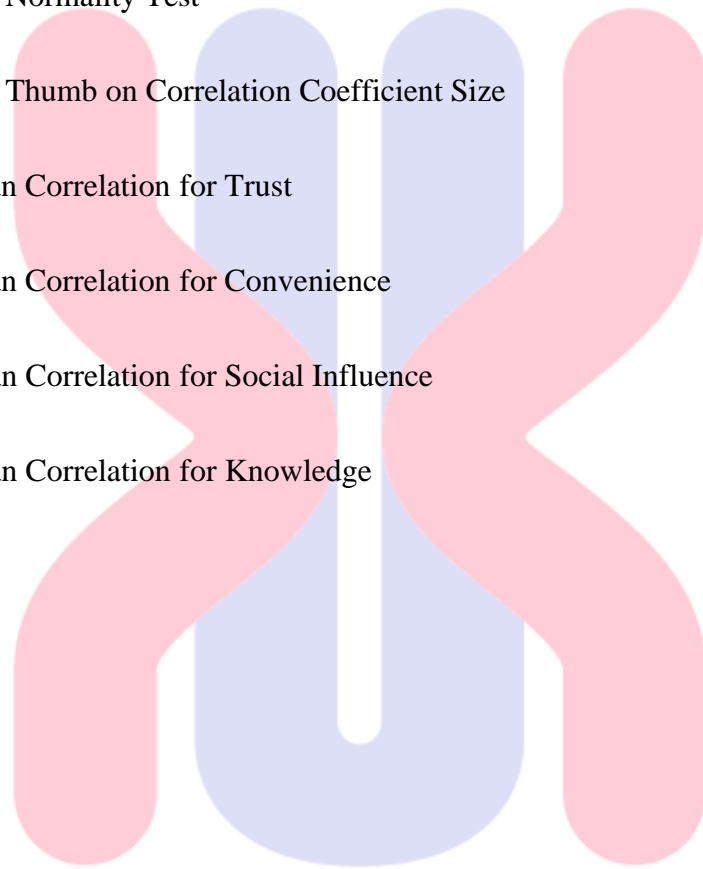
Table 4.18: Rules of Thumb on Correlation Coefficient Size

Table 4.19: Spearman Correlation for Trust

Table 4.20: Spearman Correlation for Convenience

Table 4.21: Spearman Correlation for Social Influence

Table 4.22: Spearman Correlation for Knowledge



UNIVERSITI  
MALAYSIA  
KELANTAN

FKKP

## LIST OF FIGURES

Figure 2.1: Technology Acceptance Model

Figure 2.2: The Conceptual Framework

Figure 4.1: Gender of the Respondents

Figure 4.2: Age of the Respondents

Figure 4.3: Race of the Respondents

Figure 4.4: Religion of the Respondents

Figure 4.5: Normal Q-Q Plot of Viewpoints of Islamic Banking

Figure 4.6: Normal Q-Q Plot of Trust

Figure 4.7: Normal Q-Q Plot of Convenience

Figure 4.8: Normal Q-Q Plot of Social Influence

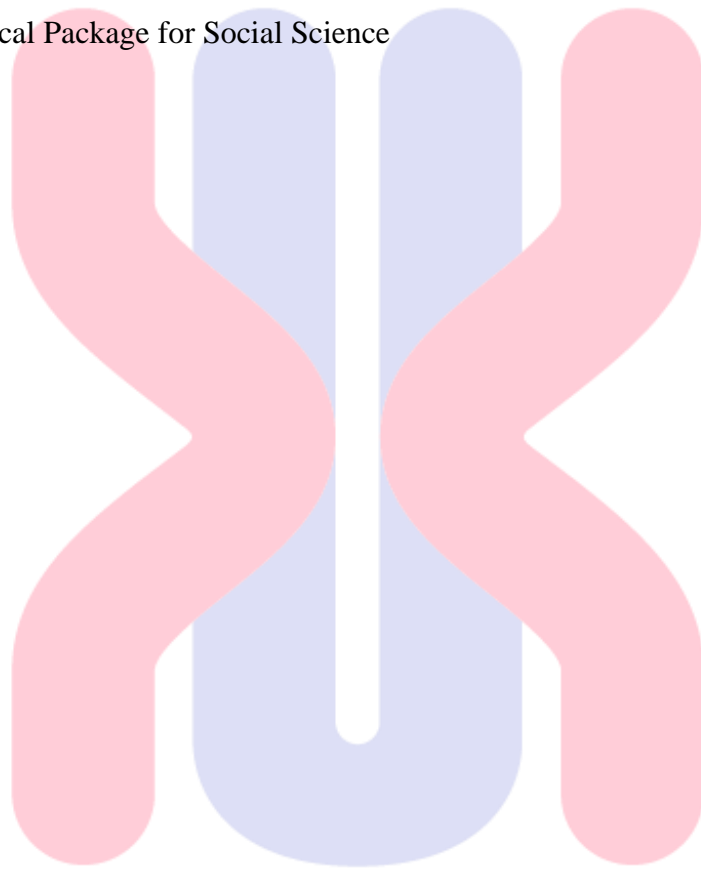
Figure 4.9: Normal Q-Q Plot of Knowledge

UNIVERSITI  
MALAYSIA  
KELANTAN

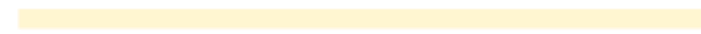
FKP

## LIST OF ABBREVIATION

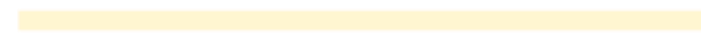
SPSS      Statistical Package for Social Science



UNIVERSITI



MALAYSIA



KELANTAN

FKMP

## ABSTRAK

Perbankan Islam di Malaysia dilihat secara berbeza dalam kalangan pelajar Islam dan bukan Islam. Umat Islam sering melihatnya dengan baik, memandangkan ia selaras dengan prinsip Shari'ah, menawarkan penyelesaian kewangan yang beretika. Pelajar bukan Islam mungkin mendekatinya dengan rasa ingin tahu, menghargai ciri uniknya tetapi mungkin tidak berhubung dengan aspek keagamaannya. Memahami pelbagai sudut pandangan ini adalah penting untuk memahami perspektif masyarakat yang lebih luas mengenai perbankan Islam di Malaysia. Oleh itu, adalah penting untuk memahami faktor - faktor yang mempengaruhi pandangan tentang perbankan Islam dalam kalangan pelajar Islam dan bukan Islam di Malaysia. Objektif utama kajian ini adalah untuk menentukan hubungan antara kepercayaan, kemudahan, pengaruh sosial, dan pengetahuan dengan pandangan tentang perbankan Islam dalam kalangan pelajar Islam dan bukan Islam di Malaysia. Soal selidik tinjauan digunakan untuk mengumpul data menggunakan kaedah kuantitatif dan sebanyak 400 borang soal selidik telah dikumpul. Menggunakan alat SPSS termasuk Ujian Kebolehpercayaan dan Kesahan, Ujian Deskriptif dan Analisis Korelasi Spearman, analisis data telah dijalankan. Hasil kajian menunjukkan korelasi yang signifikan antara kepercayaan, kemudahan, pengaruh sosial, dan pengetahuan dengan pandangan tentang perbankan Islam dalam kalangan pelajar Islam dan bukan Islam di Malaysia. Kesimpulannya, dapatan kajian ini membuktikan bahawa antara kepercayaan, kemudahan, pengaruh sosial, dan pengetahuan merupakan faktor yang mempengaruhi pandangan tentang perbankan Islam dalam kalangan pelajar Islam dan bukan Islam di Malaysia.

**Kata Kunci:** Pandangan tentang Perbankan Islam, Kepercayaan, Kemudahan, Pengaruh Sosial, Pengetahuan

## ABSTRACT

Islamic banking in Malaysia is seen differently among Muslim and non-Muslim students. Muslims often view it favorably, as it aligns with Shari'ah principles, offering ethical financial solutions. Non-Muslim students may approach it with curiosity, appreciating its unique features but may not connect with its religious aspects. Understanding these various points of view is important to understand the broader societal perspective on Islamic banking in Malaysia. Thus, it's critical to comprehend the variables influencing Malaysian students' viewpoints of Islamic banking, both Muslim and non-Muslim. This study's primary objective is to ascertain how Muslim and non-Muslim students in Malaysia relate to each other in terms of trust, convenience, social influence, and knowledge with regard to Islamic banking. A total of 400 survey questionnaires were gathered, and quantitative approaches were employed to obtain data. Data analysis was done using SPSS tools, such as descriptive tests, reliability and validity tests, and Spearman correlation analysis. The study's findings demonstrate a strong relationship between Muslim and non-Muslim students in Malaysia's viewpoints of Islamic banking and trust, convenience, social influence, and knowledge. To sum up, the results of this study demonstrate that viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysian, are influenced by trust, convenience, social influence, and knowledge.

**Keywords:** Viewpoints of Islamic Banking, Trust, Convenience, Social Influence, Knowledge

## CHAPTER 1: INTRODUCTION

The context of Malaysia's Islamic banking sector is covered in this chapter as it relates to the study's methodology. For everyone's information, this chapter is divided into eight sections. The background of the study, problem statement, research question, research objectives, scope of the study, significance of the study, and definition of term are all highlighted in this chapter. The organization of the proposal is highlighted in this chapter's final paragraph.

### 1.1 Background of the Study

Islamic banking has garnered a lot of attention and support in Malaysia, a country where the majority of the population is Muslim. Islamic banking operates according to Shari'ah principles, which prohibit interest (*riba*) and promote moral and ethical behavior. However, there are differences in the viewpoints of Islamic banking between Muslim and non-Muslim students in Malaysia.

Muslim students in Malaysia typically regard Islamic banking as a credible alternative to conventional banking since it adheres to their moral standards. Conventional banking values the emphasis on fairness, transparency, and avoiding abusive practices. The Shari'ah-compliant financial transactions that the Islamic banking system upholds, such profit sharing (*mudarabah*) and joint ventures (*musharakah*), which promote risk sharing and an equitable division of assets, are highly valued by many Muslim students.

Malaysian non-Muslim students also approach Islamic finance in a different way. Some non-Muslim students consider Islamic banking as a unique and exciting financial system that offers alternatives to conventional banking. Given that these principles coincide with their own, these students may comprehend the ethical principles of Islamic finance and its emphasis on socially responsible investing. The potential benefits of Islamic banking in promoting inclusivity and economic stability are known to these students.

As indicated by the fact that Malaysian Islamic banks appear to be attracting a growing number of non-Muslim customers, Loo (2010) asserts that Malaysians are typically tolerant of variety. Non-Muslims make up around 40 % of the population and a substantial share of the banking clients due to the ethnic variety of the country. However, it is unclear how non-Muslims feel about Islamic banks.

Overall, viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysia are influenced by trust, convenience, social influence, and knowledge. The acceptance and popularity of Islamic banking have increased dramatically over time as a consequence of Malaysia's thriving Islamic banking industry and government support for its expansion. Regardless of their level of religiosity, initiatives to educate and increase student understanding of Islamic banking ideas can help them better understand and appreciate this monetary system.

## 1.2 Problem Statement

The purpose of this study is to investigate the viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysia. This is because Islamic banking - a kind of finance that upholds Islamic law and opposes the charging or payment of interest, also known as *riba* - does not allow for either. Malaysia, a nation with a predominately Muslim population, has seen a tremendous increase in the popularity of Islamic banking over the years. It is essential to appreciate both Muslim and non-Muslim students' viewpoints on Islamic banking in order to better understand trust, convenience, social influence, and knowledge. The aim of the study is to compare and contrast the viewpoints of Muslim and non-Muslim Malaysian students on Islamic banking. It will draw attention to any differences in opinions between the two groups and provide information about the factors influencing the acceptance or opposition of Islamic banking. The findings will improve students' knowledge of Islamic banking and their understanding of it in general, which might have an influence on how Malaysia promotes and advances Islamic banking.



### 1.3 Research Question

Research questions should be developed with the aim of achieving the objectives of the research, which are:

1. What is the relationship between trust and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia?
2. What is the relationship between convenience and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia?
3. What is the relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia?
4. What is the relationship between knowledge and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia?

#### 1.4 Research Objectives

In a research work, it must take the research objective as the main material to achieve what the researcher wants. The main objectives that will be the subject of this study are as follows:

1. To identify the relationship between trust and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.
2. To examine the relationship between convenience and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.
3. To identify the relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.
4. To examine the relationship between knowledge and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

UNIVERSITI  
MALAYSIA  
KELANTAN

### 1.5 Scope of the Study

By examining the opinions of Muslims and non-Muslim students in Malaysia, the aim of this study is to aid researchers in resolving the problems mentioned in the previous explanation or, more specifically, in the issue statement section. The focus of this article is Islamic banking, not conventional banking. Typically, as a result of the fact that most historical investigations are conducted conventionally. On the basis of the data gathered, researchers can then carry out examinations into Islamic banking and money. Additionally, this survey solely focuses on the viewpoints of Islamic banking in terms of trust, convenience, social influence, and knowledge.

Additionally, the researchers discovered gaps in a few previous studies that were significant to the scope of the study. There have been a few studies that point to this question in the past, but none of them really focused specifically on students at public universities in Kelantan. As a result, the researchers are forced to concentrate only on a small segment of the population, especially in terms of the people's educational attainment. Also, the bulk of these research also incorporate data from other countries. So, with no comparisons to other countries, Malaysia is the only subject of this study.

UNIVERSITI  
MALAYSIA  
KELANTAN

## 1.6 Significance of Study

We must keep in mind that Malaysia can be a multiracial nation where Islam, Buddha, Hindu, Christian, and others live side by side as this reflection focuses on the viewpoints, understanding, and demographic factors influencing the viewpoints of Islamic banking among Muslims and non-Muslim students in Malaysia. In light of this, it is observed that, according to the 2011 census, over 61.3 % of Malaysia's population is Muslim, meaning that there are roughly 40 % of non-Muslims in the country (Malaysian Division of Insights, 2011). As a result, both fair Muslim and non-Muslim students are exposed to advertisements for the Islamic banking sector. As a result, the disclosure of non-Muslims is both possible and necessary for the existence of Islamic banks on Malaysian soil. Additionally, the inclusion of non-Muslims presents Islamic banks with greater opportunity and urgency.

Therefore, Islamic financial institutions will have some trouble playing their competitive role to compete with their conventional banking institutions if Muslims and non-Muslim students ignore Islamic banking due to a lack of proper thinking or knowledge. The long-term sustainability of Islamic financial institutions may be improved and enhanced by teaching students how to execute important efforts and strategies to draw both Muslims and non-Muslim students. From this point on, what is more remarkable in this review is that the Islamic banking institutions may suggest specific arrangements or plans where they try to speed up processes with Muslims and non-Muslim students and coordinate their viewpoints levels as long as they take into account the gap between Muslims and non-Muslim students in Malaysia's viewpoints about Islamic banks.

Additionally, if Islamic banking institutions have enough information about how well Muslims and non-Muslim students understand Islamic banking and its fundamentals, bankers can create a policy that could benefit Muslims and non-Muslim students. Under this policy, when dealing with Muslims and non-Muslim students, bankers would use looser terms and more straightforward language depending on how much or how little knowledge the student has of Islamic banking products and services. Likewise, understanding the viewpoints of Muslim and non-Muslim students is crucial to determining how receptive these students are to Islamic banking. Islamic banking institutions may now use every strategy at their disposal to their benefit as they want to attract more students who will be devoted to their goods and services in the event that opinions of Muslims and non-Muslim students are unfavorable.

In other words, Islamic banking institutions may make better use of the study's outcomes and conclusions to learn more about Malaysia's Muslim and non-Muslim banking students and to create a more accurate profile of future Muslim and non-Muslim banking customers. On the other hand, by assessing customers' levels of viewpoints and understanding as well as their demographic factors through the Islamic banking system, this paper can also assist Islamic banking institutions in establishing some policies and strategies to attract more Muslims and non-Muslim students.

## **1.7 Definition of Term**

To better understand this study, the following terms are defined in the context of this study.

### **1.7.1 Viewpoints**

This study looks at viewpoints as how they think about Islamic banking in general.

### **1.7.2 Trust**

In this study, trust in the context of Islamic banking is classified as customers' belief that Islamic banking operates according to Shari'ah rules and principles.

### **1.7.3 Convenience**

This study looks at convenience when Islamic banks offer convenience to users, such as sufficient convenience and internal comfort.

### **1.7.4 Social Influence**

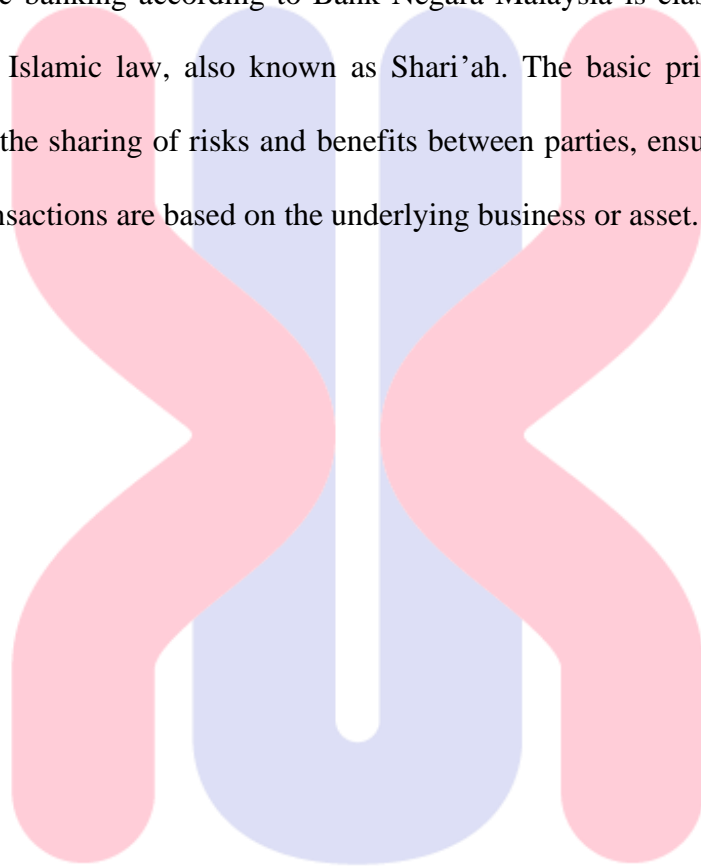
In this study, social influence is the process by which individuals adjust their views, modify their beliefs, or modify their behavior as a result of social interactions with others.

### **1.7.5 Knowledge**

This study looks at one of the distinguishing features of Islam is its emphasis on knowledge. The Quran and Islamic traditions (sunnah) invite Muslims to seek and acquire knowledge and wisdom and to respect those who have age-old knowledge.

### 1.7.6 Islamic Banking

In this study, Islamic banking according to Bank Negara Malaysia is classified as a banking system that follows Islamic law, also known as Shari'ah. The basic principles that govern Islamic banking are the sharing of risks and benefits between parties, ensuring fairness for all parties, and such transactions are based on the underlying business or asset.



UNIVERSITI  
MALAYSIA  
KELANTAN

FKP

## 1.8 Organization of the Proposal

This proposal is divided into three chapters. The introduction of Chapter 1 covers the following topics: background of the study, problem statement, research question, research objectives, scope of the study, significance of study, definitions of terms, and organization of the Thesis. A survey of the literature, Chapter 2 contains an introduction, the underlying theory, previous studies, a hypotheses statement, a conceptual framework, and a summary. Chapter 3 also covers the introduction, research design, data collection methods, study population, sample size, sampling technique, research instruments development, measurement of the variables, procedure for data analysis, and summary.



## CHAPTER 2: LITERATURE REVIEW

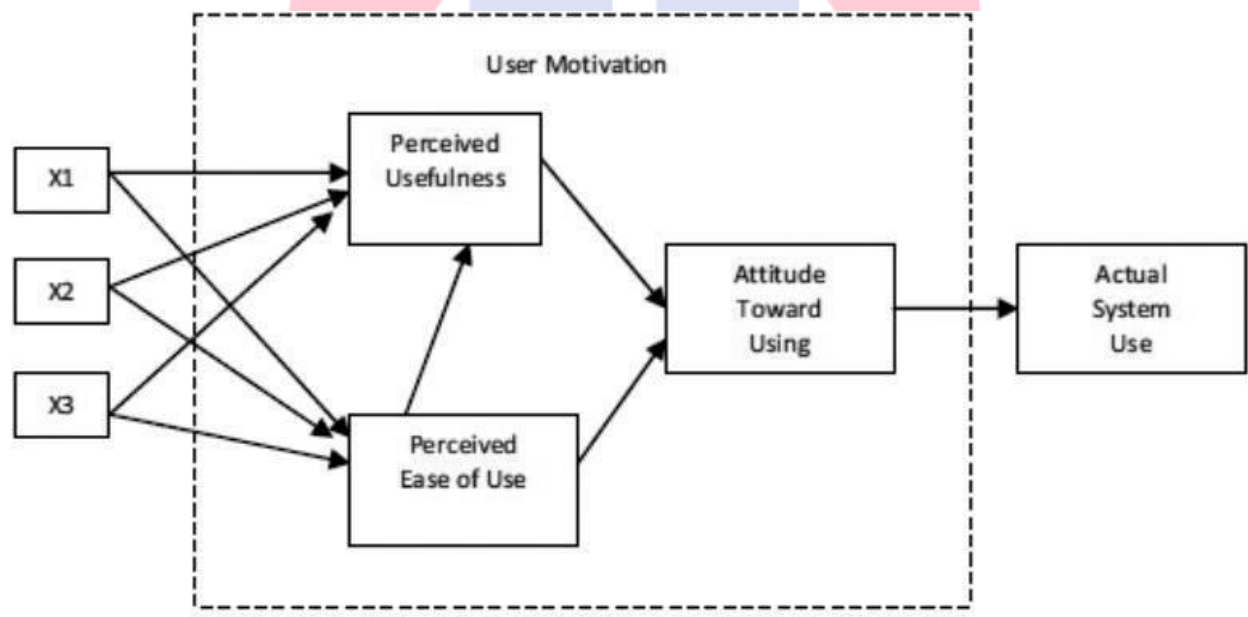
### 2.1 Introduction

This chapter defines Islamic banking as a modern banking branch that does not provide finance with predetermined returns and instead prioritizes risk sharing. Islamic banking is based on precepts of Islamic law that date back to the early Islamic era. It aims to provide social justice and a morally reasonable allocation of resources throughout all Islamic communities, in contrast to the traditional financial system, which is founded on the capitalistic aspects of economic and financial processes. One theory used is the Technology Acceptance Model (TAM).

Furthermore, the results of previous studies can also act as a reference for more current researchers who desire to undertake additional research on a certain sector or topic, given the variety of questions and difficulties that might be highlighted in the study. To ensure that the goals are met and the study's conclusions are reliable, sufficient data must be gathered. Based on this chapter, a few aspects of the dependent and independent variables in this study are highlighted. This chapter will provide an overview of the research problem through an analysis of journals and publications from past studies. In the next sections, theories to examine the relationship between the pertinent determinants will be developed, along with a deeper understanding of the pertinent theoretical framework to create a new conceptual framework.

## 2.2 Underpinning Theory

Using Davis's (1989) Technology Acceptance Model (TAM), the researchers in this study introduced the two fundamental ideas of perceived utility and perceived ease of use. Perceived usefulness is related to the statement, "the extent to which an individual believes using a particular system can increase one's job performance". Thus, "perceived ease of use" refers to "the extent to which a person believes that using particular systems requires little physical or mental effort" under this concept. The behavioral intention that results in the anticipated action is a crucial element of TAM. He created this paradigm to look at how people use modern technology, accounting for Davis (1989). One information systems theory that explains how people embrace and use technology is called the Technology Acceptance Model (TAM).



Source: Davis (1986)

Figure 2.1: Technology Acceptance Model

For the purpose of using perspectives on Islamic banking in this study, several external elements (Trust, Convenience, Social Influence, and Knowledge) were incorporated as independent variables to the technology acceptance model. These additional variables will be examined in further detail for the purpose of this study in order to ascertain how they influence the opinions and acceptability of Islamic banking among Malaysian students, both Muslim and non-Muslim. Generic models are unacceptable to explain how different types of technology are employed since the particular characteristics of the technology might be crucial. This model has been updated with a number of new variables due to the unique characteristics of Islamic banking views.

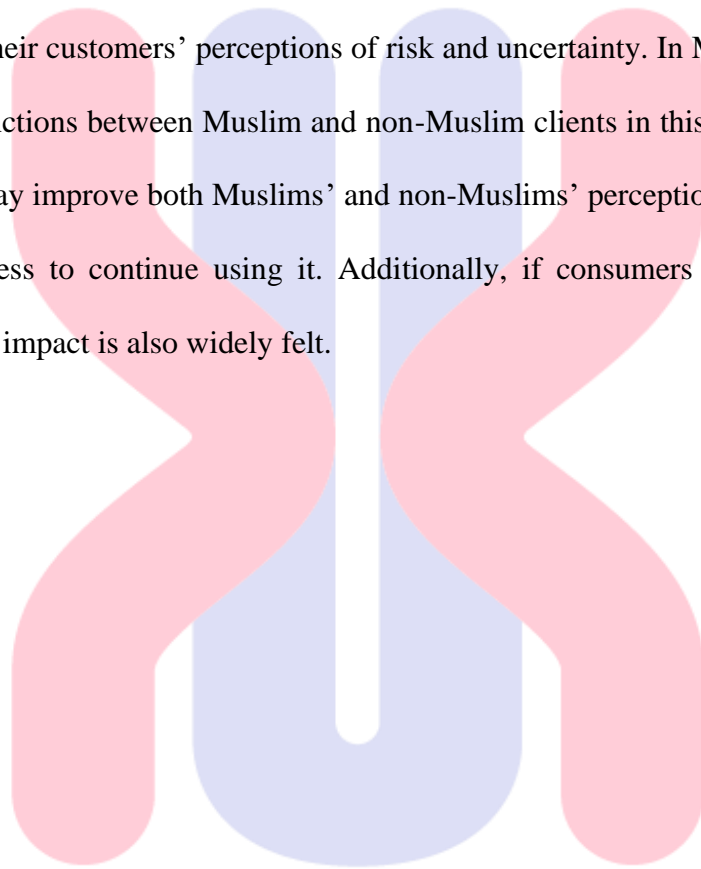
## 2.3 Previous Studies

### 2.3.1 Viewpoints of Islamic Banking

Islamic banking is a kind of banking that contributes significantly to society and upholds Islamic law as set down by the Maqasid Shari'ah. Financial organizations that follow Shari'ah and provide their customers with financial services devoid of things like interest (*riba*), uncertainty (*gharar*), and gambling (*maysir*) are referred to as Islamic banks. The Islamic banking industry is striving to draw in more clients in order to grow its market share and surpass its rivals in the traditional banking sectors in terms of expertise. In Malaysia, Islamic banking is not as common as regular banking, for both Muslims and non-Muslims. Due to the diverse racial and religious makeup of Malaysia's clientele, Islamic Banking Financial (IBF) is required to ensure that each product and service it provides can influence their perspective.

Fauzi et al. (2022) state that trust is frequently acknowledged as a critical component as it has the potential to sustain a long-term relationship - in this case, the customer's relationship with the bank. Consequently, Qaisar Ali (2018) proposed that a comparison of expectations (i.e., what the customer believes the service provider should deliver) and service performance influences the customer's opinion of the quality of the service. The beliefs and abilities of the personnel are just two factors that affect how sensitively customers choose Islamic banking in terms of culture. The friendliness of the personnel is another crucial need for banking.

The staff's friendliness, sense of style, methods of communication, and interactions with customers all have an impact on the level of service. Through trust, businesses may successfully lower their customers' perceptions of risk and uncertainty. In Malaysia, there were no appreciable distinctions between Muslim and non-Muslim clients in this regard. As a result, all these elements may improve both Muslims' and non-Muslims' perceptions of IBF as well as customers' willingness to continue using it. Additionally, if consumers promote a positive image of IBF, social impact is also widely felt.



UNIVERSITI



MALAYSIA



KELANTAN

FKP

### 2.3.2 *Trust*

Both Flavian et al. (2005) and Dimitriadis et al. (2011) assert that the term “trust” is ambiguous and complex. Within the context of Islamic banking, trust is defined as each person’s moral responsibility in fulfilling their societal duties. Iqbal and Mirakhor (2007) claim that Islam values trust highly and considers having a trustworthy personality to be an essential trait. Because of this, the foundation of the philosophy governing the trust factor in the Islamic banking system may be seen as a representation of dependability, honesty, equity, equality of humankind, and moral principles developed to enhance the business connection between banks and customers. Ethics and obedience to Islamic principles (Shari’ah) are highly appreciated and protected, much as trust is the basis for conducting Islamic banking activities (Kayed and Hassan, 2011). Though the notion of trust in a business-to-business contact has been developed, there appears to be consensus that trust is defined as honesty, confidence, integrity, and trustworthiness (Iqbal and Mirakhor, 2007; Othman and Owen, 2002).

According to Fauzi et al. (2022), trust is often recognized as a crucial element since it may support a long-term connection - in this example, the customer’s relationship with the bank. Therefore, Qaisar Ali (2018) has claimed that the contrast between expectations (what customers think the service provider should give) and service performance affects customers’ perceptions of service quality. Consumer preferences for Islamic banking are dependent on cultural differences and impacted by a variety of variables that may vary among countries, such as the beliefs and skills of the workforce. Another crucial need that banking must meet is the kindness of its staff. The staff’s friendliness, appearance, communication styles, and client interactions all have an impact on how well services are provided. Through trust, businesses may successfully lower their customers’ perceptions of risk and uncertainty.

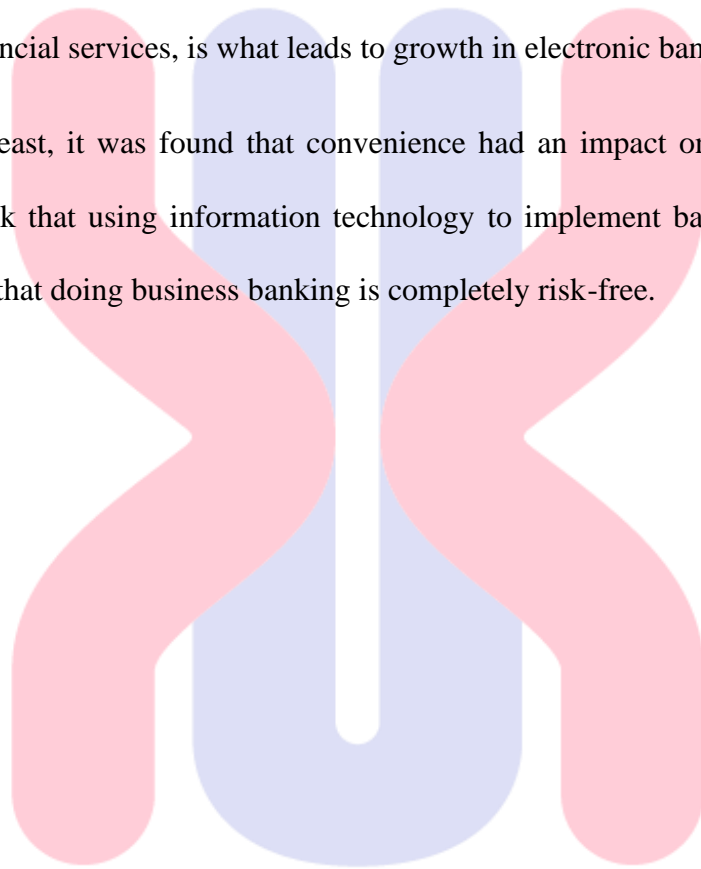
### 2.3.3 Convenience

This element is among the causes that have an impact on student online banking. Nabeel Zanoon and Natheer Gharaibeh (2013) assert that although convenience doesn't have a direct impact on behavioral intention, it does so indirectly through perceptions of utility and hazard. This finding is most likely caused by the fact that a sizable portion of our sample consists of seasoned Internet banking users who are unafraid to use the system owing to its usefulness. Customers were not very concerned about any security and privacy problems with their purchases. We need something lighter to reduce the stress because the students have become overworked with all the assignments that our lecturers have given us. We expect that any online banking activities we carry out will be simple, less stressful, and require no further explanation than what we already experienced in class, to put it nicely.

According to Mathieson (1991), The consumer's knowledge that online banking will require the least amount of effort is what defines convenience. Students, in general, prefer things to be simple and, if at all possible, free of any problems. We decided on online banking because the bank offers a simple and practical platform for carrying out any online activities. For a simple payment, we are no longer required to stand in line at a counter or an automated teller machine. Convenience, according to Consult (2002), is the ease with which consumers can test out innovation and assess its advantages. Because we are not very familiar with how the system operates, before we became accustomed to online banking, we did find it to be a little challenging. After a few attempts at comprehending how the systems and their features operate, we discovered that it was simple and no longer felt burdened. Innovation and technology are exactly that. Because we still haven't adjusted to it, we will feel some sort of burden. But eventually, without realizing it, we become overly dependent and included. He

also maintained that convenience, which is a combination of convenience provided to those with quick internet access, availability of safe, high-standard electronic banking capabilities, and the need for financial services, is what leads to growth in electronic banking.

Last but not least, it was found that convenience had an impact on usage persistence. Customers who think that using information technology to implement banking is simple are more likely to think that doing business banking is completely risk-free.



UNIVERSITI  

---

MALAYSIA  

---

KELANTAN

FKP



#### 2.3.4 Social Influence

According to Tunçgenç et al. (2021), alterations are caused by social influence, per a previous study. Being cooperative social creatures, humans believe that changing one's behavior affects everyone. Moreover, social influence impact people's opinions about utilizing Islamic banking, as empirical study has shown (Charag et al., 2019). Aziz & Afaq (2018) discovered that, through the mediated mechanism of mindset, subjective standards indirectly impact purchase intention in the setting of Islamic banking. Robert (2015) suggests that social influence could actually exist in day-to-day existence.

Social influence was also described as interpersonal processes that change people's thoughts, attitudes, or behaviors in prior research by Robert (2015). Eva et al. (2018) found that social influence from peers and the home has a big role in how successfully young individuals adjust during their early years. Robert (2015) posits that social influence encompasses deliberate and inadvertent endeavors to modify the convictions, outlooks, or conduct of individuals.

Furthermore, prior research by Heri Sudarsono et al. (2021) claims that a person's inclination to utilize Islamic banking services is significantly influenced by their surroundings. Social influence will help people adjust to their environment as a private struggle to survive in an unfamiliar setting. When under a lot of social pressure or influence, a private person would follow the rules even if he didn't agree with them (Nelson et al., 2017). Furthermore, the phrase "subjective norms" describes the perceived social pressure that influences an individual's decision to participate in a specific activity. They are discussed as an extra factor affecting the intention to behave (Saygili et al., 2022).

### 2.3.5 Knowledge

Islamic banking is a financial system based on Islamic principles, which forbid engaging in unethical or speculative activities as well as charging or paying interest (*riba*). Islamic banking, in contrast, relies on risk-taking and profit-sharing agreements as well as investments in physical assets. Islamic banking is generally well-known among Muslims because it is consistent with their moral principles and religious beliefs. Islamic banking is viewed as a way to carry out financial transactions in a halal (permissible) manner, avoid *riba*, and advance social justice and moral conduct. However, because they may be less familiar with its principles and procedures non-Muslims may have a limited or even unsuitable perception of Islamic banking. Certain non-Muslims may be attracted to Islamic banking because of its focus on ethical and sustainable finance as well as its potential to diversify investment portfolios. Overall, views of Islamic banking may differ between Muslims and non-Muslims depending on their knowledge, decisions, and financial experiences.

It may be different in the context of Malaysia due to the religious distinctions, such as the fact that Ghana is a non-Muslim country while Malaysia is a Muslim country. According to previous research, even when it comes to the most fundamental concepts, the majority of Ghanaian clients have a limited understanding of Islamic banking in Ghana. The majority of respondents from Australia, a developed country that is not Islamic, chose to buy products from Islamic banks, but Conteh and Hassan (2021) claim that they lacked the necessary knowledge of Islamic banking's functions to do so effectively. According to this study, Muslims are more knowledgeable about Islamic banking than non-Muslims are. According to some revisions, Shinkafi et al. (2020) state that non-Muslims in countries abroad of the Islamic world have a very poor rate of comprehension with regard to Islamic finance, according to certain revisions.

## 2.4 Hypotheses Statement

The hypothesis also serves as a provisional response to untested research issues. Making the hypothesis while keeping the research purpose in mind is crucial. By entering the research's dependent and independent variables, the researcher will construct the hypothesis. Therefore, a hypothesis must contain the following four components: a research question, an objective, dependent variable, and independent variables.

The independent variables that influence students' views on Islamic banking services among Muslims and non-Muslims in Malaysia include trust, convenience, social influence, and knowledge. These are the hypothesis of study:

**H1: There is a relationship between trust and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.**

The fundamentals of developing trust in Islamic banking are assurance and trust, where assurance refers to having faith in the partner's reliability and willingness to cooperate. As compared to this, Morgan and Hunt (1994) defined trust as the capacity of one party to interact in confident communication with another party. Garbarino and Johnson (1999) defined trust as the client's trust in the quality and dependability of the service. Islamic banking, on the other hand, views trust as a moral duty that each person must follow in order to live their life and fulfill their social, political, and economic obligations. In comparison, Haque, Osman, and Ismail's (2009) study found that customer perception was less impacted by the bank's reputation. The assumption that customers will pay for their participation in relationships with Islamic banks can be summarized as the fundamental basis of customer trust in Islamic banking.

**H2: There is a relationship between convenience and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.**

Prior studies have identified a number of variables that affect customer satisfaction in the Islamic banking sector, in addition to cultural and geographical differences in consumers' perceptions of non-universally applicable services. For example, it was noted that two crucial elements that are likely to have an effect on total consumer satisfaction are bank rivalry and convenience. Othman and Owen's (2002) study found that 65 - 78 % of Kuwaiti Islamic bank clients expressed satisfaction with their general and interpersonal contacts with bank employees. A study on Malaysian customers' satisfaction with bank services indicates that the most important factors are transaction speed, confidentiality, friendliness of bank employees, and prompt and efficient service (Amin and Isa, 2008). The degree of customer satisfaction may be impacted by the bank's capacity to consistently provide certain services. Islamic banks need to develop a system where customer satisfaction is recorded and continuously improved in order to retain and grow their client base. They also need to be aware of the criteria that customers use to assess banking services.

**H3: There is a relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.**

This hypothesis suggests that Islamic banking's acceptance is significantly influenced by how Malaysian society views it. If Islamic banking is perceived positively, it is more likely to be accepted and embraced by Malaysians. On the other hand, negative perceptions may hinder its acceptance and adoption. Studies on the determination to use Islamic banking products usually look at how social or arbitrary standards may play a role (Amin et al., 2013). Based on research by Md-Taib et al. (2008), the use of banking products is motivated by subjective norms. An

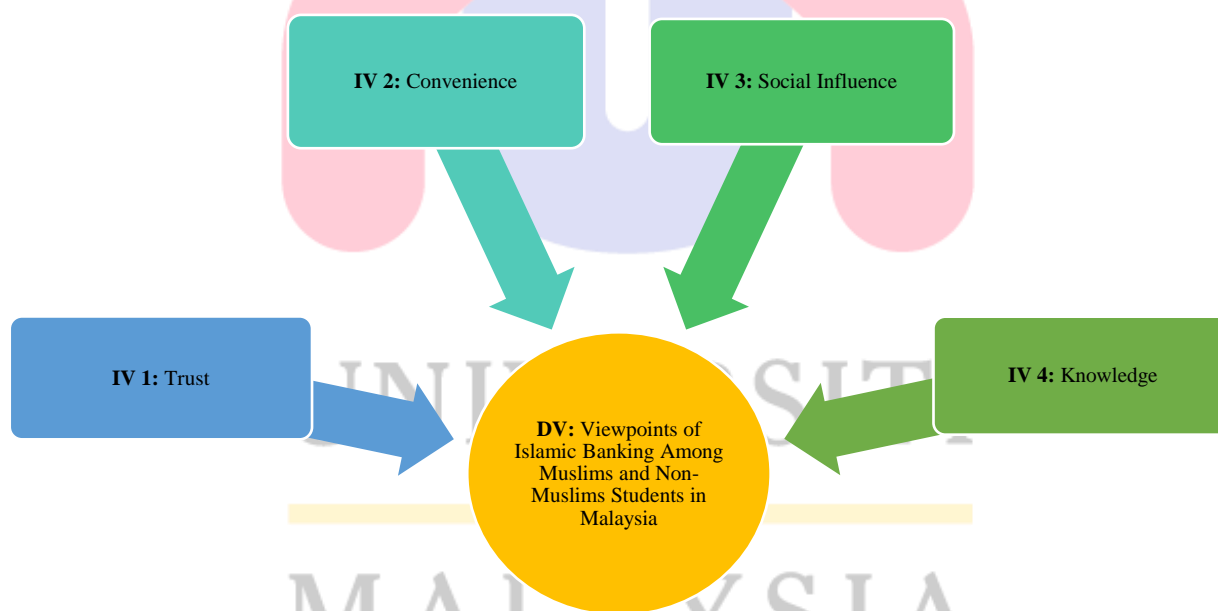
individual will act in a way that is expected of them when they are under strong social pressure, even if they may not genuinely want to (Venkatesh and Davis, 2000). The Ulama' that call a panel of chief priests, Shari'ah board members, family members, and peers have all been shown to have a substantial impact on a person's decision to employ declining partnership house financing (Md-Taib et al., 2008). Social influence is used in the current study to analyze its impact on intention to use Islamic banking products due to its relevance.

**H4: There is a relationship between knowledge and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.**

The findings of a prior study (Mbawuni & Nimako, 2018) showed that most Ghanaian customers had little understanding of Islamic banking, even when applying the most fundamental concepts. This was to be expected given that Islamic banking is new to Ghana's banking industry and customers, and that its debut hasn't yet been given a complete legal permit. Typically, at this phase of innovation acceptance, knowledge levels are low. Muslims are better knowledgeable than non-Muslims about Islamic banking, according to a previous survey. Following previous research, non-Muslim customers in Ghana have little knowledge of Islamic banking, especially in regards to topics like Shari'ah law serving as the foundation of Islamic banking, Islamic banking promoting consumer welfare, how Islamic banking differs from conventional banking, how Islamic banking promotes equitable resource distribution, and how Islamic banking forbids unfair advantage of customers. It may change in the context of Malaysia due to religious distinctions, such as Ghana's non-Muslim nation status and Malaysia's status as a Muslim nation.

## 2.5 Conceptual Framework

This study looks for factors that affect Malaysian students' viewpoints of Islamic banking, both Muslim and non-Muslim. This section addresses the claim made by the conceptual framework. To put it simply, the conceptual framework makes it possible to analyse anything in relation to a variation. It may be used on a variety of tasks to generate an overview pertinent to the study. In order to facilitate comprehension of the primary goal of the study for both readers and researchers, a conceptual framework is also developed and utilized to organize thoughts and distinguish between concepts. To do the study in line with the framework, we looked at four possibilities. Here is our conceptual framework:



Source: From Analysis Carried out by Authors

Figure 2.2: The Conceptual Framework

## 2.6 Summary / Conclusion

This chapter concludes by highlighting the paper analyses of the study and providing a summary of the research with independent variables factors that affect Malaysian Muslims' and non-Muslims' viewpoints of Islamic banking. This section discussed a review of the literature related to the previous researched parts. The proposed theoretical framework was created using the literature review as a guide. The four independent variables in this study, including trust, convenience, social influence, and knowledge, were analyzed along with all of the dependent variable' perspectives on Islamic banking. Four independent variables, including how Muslims and non-Muslims perceive Islamic banks, have been decided upon by the researchers. The results of this investigation are explored using various methodologies in the chapter that follows. We finally developed a few research hypotheses.

## CHAPTER 3: RESEARCH METHODS

### 3.1 Introduction

This chapter outlined the next stage of the research approach that would be applied in this study after evaluating other studies on the subjects that were covered. This chapter's goal is to outline the approaches that will be employed to address the study's goal and validate the put-out hypothesis. This chapter will provide a thorough explanation of the research design, sampling techniques, sample size, collecting data, and conducting statistical analysis techniques utilizing the Statistical Package for the Social Sciences (SPSS). By doing this, the process of correctly solving the study topic is ensured.



UNIVERSITI  
MALAYSIA  
KELANTAN

FKP



### 3.2 Research Design

The research design is the framework of research techniques and methodologies that an investigator chooses to carry out a study. The purpose of this study was to find out what Malaysian students, both Muslim and non-Muslim, thought about Islamic banking. A research design, in the words of Green and Tull, is the description of the methods and approaches to collect the necessary data. The project's general operating structure specifies what data must be gathered from what sources and how. The process for obtaining the necessary data, the approaches to be used for collecting and analyzing this data, and how all of this is done in order to answer the research question are all determined by the study design (Grey, 2014).

“Quantitative research design” is the term used to describe the planning of a study that uses quantitative research methodology. The survey for this study will be conducted online utilizing questionnaires to collect primary data. The link between the dependent and independent variables may be determined using the data that has been gathered. Thus, this study looked at the dependent variable from the viewpoints of Islamic banking, and the independent variables include students in Malaysia who are Muslim and non-Muslim and their levels of trust, convenience, social influence, and knowledge of Islamic banking.



### 3.3 Data Collection Methods

This section is to answer the research questions, test hypotheses, and evaluate the results, data collection is the act of obtaining and analyzing the measurement information about the targeted variables in the organization, methodical way. In this research, the method that was used is a quantitative method to gather the data collection form respondents. According to Bryman and Bell (2007), it states that qualitative research is a research strategy that shows the relationship between theory and research that emphasizes how theory is produced. Data collected from the primary sources data by using online questionnaire surveys. Primary data is collected by researchers from direct sources through interviews, surveys, and experiments. The questionnaire survey will be distributed to Muslim and non-Muslim students to achieve the objective of the study.

### 3.4 Study Population

A study population is often a sizable group of people or items gathered from the main subject of a scientific investigation. The decision to get the precise demographic data required to complete the survey must be made by the researcher. The operational definition of the target population is the study population (Henry, 1990; Bickman & Rog, 1998). Since they are not always readily available, researchers are occasionally able to analyse the complete target population. A population, according to Polit and Hungler (1999), is the whole of all participants who meet a set of criteria, impacting the complete group of people the researcher is interested in and to whom the research's findings may be applied. The target demographic for this study is students, both Muslim and non-Muslim in Malaysia.

### 3.5 Sample Size

In market research, the total number of participants in the study is referred to as the “sample size”. Based on respondents’ age, gender, race, and religion, researchers select their sample. It might be exact or generic. To get a proper sample size for this investigation, Krejcie & Morgan’s (1970) table was utilized. to guarantee that the entire sample fairly represents the population as a whole.

Table 1: Determining Sample Size from a Given Population

TABLE 1  
*Table for Determining Sample Size from a Given Population*

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384

Note.—*N* is population size.  
*S* is sample size.

KELANTAN

Sources: From Web Page

### 3.6 Sampling Techniques

According to Field (2005), a sampling technique “a collection of units smaller than the population used to determine validity or truth about the population”. Sampling may be defined as the act of choosing certain subjects or study subjects so that the subjects or study subjects will constitute a sample from the target population. The sample’s representativeness will depend on three factors: sample size, sample process, and participation (response). The aim of this sampling procedure is to gather information from the sample in order to facilitate the drawing of conclusions that may be applied to the entire population. There are two types of sampling techniques: non-probability sampling and probability sampling. The terms simply random, systematic, stratified, cluster, and multistage are used to describe probability sampling. On the other hand, convenience, quota, judgement, and snowball indicate non-probability sampling.

Since each subset will be assigned an identical probability, the sampling strategy we will apply in this research is probability sampling, which is simply random. The researcher must first create a sampling frame or population list in order to collect this sample and offer the greatest number of samples feasible. Any research that employs this sample must have excellent internal and external validity in order to comply with this straightforward random sampling approach.

The non-probability sampling method, or snowball sampling, will be used next. Finding a small group of people - or at least one - who fit the study’s requirements is the goal of this approach. Next, we’ll ask a number of people to suggest other persons or people they know who fit the study’s eligibility requirements. When trying to locate or contact a group of respondents who are hard to reach, snowball sampling works great.

### 3.7 Research Instrument Development

Specific questions about the study being conducted will be included in the survey form. A self-administered questionnaire will be used as the test instrument to obtain a more accurate response. The purpose of the prepared questionnaire is to get data from the respondents; they can fill it out on their own, without the researcher's help, throughout the data collecting procedure.

#### 3.7.1 Questionnaire Design

This study's primary methodology is a questionnaire. Section A, which covers the respondent's background details like gender, age, race, and religion, is the first section. Actually, there exist questions with fixed alternatives called simple choice questions that allow respondents to select more than one response to the provided subject.

Part B contains questions that are used to measure both dependent and independent variables. The viewpoints of Islamic banking are the dependent variable for certain questions, whereas the elements of trust, convenience, social influence, and knowledge are the independent variables for other questions. Part B question response options are rated using a 7-point Likert scale as an interval scale. This scale is intended to determine individuals' opinions and sentiments on the given question, regardless of whether they agree or disagree. Given that the scale is from 1 to 7, 1 strongly disagree, 2 is disagree, 3 is somewhat disagree, 4 is neutral, 5 is somewhat agree, 6 is agree, and 7 is strongly agree. This is an example of a research questionnaire.

Table 3.1: Example of Section A, Demographic Profile

No.	Content	Options	/
1.	Gender (Jantina)	Male / Lelaki	<input type="checkbox"/>
		Female / Perempuan	<input type="checkbox"/>
2.	Age (Umur)	< 20	<input type="checkbox"/>
		21 - 22	<input type="checkbox"/>
		23 - 24	<input type="checkbox"/>
		> 25	<input type="checkbox"/>
3.	Race (Bangsa)	Malay	<input type="checkbox"/>
		Chinese	<input type="checkbox"/>
		Indian	<input type="checkbox"/>
		Others / Lain-lain	<input type="checkbox"/>
4.	Religion (Agama)	Islam	<input type="checkbox"/>
		Buddha	<input type="checkbox"/>
		Hindu	<input type="checkbox"/>
		Christian	<input type="checkbox"/>
		Others / Lain-lain	<input type="checkbox"/>

Sources: From Analysis Carried out by Authors

Table 3.2: Example of Section B, The Viewpoints of Islamic banking

No.	Content	1	2	3	4	5	6	7
1.	I prefer dealing with Islamic banks because they are Shari'ah compliant than conventional banks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Islamic prohibitions such as <i>riba</i> , <i>gharar</i> , <i>fraud</i> , and <i>gambling</i> are always applied in Islamic banking.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Islamic banking will not oppress its customers by charging excessive interest or interest rates.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Every product introduced by Islamic banking is halal from the Shari'ah point of view.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Sources: From Analysis Carried out by Authors

KELANTAN

### 3.8 Measurement of the Variables

The measuring scale describes the properties of the data; this instrument will also ascertain the degree to which every person expresses a distinct viewpoint about the study's crucial factors. Measurement scales come in four varieties: nominal, ordinal, interval, and ratio. We shall employ nominal measuring scales, intervals, and ratios only in this investigation; ordinals will not be used as an investigative tool since they cannot be used to measure anything.

Part A questions pertaining to the respondents' demographic study will employ both nominal and ratio measurement scales. To obtain precise data, a 7-point Likert interval scale is utilized for the dependent and independent variables, although the interval will only be used for part B. Subsequently, the data obtained from the questionnaire will be analyzed by the researcher, enabling a comprehensive analysis of each variable scale.

#### 3.8.1 *Nominal Scale*

The lowest level scale, known as the nominal scale, is used to classify categorical data. It cannot be adjusted arithmetically, and it cannot be assigned a level, level 2, or level 3 like an ordinal scale. Instead, the data will be categorized into distinct groups. Gender (male, female), age (< 20, 21 - 22, 23 - 24, > 25), race (Malay, Chinese, Indian, Others), and religion (Islam, Buddha, Hindu, Christian, Others) are some of the questions pertaining to the nominal in section A.

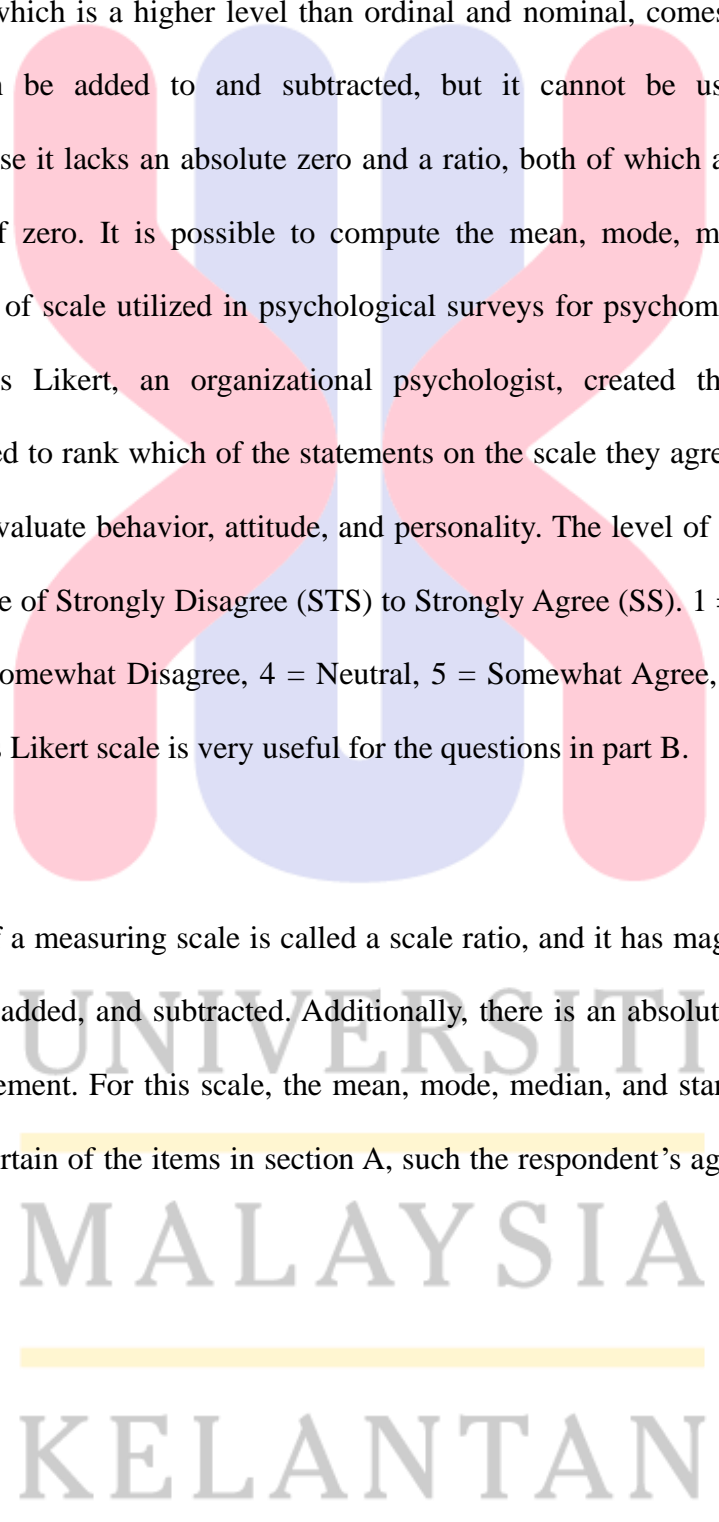


### 3.8.2 *Interval Scale*

The interval scale, which is a higher level than ordinal and nominal, comes next. It even has a magnitude that can be added to and subtracted, but it cannot be used for division or multiplication because it lacks an absolute zero and a ratio, both of which are necessary for the meaningful value of zero. It is possible to compute the mean, mode, median, and standard deviation. One kind of scale utilized in psychological surveys for psychometric purposes is the Likert scale. Rensis Likert, an organizational psychologist, created this scale. Typically, respondents are asked to rank which of the statements on the scale they agree with. This scale is frequently used to evaluate behavior, attitude, and personality. The level of agreement is a scale of 1 to 7 with a grade of Strongly Disagree (SD) to Strongly Agree (SA). 1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 = Neutral, 5 = Somewhat Agree, 6 = Agree, and 7 = Strongly Agree. This Likert scale is very useful for the questions in part B.

### 3.8.3 *Ratio Scale*

The greatest level of a measuring scale is called a scale ratio, and it has magnitudes that may be multiplied, divided, added, and subtracted. Additionally, there is an absolute zero on this scale, denoting no measurement. For this scale, the mean, mode, median, and standard deviation may be computed. For certain of the items in section A, such the respondent's age and race, this ratio scale is appropriate.



### 3.9 Procedure for Data Analysis

#### 3.9.1 Data Process and Data Analysis

The process of data analysis will be completed after all the data has been gathered. In order to analyses the data and test the hypothesis more quickly and precisely, the first step is to enter the data into the Statistical Package for Social Science Software (SPSS). One computer programmed that may be used for both free and paid statistical analysis and data management is called SPSS. In actuality, pointing and clicking the mouse makes it easy to do any task. Up to 400 respondents in total have completed the questionnaire via the Google Form platform, which is distributed via social media or QR code to be completed by different students who identify as Muslims or non-Muslims. The information will then be gathered and examined using the SPSS computer programmed. A very helpful tool is SPSS for relative frequency of survey responses.

#### 3.9.2 Descriptive Analysis

The value towards the center of the distribution is the measure of central tendency. The mean, median, and mode are the three different ways to quantify tendency for data that are clustered or not. In order to describe the degree of variation amongst random variables, a measure of variation is a measure of central tendency for a parameter. Range, variation, and standard deviation are the three parameters that are utilized in measurement. Descriptive analysis may therefore assist researchers in examining the influencing points of view, which will result in the study's conclusion. Chapter 4 will then address the findings.

### 3.9.3 Reliability Test

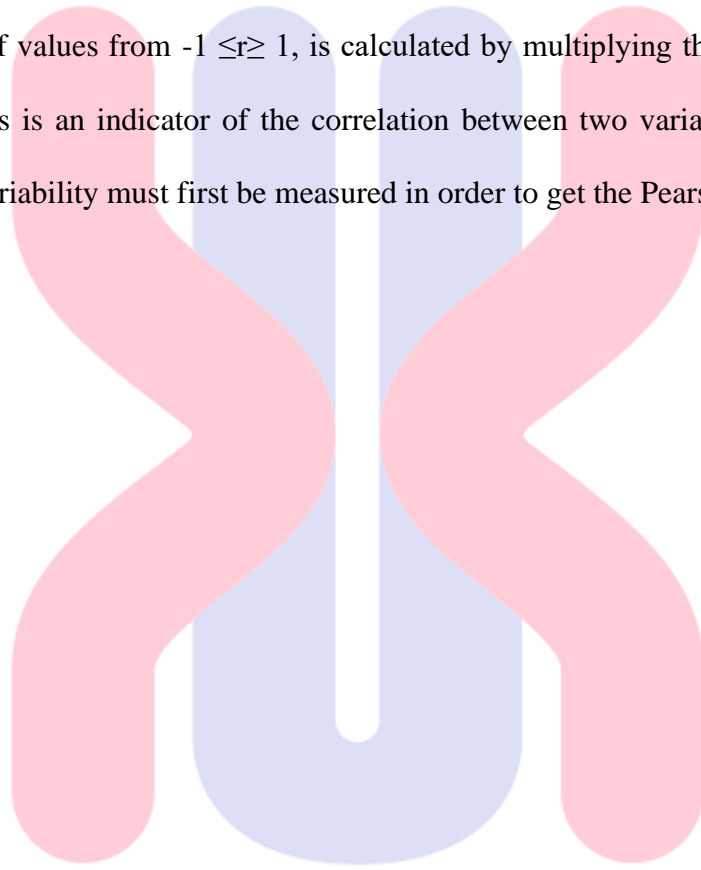
As per the definition provided by Lin and Gronlund (2000), dependability is characterized by both measurement accuracy (Carlotta, 1987) and consistency in measurements. This is the degree to which test results are consistently measured from one measure to another. Another essential component of every test, whether it be an informal inquiry, performance evaluation, written exam, or observation, is reliability. This will give validity the constancy it needs to happen (Lin and Gronlund, 2000). The reliability coefficient, a statistical metric derived from the correlation approach, is used to compute and verify the test's reliability level based on the results acquired from the test. The coefficient values vary for every metric and span from 0 % to 100 %.

### 3.9.4 Spearman Correlation Coefficient

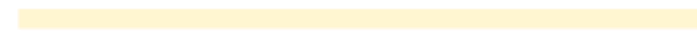
The statistical method utilized to ascertain the degree of the two associated variables is what this correlation means. Measuring their strength, creating their equations, forecasting scores, and eventually formulating tested population hypotheses are all required to derive these two variables. When changes in one variable frequently coincide with steady, predictable changes in other variables, there is a link.

The link between two variables may be shown through correlation, which is sometimes referred to as a scatter diagram or scatter plot. Plotting of one variable on the ordinate (x-axis) and another variable on the (y-axis) will take place. Generally speaking, a positive connection happens when both variables rise. For instance, if perceptions of Islamic banking rise, so will trust. Conversely, a negative correlation happens when both variables indicate a decline; for instance, an individual's rate of exercise decreases with age.

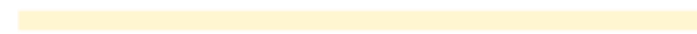
Using a scatter plot, Pearson's correlation will determine the strength and direction of the association that has a straight line between the two variables. The Pearson correlation coefficient, which has a range of values from  $-1 \leq r \leq 1$ , is calculated by multiplying the Pearson correlation coefficient by  $r$ . This is an indicator of the correlation between two variables. The  $(x)$  and  $(y)$  scores' individual variability must first be measured in order to get the Pearson correlation value.



UNIVERSITI



MALAYSIA



KELANTAN

### 3.10 Summary / Conclusion

Overall, each study carried out will have its own method and must meet the objectives of the study that has been made. This is because it is very important to ensure that the research carried out obtains accurate, authentic, quality, and true information. Every research method used will make it easier for the researcher to do research regularly and get results that satisfy all parties. Can also be considered as preliminary planning in which direction a study will be taken either towards success or otherwise. This chapter will explain and detail this study because the researcher will explain the meaning of each question in more detail. In fact, researchers and people around them will be able to find out what the viewpoints of Muslims and non-Muslims are towards Islamic banking. Next, at the end of this chapter, all the methods that can be used for this study.

## CHAPTER 4: DATA ANALYSIS AND FINDINGS

### 4.1 Introduction

The data analysis and results are explained in this chapter. This chapter also looks at and interprets the results of the surveys that were given out. An online survey and questionnaire were used to investigate “Viewpoints of Islamic banking among Muslims and non-Muslim students in Malaysia”. 400 data sets were obtained by the use of the questionnaire. All of the data will be analyzed and interpreted using the SPSS 26.0 (Statistical Package for the Social Sciences) programmed, and this chapter will provide the final statistical findings. The preliminary analysis, respondent demographics, descriptive analysis, validity and reliability tests, normality test, and hypothesis testing are all reviewed in this chapter. Tables and charts will be used to present the results obtained. This chapter ends with a summary or conclusion of the outcomes that have been hypothesized.

UNIVERSITI  
MALAYSIA  
KELANTAN

FKP

## 4.2 Preliminary Analysis

We conducted an underlying review of our research by distributing our questionnaire to 50 respondents in Malaysia for this preliminary analysis. This is the first step in making sure our survey has successfully achieved the study’s objectives. This section uses Cronbach’s Alpha to assess the reliability analysis of our survey. To determine whether or not our variable data can be used for the research, table 4.1 below shows the results of the reliability analysis for 50 respondents.

Table 4.1: Pilot Test Result

Variables	Cronbach’s Alpha	Number of Items
Viewpoints of Islamic Banking	.865	4
Trust	.947	4
Convenience	.910	4
Social Influence	.909	4
Knowledge	.942	4

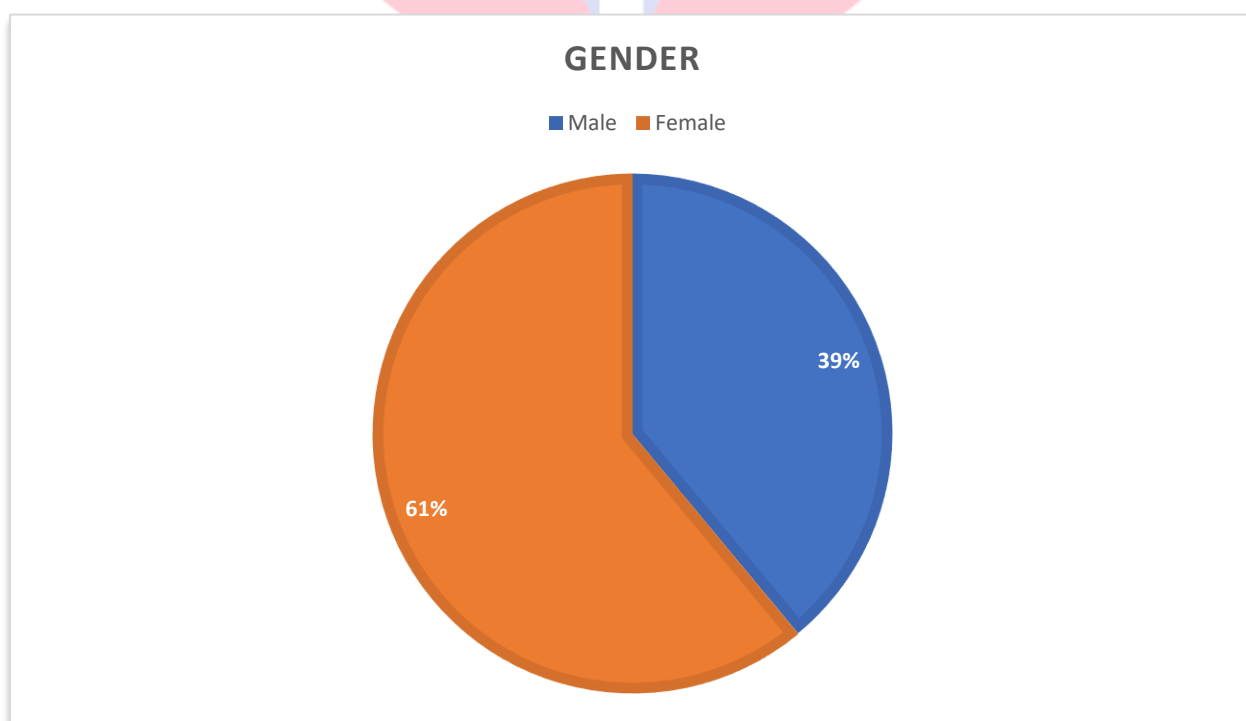
Sources: From Analysis Carried out by Authors

The results of the accepted variables that can be used in this study are shown in Table 4.1. As may be obvious, the Cronbach’s Alpha coefficient for all variables is above 0.80, and that implies it is suggested as a good level.

### 4.3 Demographic Profile of Respondents

In Section A, it is about the demographic profile of the respondents, which include gender, age, race, and religion generated from information from part A of this questionnaire. This demographic information is obtained from all students from all Higher Education Institutions in Malaysia.

#### 4.3.1 Gender



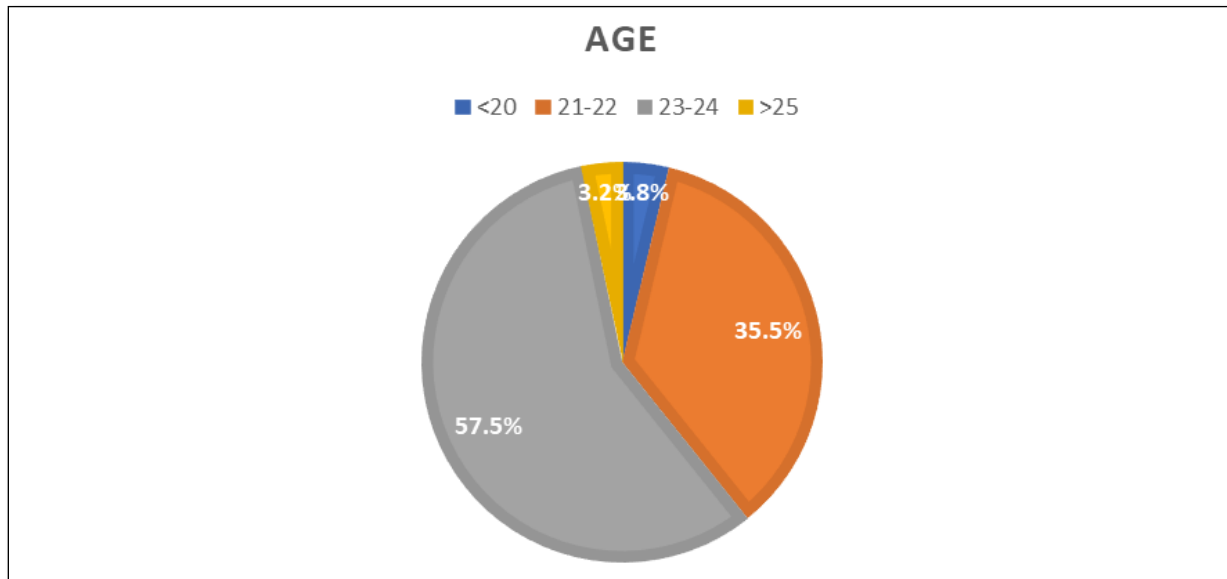
Sources: From Analysis Carried out by Authors

Figure 4.1: Gender of the Respondents

Figure 4.1 shows the category's gender range of 400 respondents. As we can see, there are more female respondents compared to male respondents. The percentage of female respondents is 61% (244 people) and the percentage male respondents are 39% (156 people).



### 4.3.2 Age

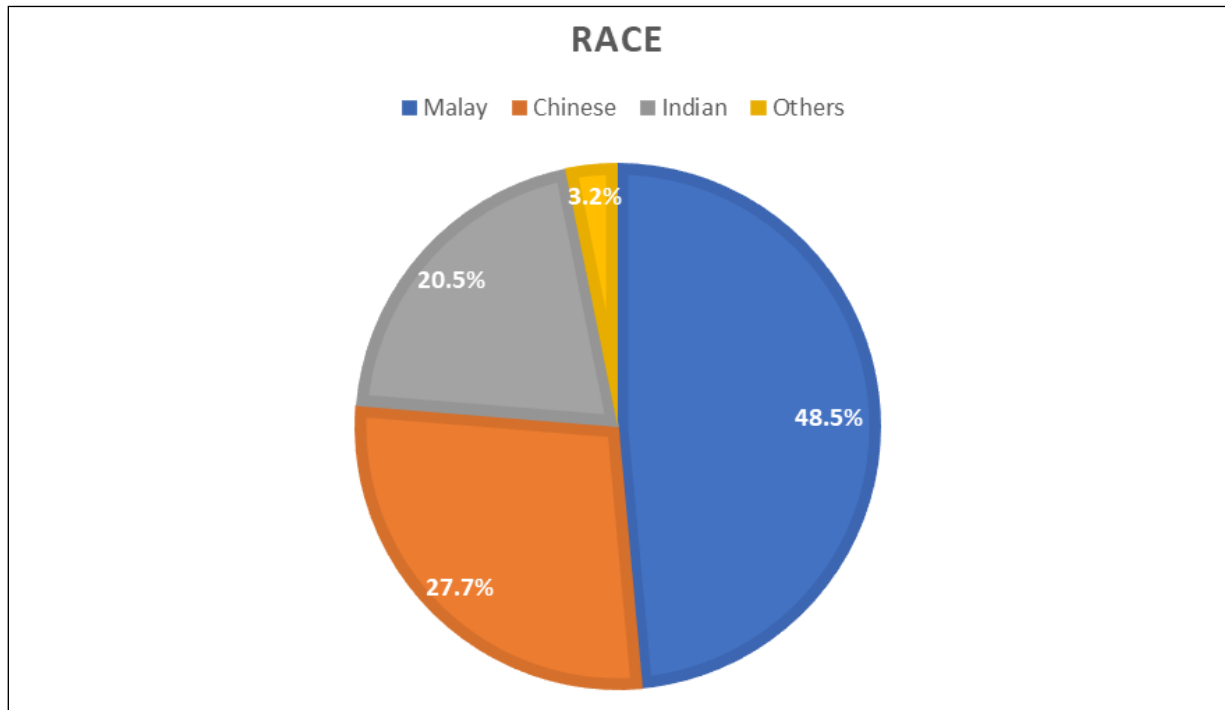


Sources: From Analysis Carried out by Authors

Figure 4.2: Age of the Respondents

Figure 4.2 shows the category's age range of 400 respondents. We can see the respondents are from the age 23 - 24 years old with the percentage value of 57.5 % (230 respondents) are the highest. Ages 21 to 22 are the second highest proportion of respondents is 35.5 % which is 142 respondents. Next, the least age to answer the questionnaire with 15 respondents and 12 respondents is aged < 20 with percentage 3.8 % and age > 25 is 3.2 % from the total number of respondents, which is 400.

### 4.3.3 Race

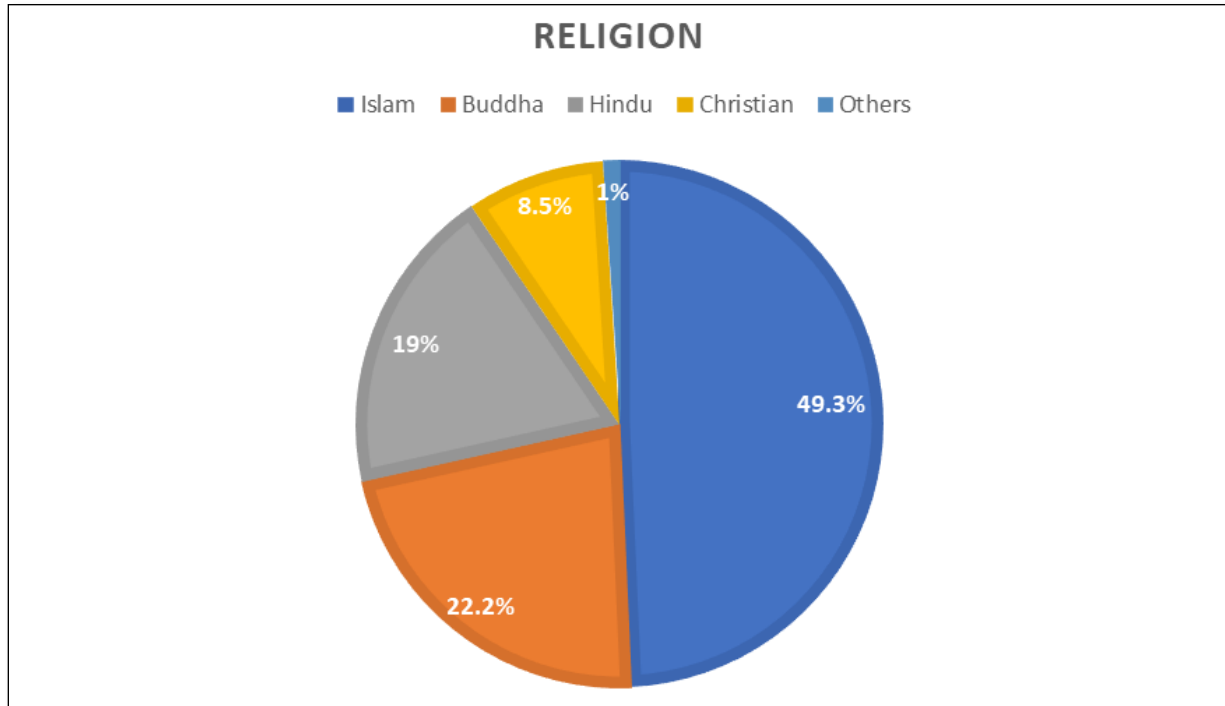


Sources: From Analysis Carried out by Authors

Figure 4.3: Race of the Respondents

Based on figure 4.3 shows that the highest respondents are Malay, which is 194 respondents, with percentage 48.5 %, next, for the Chinese respondent, the percentage is 27.7 % which is 111 respondents. Meanwhile, the percentage of Indian respondents is 20.5 %, which is 82 respondents and the least of respondents is others with the percentage 3.2 % which is only 13 respondents.

#### 4.3.4 Religion



Sources: From Analysis Carried out by Authors

Figure 4.4: Religion of the Respondents

Figure 4.4 shows almost 50 percent of the respondents are Islam which is 49.3 % with 197 respondents. The second highest is the Buddha respondents with 22.2 % (89 respondents), the third most are Hindu whose difference is not far from Buddha which is 19 % (76 respondents), followed by Christian with a percentage of 8.5 % (34 respondents) and 4 more respondents are from other religions above with a percentage of 1 %.

4.3.5 Summary of Demographic Profiles of Respondents

Table 4.2: Summary of Demographic Profiles

Variable	Frequency	Percentage (%)
<b>Gender</b>		
Male	156	39
Female	244	61
<b>Total</b>	<b>400</b>	<b>100</b>
<b>Age</b>		
< 20	15	3.8
21 - 22	142	35.5
23 - 24	230	57.5
> 25	13	3.2
<b>Total</b>	<b>400</b>	<b>100</b>
<b>Race</b>		
Malay	194	48.5
Chinese	111	27.7
Indian	82	20.5

Others	13	3.2
<b>Total</b>	<b>400</b>	<b>100</b>
<b>Religion</b>		
Islam	197	49.3
Buddha	89	22.2
Hindu	76	19
Christian	34	8.5
Others	4	1
<b>Total</b>	<b>400</b>	<b>100</b>

Sources: From Analysis Carried out by Authors

UNIVERSITI  
 MALAYSIA  
 KELANTAN

FKKP

#### 4.4 Descriptive Analysis

For the descriptive analysis, the researchers use the mean for Section B which is dependent and independent variables. The purpose is to identify viewpoints of Islamic Banking among Muslims and non-Muslims students in Malaysia. The researchers will compare the mean between the dependent and independent variables for each question based on the analysis. The researchers will find out the answer of strongly agree and strongly disagree by the respondent. The responses are scaled by using 7-point Likert scale which is 1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 = Neutral, 5 = Somewhat Agree, 6 = Agree, 7 = Strongly Agree.

Table 4.3: The Level of Means

Level	Means
Strongly Agree	6.01 - 7.00
Agree	5.01 - 6.01
Somewhat Agree	4.01 - 5.01
Neutral	3.01 - 4.01
Somewhat Disagree	2.01 - 3.01
Disagree	1.01 - 2.01
Strongly Disagree	0 - 1.00

Sources: From Web Page

#### 4.4.1 Overall Descriptive Analysis

Table 4.4: Overall Descriptive Analysis

#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Viewpoints of Islamic Banking	400	1.00	7.00	6.2606	.93091
Trust	400	1.50	7.00	6.2144	.96564
Convenience	400	1.00	7.00	6.2169	.95644
Social Influence	400	1.00	7.00	6.2213	.94514
Knowledge	400	1.00	7.00	6.3256	.88891
Valid N (listwise)	400				

Sources: From Analysis Carried out by Authors

The table 4.4 shows the mean values for the overall variable or in the other words for dependent and independent variables. As it showed from the table above, the highest mean score is 6.3256, knowledge which is an independent variable. The lowest mean score is 6.2144, also from an independent variable which is trust.

#### 4.4.2 Descriptive Analysis for Dependent Variable

Table 4.5: Descriptive Statistics for Viewpoints of Islamic Banking



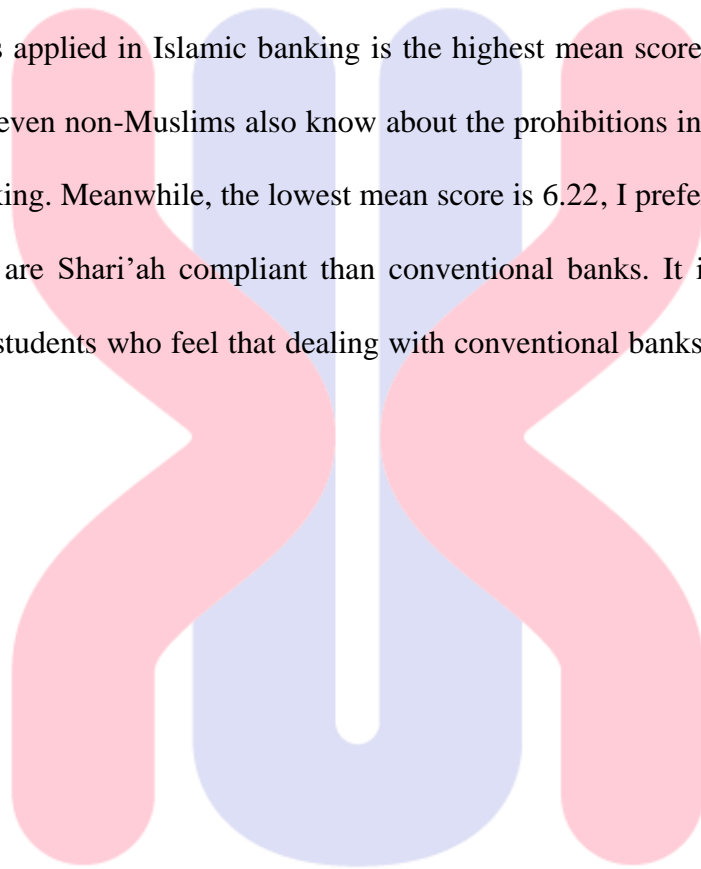
#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
I prefer dealing with Islamic banks because they are Shari'ah compliant than conventional banks.	400	1	7	6.22	1.051
Islamic prohibitions such as <i>riba</i> , <i>gharar</i> , fraud, and gambling are always applied in Islamic banking.	400	1	7	6.32	1.053
Islamic banking will not oppress its clients by charging excessive interest or interest rates.	400	1	7	6.24	1.046
Every product introduced by Islamic banking is halal from the Shari'ah point of view.	400	1	7	6.27	1.031
Valid N (listwise)	400				

Sources: From Analysis Carried out by Authors



The table 4.5 shows the mean values for dependent variable, which is viewpoints of Islamic banking. As it showed from the table above, Islamic prohibitions such as *riba*, *gharar*, fraud and gambling are always applied in Islamic banking is the highest mean score is 6.32, it is because generally, everyone even non-Muslims also know about the prohibitions in Islam for buying and selling and also banking. Meanwhile, the lowest mean score is 6.22, I prefer dealing with Islamic banks because they are Shari'ah compliant than conventional banks. It is the lowest because there are still a few students who feel that dealing with conventional banks is more comfortable, efficient, and fast.



UNIVERSITI

MALAYSIA

KELANTAN

FKP

#### 4.4.3 Descriptive Analysis for Independent Variables

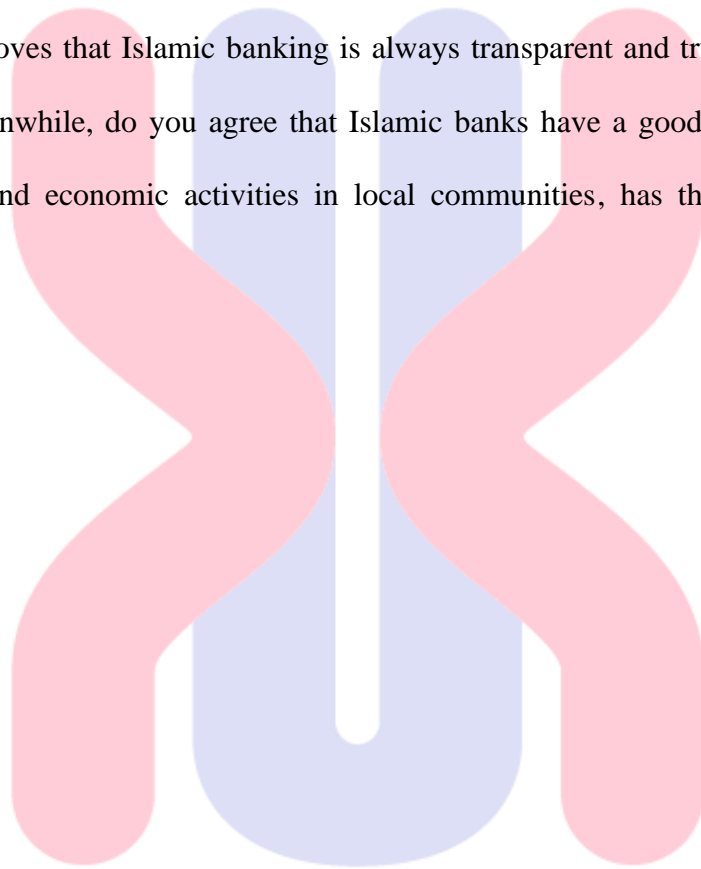
Table 4.6: Descriptive Statistics for Trust

#### Descriptive Statistics

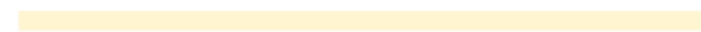
	N	Minimum	Maximum	Mean	Std. Deviation
Islamic banks have a consistent reputation for honesty.	400	1	7	6.22	1.044
Islamic banking is always transparent and trustworthy.	400	1	7	6.27	1.027
Do you agree that Islamic banks have a good record in supporting responsible social and economic activities in local communities?	400	1	7	6.16	1.109
Islamic banks enjoy a good reputation in providing customer service that meets their needs and satisfaction.	400	1	7	6.21	1.007
Valid N (listwise)	400				

Sources: From Analysis Carried out by Authors

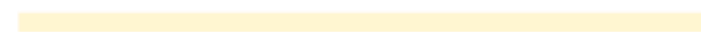
The table 4.6 shows the mean values for independent variable, trust. As it showed from the table above, the highest mean score is 6.27, which is Islamic banking is always transparent and trustworthy. This proves that Islamic banking is always transparent and trustworthy in carrying out their work. Meanwhile, do you agree that Islamic banks have a good record in supporting responsible social and economic activities in local communities, has the lowest mean score which is 6.16.



UNIVERSITI



MALAYSIA



KELANTAN

FKP

Table 4.7: Descriptive Statistics for Convenience

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Islamic banking also provides a variety of services like conventional banks.	400	1	7	6.20	1.137
The returns on Islamic banking are in the form of gifts and profit-sharing basis rather than interest.	400	1	7	6.17	1.118
Do you agree that Islamic banks offer high quality customer service, including advice and support from knowledgeable professionals in Islamic banking?	400	1	7	6.22	1.011
Do you agree that educational initiatives, including workshops, seminars, and campus outreach programs, can improve students' financial literacy about Islamic banking?	400	1	7	6.28	.949
Valid N (listwise)	400				

Sources: From Analysis Carried out by Authors

The table 4.7 shows the mean values for independent variable, convenience. As it has shown from the table above, do you agree that educational initiatives, including workshops, seminars, and campus outreach programs, can improve students' financial literacy about Islamic banking has the highest mean score is 6.28, which is the majority agreed that the educational initiative is very helpful for students to learn more about Islamic banking which is very Shari'ah compliant. While, the lowest mean score is 6.17 which is the returns on Islamic banking are in the form of gifts and profit-sharing basis rather than interest. Most students agree that returns from Islamic banking are transparent and do not oppress customers with excessively high interest rates.

Table 4.8: Descriptive Statistics for Social Influence

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Islamic banks offer conveniences to consumers, such as adequate facilities, parking, and interior comfort.	400	1	7	6.16	1.085
Recommendations to use Islamic banking services are from family and friends.	400	1	7	6.26	.993
Do you agree that Islamic banks pay attention to relevant social issues, such as education, health, and humanitarian aid?	400	1	7	6.19	1.065
Do you agree that the media, including television, newspapers, and social media, can shape individual opinions and attitudes toward various subjects, including Islamic banking?	400	1	7	6.28	1.001
Valid N (listwise)	400				

Sources: From Analysis Carried out by Authors

The table 4.8 shows the mean values for independent variable, social influence. As it showed from the table above, the highest mean score is 6.28. Do you agree that media, including television, newspapers, and social media, can shape individual opinions and attitudes towards various subjects, including Islamic banking, the majority of students in Malaysia agree and strongly agree with the statement because in this sophisticated age, everything can be known only at the tip of the finger and news spreads quickly. The question is Islamic banks offer conveniences to consumers, such as adequate facilities, parking, and interior comfort. The lowest mean score is 6.16 because not all students who have visited Islamic bank branches in Malaysia are like non-Muslims.

Table 4.9: Descriptive Analysis for Knowledge

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
I understand the concept of Islamic banking.	400	1	7	6.29	1.009
<i>Riba</i> is an illegal product for Islamic banking.	400	1	7	6.39	.920
Islamic banking conducts its operations in accordance with Shari'ah law.	400	1	7	6.35	.932
Mudarabah is one of the Islamic banking products.	400	1	7	6.28	1.004
Valid N (listwise)	400				

UNIVERSITI  
Sources: From Analysis Carried out by Authors

This table 4.9 shows the mean values for independent variable, knowledge. As it has shown from the table above, questions about *riba* are an illegal product for Islamic banking have the highest mean score which is 6.39, this means, every student realizes that *riba* is haram for all mankind on this earth. Meanwhile, the lowest mean score is 6.28 which is Mudarabah is one of the Islamic banking products, this shows that not all students know about the products available in Islamic banks.



#### 4.5 Validity and Reliability Test

The purpose of validity and reliability is to ensure the data are solid and accurate of the research data results. Validity refers to the extent to which the research done can measure the things that want to be measured or studied, while reliability is the term used to describe how well research findings hold up over time and can be reproducible. In this study, the researcher used Cronbach's Alpha to assess the reliability of the data in this survey.

Table 4.10: Rule of Thumb on Cronbach's Alpha

Cronbach's Alpha Range	Level of Reliability
$\alpha \geq 0.9$	Excellent
$0.8 \leq \alpha < 0.9$	Good
$0.7 \leq \alpha < 0.8$	Acceptance
$0.6 \leq \alpha < 0.7$	Questionable
$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

Sources: From Web Page

4.5.1 Reliability Result for the Viewpoints of Islamic Banking

Table 4.11: Reliability Result for the Dependent Variable of the Viewpoints of Islamic Banking

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.913	4

Sources: From Analysis Carried out by Authors

Based on table 4.11, it showed the reliability analysis for the dependent variable of the viewpoint of Islamic banking was acceptable. The Cronbach's Alpha is 0.913. According to the table above, it shows that the consistency and stability of reliability which is 0.913 was excellent. The 4 questions for the viewpoint of Islamic banking were accurate because it shows respondents understand about Islamic banking that complies with Islamic Shari'ah.

#### 4.5.2 Reliability Result for Trust

Table 4.12: Reliability Result for the Independent Variable of the Factor of Trust

Reliability Statistics	
Cronbach's Alpha	N of Items
.941	4

Sources: From Analysis Carried out by Authors

Based on table 4.12, it showed that trust in independent variable's reliability analysis was accepted. The Cronbach's Alpha is 0.941. According to the table rule of thumb on Cronbach's Alpha, it shows that the consistency and stability of 0.941 was excellent. The 4 questions asked about the trust were accurate because respondents believe and accept that Islamic banking is safe and secure.

4.5.3 Reliability Result for Convenience

Table 4.13: Reliability Result for the Independent Variable of the Factor of Convenience

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.927	4

Sources: From Analysis Carried out by Authors

Based on table 4.13, it showed the convenience for independent variable's reliability analysis was acceptable. The Cronbach's Alpha is 0.927. According to the table thumb rule of thumb on Cronbach's Alpha, it appears that the consistency and stability convenience, which is 0.927 was excellent. The 4 questions asked about the convenience that respondents get from using Islamic banks in their life.

4.5.4 Reliability Result for Social Influence

Table 4.14: Reliability Result for the Independent Variable of the Factor of Social Influence

Reliability Statistics	
Cronbach's Alpha	N of Items
.932	4

Sources: From Analysis Carried out by Authors

Based on table 4.14, it showed the social influence on independent variable's reliability analysis was acceptable. The Cronbach's Alpha is 0.932. According to the table rule of thumb on Cronbach's Alpha, it appears that the consistency and stability of 0.932 was excellent. The 4 questions asked about the social influence that provides awareness and knowledge about Islamic banks to other people.

#### 4.5.5 Reliability Result for Knowledge

Table 4.15: Reliability Result for the Independent Variable of the Factor of Knowledge

Reliability Statistics	
Cronbach's Alpha	N of Items
.939	4

Sources: From Analysis Carried out by Authors

Based on table 4.15, it showed the knowledge for the independent variable in reliability analysis was acceptable. The Cronbach's Alpha is 0.939. According to the table rule of thumb on Cronbach's Alpha, it appears that analysis is consistent and stable by getting 0.939 which shows excellent analysis. The 4 questions asked about the knowledge were accurate because the respondent understood and knew about Islamic banks.

UNIVERSITI  
MALAYSIA  
KELANTAN

4.5.6 Summary of Reliability Statistic

Table 4.16: Summary of Reliability Statistics

<b>Variables</b>	<b>Cronbach's Alpha</b>	<b>Number of Items</b>	<b>Relationship</b>
The Viewpoints of Islamic Banking	.913	4	Excellent
Trust	.941	4	Excellent
Convenience	.927	4	Excellent
Social Influence	.932	4	Excellent
Knowledge	.939	4	Excellent

Sources: From Analysis Carried out by Authors

#### 4.6 Normality Test

In this study, the researcher used the normality test method to examine the sample of data whether it shows that the data is normally distributed or otherwise. It is also to determine the appropriate method that can be used for measuring data analysis. To determine the hypothesis of study, if the data are normally distributed, it would use the Pearson's Correlation while Spearman's Correlation will be use if the data was not normally distributed.

Table 4.17: Table of Normality Test

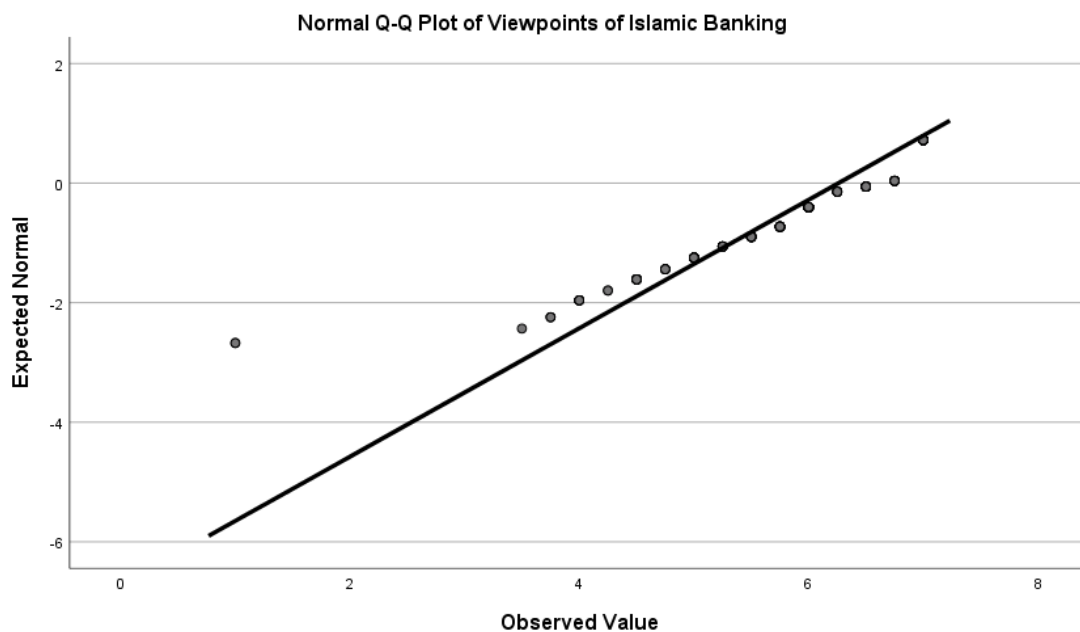
	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Viewpoints of Islamic Banking	.256	400	.000	.781	400	.000
Trust	.265	400	.000	.787	400	.000
Convenience	.246	400	.000	.783	400	.000
Social Influence	.243	400	.000	.787	400	.000
Knowledge	.246	400	.000	.741	400	.000

a. Lilliefors Significance Correction



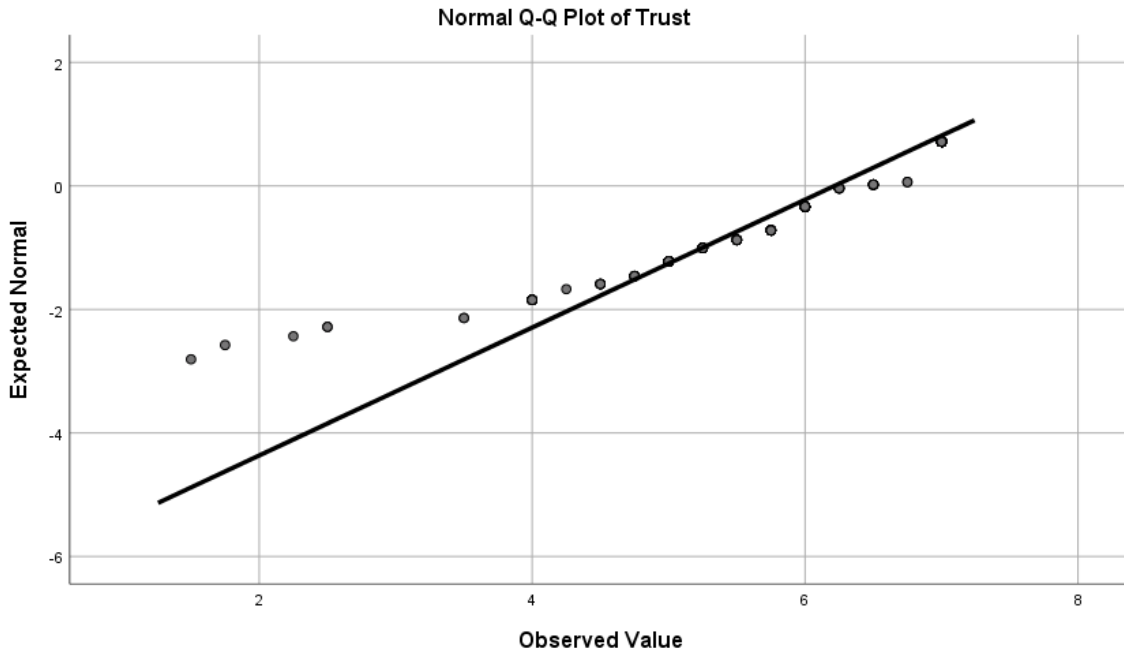
Based on table 4.17 above, it used two methods in the result of normality testing which is Kolmogorov-Smirnova and Shapiro-Wilk. The Shapiro-Wilk test is a suitable method for small sample sizes that are below than 50 while the Kolmogorov-Smirnov test is suitable for larger sample sizes 50 and above. From the data obtained which is 400 samples sizes which is more than 50 samples, it means that it can be use data result from Kolmogorov-Smirnov to determine the normality test.

For the significance level, if the value that more than 0.05 shows the data are considered normal. The data will be considered non-normal when the value of significance level is less than 0.05. For the result on table 4.17 above, it shows that all variables get 0.000 for significance level in the normality test which means less than 0.05. As a result, it can be concluded that the normality testing in the research are not follow the normal distribution which can be categorized as non-normal data.



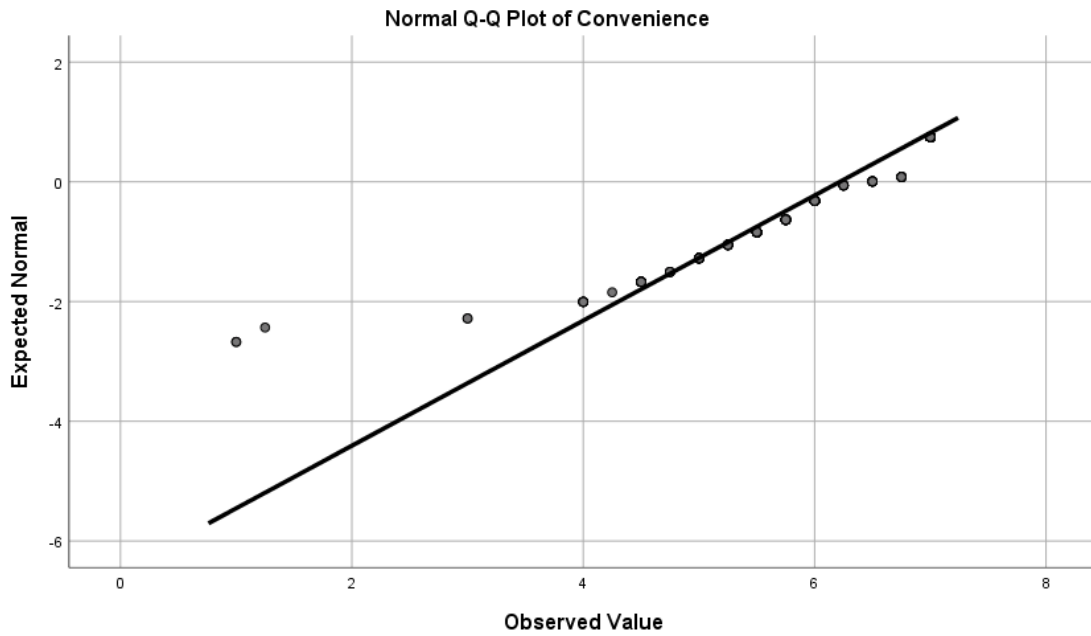
Sources: From Analysis Carried out by Authors

Figure 4.5: Normal Q-Q Plot of Viewpoint of Islamic Banking



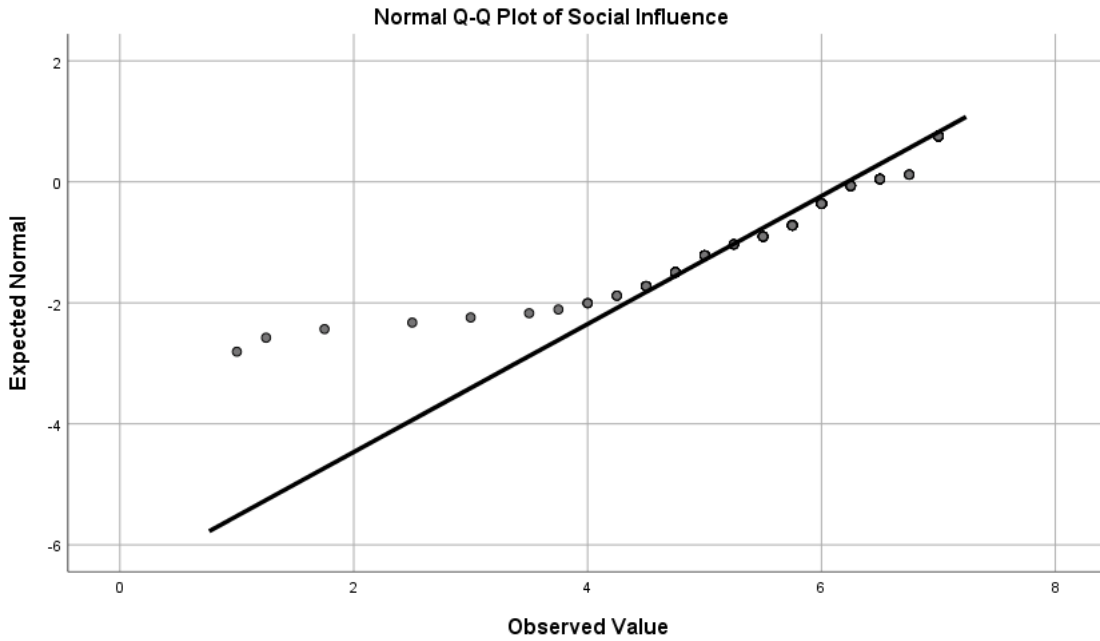
Sources: From Analysis Carried out by Authors

Figure 4.6: Normal Q-Q Plot of Trust

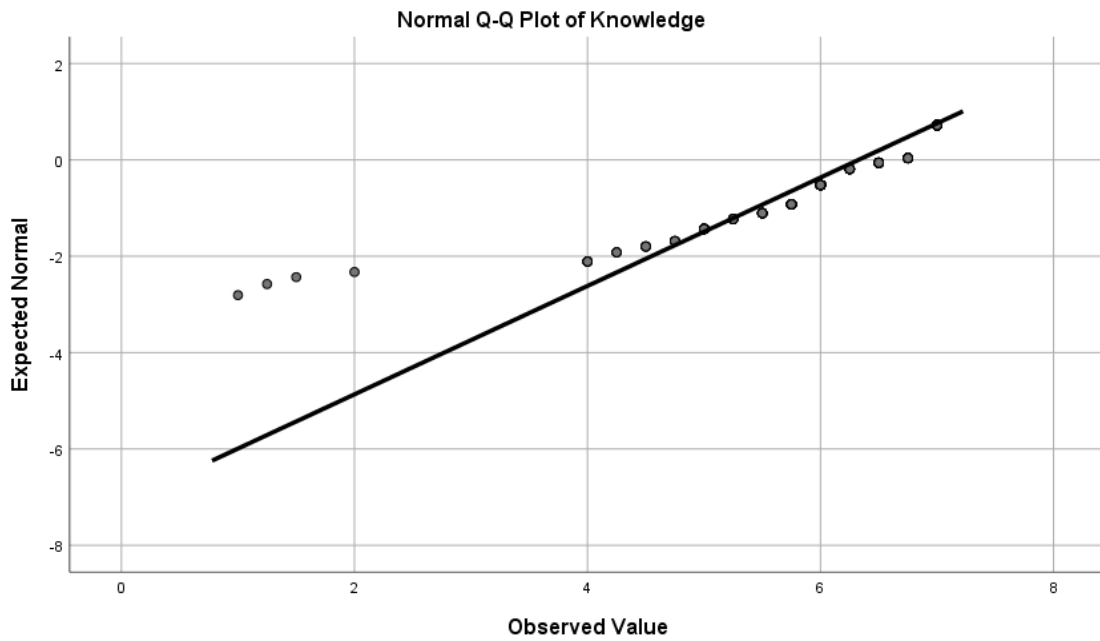


Sources: From Analysis Carried out by Authors

Figure 4.7: Normal Q-Q Plot of Convenience



Sources: From Analysis Carried out by Authors  
Figure 4.8: Normal Q-Q Plot of Social Influence



Sources: From Analysis Carried out by Authors  
Figure 4.9: Normal Q-Q Plot of Knowledge

#### 4.7 Hypotheses Testing

The assessment of this study can be based on both the respondents who take part in it and the results that have been provided. Spearman correlation analysis is one method that is used. One statistical measure that shows the relationship between two variables is the correlation coefficient. The ranges of the positive and negative values are, respectively, 0.10 to 1.0 and -0.10 to -1.0. Thus, there is a penalty for determining the correlation if the statistic displays a different range of values from -1.0 to positive 1.0. Here, Spearman correlation analysis is used in order to determine the link between the variables:

Table 4.18: Rules of Thumb on Correlation Coefficient Size

Size of Correlation	Interpretation
0.90 to 1.00 (- 0.90 to - 1.00)	Very High Positive (Negative Correlation)
0.70 to 0.90 (- 0.70 to - 0.90)	High Positive (Negative Correlation)
0.50 to 0.70 (- 0.50 to - 0.70)	Moderate Positive (Negative Correlation)
0.30 to 0.50 (- 0.30 to - 0.50)	Low Positive (Negative Correlation)
0.00 to 0.30 (- 0.00 to - 0.30)	Negligible Correlation

Sources: From Web Page

4.7.1 Hypothesis 1

Relationship between trust and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

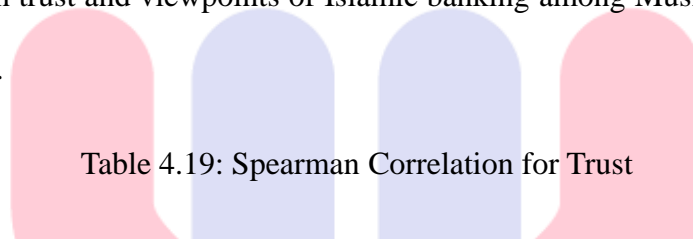


Table 4.19: Spearman Correlation for Trust

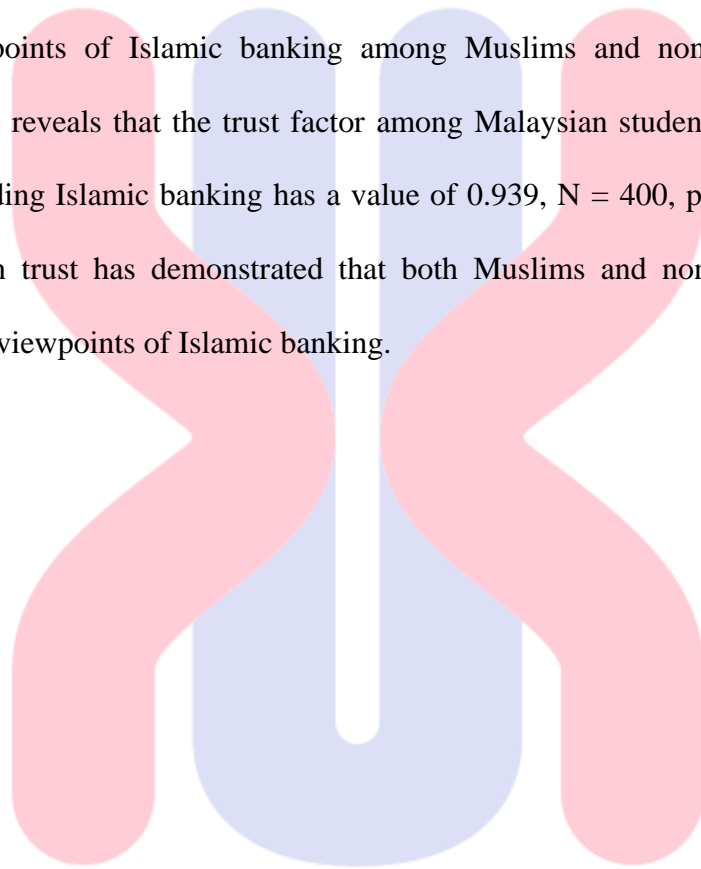
**Correlations**

		Viewpoints of Islamic Banking	Trust
Spearman's Rho	Viewpoints of Islamic Banking	1.000	.939**
	Correlation Coefficient		
	Sig. (1-tailed)	.	.000
	N	400	400
Trust	Trust	.939**	1.000
	Correlation Coefficient		
	Sig. (1-tailed)	.000	.
	N	400	400

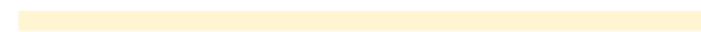
\*\* . Correlation is significant at the 0.01 level (1-tailed).

Sources: From Analysis Carried out by Authors

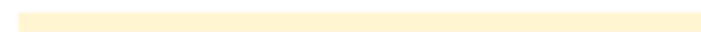
The information provided by the above table 4.19 indicates that there is a very strong positive relationship between this achievement and the spearman's correlation between trust factor that influence the viewpoints of Islamic banking among Muslims and non-Muslim students in Malaysia. The study reveals that the trust factor among Malaysian students, both Muslims and non-Muslims, regarding Islamic banking has a value of 0.939,  $N = 400$ ,  $p = 0$ . As a result, this relationship between trust has demonstrated that both Muslims and non-Muslim students in Malaysia accept the viewpoints of Islamic banking.



UNIVERSITI



MALAYSIA



KELANTAN

FKP

4.7.2 Hypothesis 2

Relationship between convenience and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

Table 4.20: Spearman Correlation for Convenience

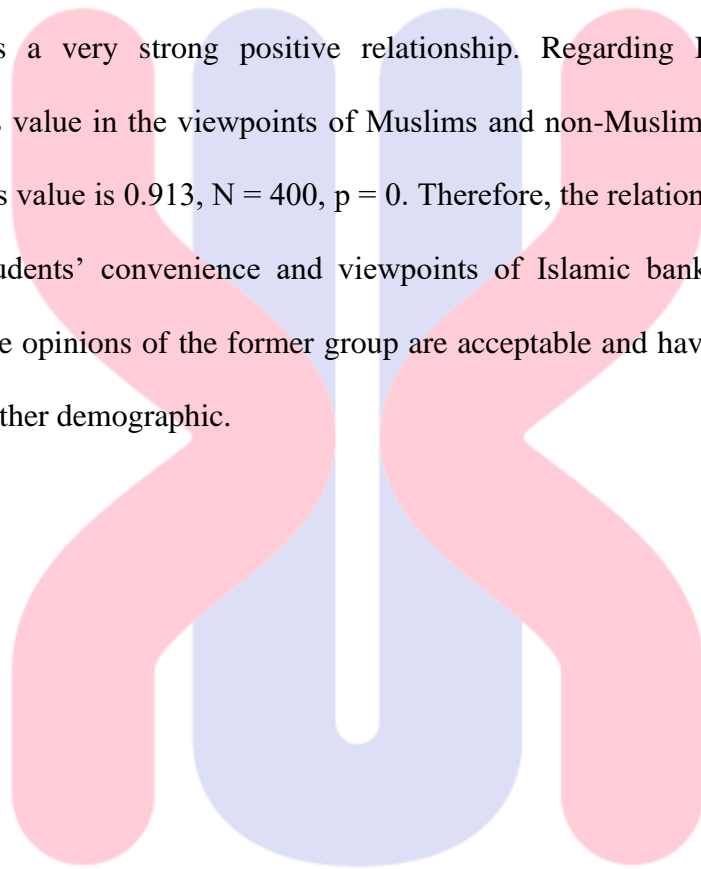
**Correlations**

		Viewpoints of Islamic Banking	
		Banking	Convenience
Spearman's Rho	Viewpoints of Islamic Banking	1.000	.913**
	Correlation Coefficient		
	Sig. (1-tailed)	.	.000
	N	400	400
Convenience	Correlation Coefficient	.913**	1.000
	Sig. (1-tailed)	.000	.
	N	400	400

\*\* . Correlation is significant at the 0.01 level (1-tailed).

Sources: From Analysis Carried out by Authors

Based on the Spearman's correlation table 4.20 above for convenience factors that affect the viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia, this accomplishment has a very strong positive relationship. Regarding Islamic banking, the convenience factor's value in the viewpoints of Muslims and non-Muslim students in Malaysia shows that the ratio's value is 0.913,  $N = 400$ ,  $p = 0$ . Therefore, the relationship between Muslim and non-Muslim students' convenience and viewpoints of Islamic banking in Malaysia has demonstrated that the opinions of the former group are acceptable and have a big impact on the convenience of the other demographic.



UNIVERSITI  
MALAYSIA  
KELANTAN

FKP



### 4.7.3 Hypothesis 3

Relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

Table 4.21: Spearman Correlation for Social Influence

#### Correlations

		Viewpoints of Islamic Banking	Social Influence
Spearman's Rho	Viewpoints of Islamic Banking	1.000	.889**
Social Influence	Social Influence	.889**	1.000

\*\* . Correlation is significant at the 0.01 level (1-tailed).

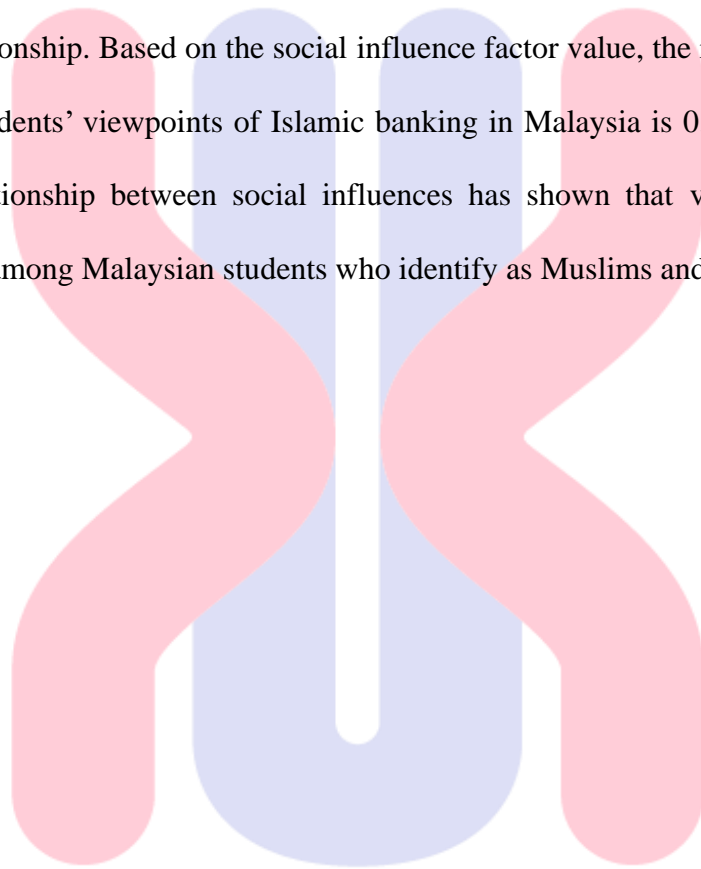
Sources: From Analysis Carried out by Authors

---

MALAYSIA

KELANTAN

According to the above table 4.21, the Spearman's correlation between social influence and the viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia, showed a strong positive relationship. Based on the social influence factor value, the ratio between Muslim and non-Muslim students' viewpoints of Islamic banking in Malaysia is 0.889,  $N = 400$ ,  $p = 0$ . Therefore, this relationship between social influences has shown that viewpoints of Islamic banking ideas exist among Malaysian students who identify as Muslims and those who do not.



UNIVERSITI



MALAYSIA



KELANTAN

FKP

#### 4.7.4 Hypothesis 4

Relationship between knowledge and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

Table 4.22: Spearman Correlation for Knowledge

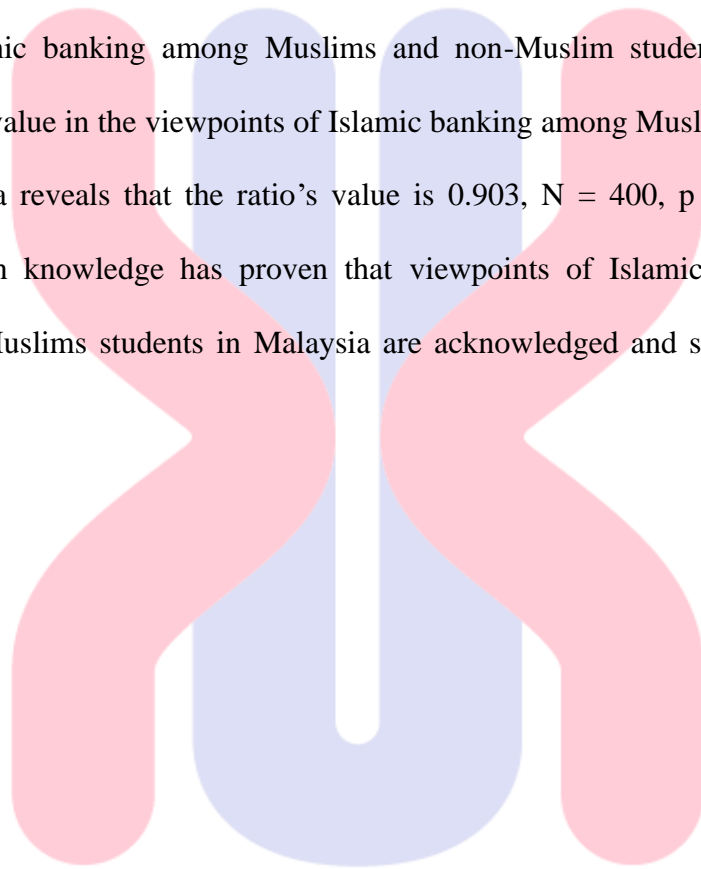
#### Correlations

		Viewpoints of Islamic Banking	Knowledge
Spearman's Rho	Viewpoints of Islamic Banking	1.000	.903**
	Correlation Coefficient		
	Sig. (1-tailed)	.	.000
	N	400	400
Knowledge	Viewpoints of Islamic Banking	.903**	1.000
	Correlation Coefficient		
	Sig. (1-tailed)	.000	.
	N	400	400

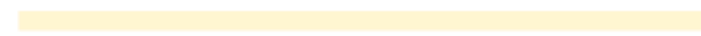
\*\* . Correlation is significant at the 0.01 level (1-tailed).

Sources: From Analysis Carried out by Authors

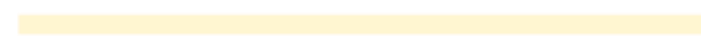
This information indicates that this accomplishment has a very high positive relationship, based on the Spearman's correlation table 4.22 above for knowledge factors that influence the viewpoints of Islamic banking among Muslims and non-Muslim students in Malaysia. The knowledge factor's value in the viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia reveals that the ratio's value is 0.903,  $N = 400$ ,  $p = 0$ . As a result, the relationship between knowledge has proven that viewpoints of Islamic banking among the Muslims and non-Muslims students in Malaysia are acknowledged and significantly influence their knowledge.



UNIVERSITI



MALAYSIA



KELANTAN

FKP

#### 4.8 Summary / Conclusion

Regarding the variables influencing viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia, the researcher reached several conclusions. Furthermore, based on the results of the literature review and a survey of 400 respondents among Muslims and non-Muslims students in Malaysia. Besides, the data analysis has been collected from the survey which is a questionnaire. The data compiled using SPSS to get the actual data. The result of SPSS came out with preliminary analysis, descriptive analysis, demographic test, reliability test, and Pearson correlation analysis. All the hypotheses in this study were answered through hypothesis testing. In summary, these statistical analyses responded to every research question and achieved each research objective.

## CHAPTER 5: DISCUSSION AND CONCLUSION

### 5.1 Introduction

In Chapter 5, we go into detail about the discussions and conclusions drawn from the analysis and results in Chapter 4. The results of data analysis for the independent variables (knowledge, trust, convenience, and social influence) and dependent variable (viewpoints of Islamic banking) are also covered in this chapter. In addition, the researcher will discuss the main conclusions in order to address the research question and objectives with reference to the viewpoints of Islamic banking of Muslim and non-Muslim students in Malaysia.

Similarly, findings and recommendations are also looked at in this chapter. Then, researchers consider their presumptions regarding the hypothesis in order to determine whether or not to accept or reject it. The researchers address the study's limitations and findings in light of the study's results, and they also offer recommendations for further research. The findings of this investigation are explained by the data analysis results of this study.

UNIVERSITI  
MALAYSIA  
KELANTAN

FKP

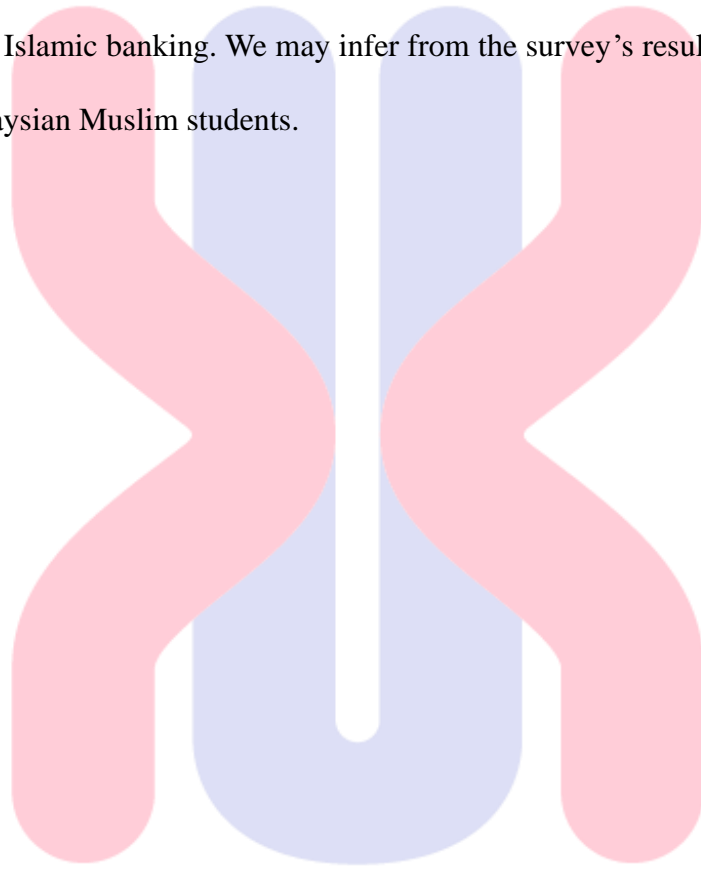
## 5.2 Key Findings

400 Muslim and non-Muslim students from Malaysia participated in the study that the researchers ran. This study aims to identify the factors - such as trust, convenience, social influence, and knowledge - that influence the viewpoints of Islamic banking of Muslim and non-Muslim students in Malaysia. This study's objectives have been adequately and realistically realized. In order to complete the study, the researchers used Google Form to distribute the questionnaire, and the respondents - especially those from Malaysia - who were interested in participating responded. After the questionnaire is distributed and respondents provide their responses, we enter all of the information and data into IBM SPSS Statistics. A reliability test's overall performance is indicated by its reliability coefficient, which has a range of 0 to 1. As a result, the Cronbach's Alpha coefficients of 0.8 to 0.9 and 0.966 on the study's questionnaire show that it is very dependable.

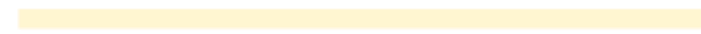
The study's respondents were categorized based on gender, age, race, and religion to determine the viewpoints of Islamic banking of Muslim and non-Muslim students in Malaysia. In terms of gender, Malay Muslim women between the ages of 23 and 24 made up the majority of responses.

According to the hypothesis, the researcher discovered that among Malaysian students, Muslim and non-Muslim, there is a substantial association between trust, convenience, social influence, and knowledge. Following trust (6.2144), convenience (6.2169), and social influence (6.2213), the knowledge factor (6.3256) has the highest mean value.

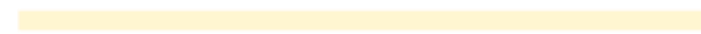
Furthermore, this hypothesis shows that, from the viewpoints of Islamic banking, there is a very beneficial link between social influence. Positive views exist about knowledge, ease, and trust with relation to Islamic banking. We may infer from the survey's results that the majority of participants are Malaysian Muslim students.



UNIVERSITI



MALAYSIA



KELANTAN

FKP



### 5.3 Discussion

The data in this study was analyzed using two types of variables that are dependent variable and independent variables. The purpose of this research is to determine whether the viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysia are correlated with the dependent variable and independent variables. This study received responses from 400 respondents in total. The researcher was able to gather data using an online questionnaire, and the test results were acquired using IBM SPSS Statistics version 26.

Furthermore, the study attempts to determine whether the dependent variable and independent variables are related to the factors influencing the viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia. This study also looks at the prospective importance of relationships between trust, convenience, social influence, and knowledge in determining how Malaysian students - Muslim and non-Muslim viewpoints of Islamic banking. The purpose of the research has been achieved as the Cronbach's Alpha coefficient shows that this conclusion is significant.

### 5.3.1 Hypothesis 1

**Hypothesis 1:** There is a very high positive relationship between trust and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

The key finding of this research is the identification of the elements' viewpoints of Islamic banking among Muslims and non-Muslims students. Spearman's correlation was utilized to investigate elements that provide insight into Islamic banking in order to complete this paper. The viewpoints of Islamic banking have a high positive relationship with trust, as shown by table 4.19 in Chapter 4, which is (0.939). This result appears to support earlier studies on the viewpoints of Islamic banking for trust issues. Therefore, in numerous research, trust has been included as a conceptual variable, either as a precursor or as a result of other relevant variables. As has been shown in many earlier studies, it follows loyalty as an antecedent and results in service quality and satisfaction as a consequence (Rizwan et al., 2014).

### 5.3.2 Hypothesis 2

**Hypothesis 2:** There is a very high positive relationship between convenience and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

Based on table 4.20 in Chapter 4, shows that the convenience has a very high moderate positive relationship with viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia which is (0.913). Because the p-value is 0.000 ( $p\text{-value} < 0.01$ ), the relationship between convenience and viewpoints of Islamic banking among Muslims and non-Muslim students in Malaysia is significant. Thus, hypothesis 2 is accepted. This finding has been supported by a previous study from Bezhovski (2016), where the influence of a convenience factor that explains about consumers' preferences and readiness to use the most up-to-date technology to conduct transactions make consumers feel at ease when using the financial cashless transactions although in Islamic banking.

### 5.3.3 Hypothesis 3

**Hypothesis 3:** There is a high positive relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

According to table 4.21 in Chapter 4, it shows that the social influence has a high positive relationship with viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia which is (0.889). Because the p-value is 0.000 ( $p\text{-value} < 0.01$ ), the relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims is significant. Thus, hypothesis 3 is equally accepted. Thus, hypothesis 3 in H3, which states that there is a substantial relationship between social influence and viewpoints of Islamic banking among Muslims and non-Muslims in Malaysia, is satisfied by the very high positive relationship between the variables.

According to research Johar & Suhartanto (2019), social influence plays a significant role in influencing clients to accept emerging innovations and changing their behavior. The study's findings also demonstrate that, particularly when a user is satisfied with a system's functionality, using the system tends to encourage the relative liberation and adaptability of associated innovations. When it comes to the usage of technology, social influences from friends, family, and colleagues might have an impact on the decision to accept innovation (Johar & Suhartanto, 2019).

#### 5.3.4 Hypothesis 4

**Hypothesis 4:** There is a very high positive relationship between knowledge and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia.

Based on table 4.22 in Chapter 4, it shows the result of the knowledge of Islamic banking has a very high positive relationship with viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia, which is (0.903). Because the p-value is 0.000 (p-value < 0.01), the relationship between the knowledge and viewpoints of Islamic banking among Muslims and non-Muslims students in Malaysia is significant. Thus, hypothesis 4 is accepted.

This is supported in study Ahmad & Haron, (2002), that concludes in order for Islamic banks to survive in the competitive financial world as a whole the respondents said that they had to embrace the maximization of profits. This viewpoint, however, conflicts with Islamic banks' goal, which is to combine moral and financial objectives. The respondents' lack of understanding about the Islamic banking system was confirmed when questions concerning the concepts used in the Islamic banking system were solved (Ahmad & Haron, 2002).

#### 5.4 Implications of the Study

From the research conducted, there are several important implications that need to be focused on our daily life. The implications of this study shows that most of Muslims and non-Muslims university students give a positive viewpoint of Islamic banking. From one of independent variables which is the level of trust to use Islamic banks that significantly affects the viewpoint of Islamic banking. This shows that the more reliable of students to use the Islamic banks in their daily life. As already known, as a Muslim, every single thing in the transaction must comply with Shari'ah and stay away from the prohibitions. There are three elements that are prohibited and illegal in the transactions. The Qur'an has clearly stated the prohibition of interest (*riba*), uncertainty (*gharar*), and gambling (*maysir*) which must prevent these elements from existing in daily transactions.

This research study has an impact on all university students on the Islamic banks, especially non-Muslims students. Based on the result, we look that most of the respondents trust the Islamic bank that can be classified by their belief Islamic banking operates, ethics and adherence to the Shari'ah rules and principles. The service facilities offered in Islamic banking which are also the same as conventional banking influence them to prefer using an Islamic banking that is proven in halal way and guaranteed. Most people are using Islamic banks due to the social influence that gives motivated, positive feedback, high trust reputation and no oppression of customers by giving returns in the form of gifts, and profit and loss sharing in accordance with the agreement. The view for each of Muslims and non-Muslims might differ depending on their knowledge, decisions, and financial experiences into the Islamic banks.

## 5.5 Limitations of the Study

During this study, the data collection that has been conducted shows there are several limitations that have been identified in the research study. Using an online survey are the methods that have been used by researchers to get the data from respondents through answering the online questionnaires google forms. Since this study among university students in Malaysia, it causes the researchers to get more respondents with more than 300 responses. This is due to the fact that there are many students in Malaysia and it is difficult to get accurate opinions on this study. The researcher tried to find more respondents in order to get accurate data to complete this study. This situation causes the researcher to find or contact acquaintances who study at universities other than UMK in order to obtain accurate data. Since this survey is related to the views of Muslim and non-Muslim students, we need to find respondents among non-Muslim students to get their viewpoints of Islamic banking. Because our group consists of Muslim students and also are studying in Islamic banking and finance courses, it becomes difficult for us to get respondents for non-Muslim students to answer the survey questions.

Next, the limitations that researchers face is time management. Challenges in time management when giving this survey to respondents fill out the questionnaires given and it is hard to get many respondents due to using the quantitative methods in this research study. Not all respondents will accept and answer the questionnaire because they need to open the link provided by the researcher and must fill out it with their viewpoints into all questions given. This is because every student has their own commitments and roles in their student lives. Most of the students are busy completing assignments and handling the program, which indirectly causes difficulties and problems for researchers to complete this research project to collect the data

survey from respondents. In addition, the researcher also takes a long time to complete the task and collect feedback and result as well as to analyze the data obtained.

Last but not least, the accuracy and sincerity of the respondents by answering the survey given are also the limitations of the study. It becomes difficult to determine whether the data obtained are accurate or not based on what the respondents filled out and answered the questionnaire given. It is because the study is conducted in an online survey method in order to get a viewpoint of Islamic banks among university students in Malaysia. Some people may have problems to interpret the questions and answer honestly which will lead to misconduct and misunderstanding in answering the given questions. The researcher also does not know whether the survey answers are accurate from their opinion and point of view or not because many students are busy with their programs, tasks and assignments, causing them to just answer and feel compelled to respond to that survey. As a result, it will cause the research findings to not be correctly and accurately predicted and may be invalid. So, the researchers need to determine the data collected are accurate and must be read carefully during answers to the questionnaire given.

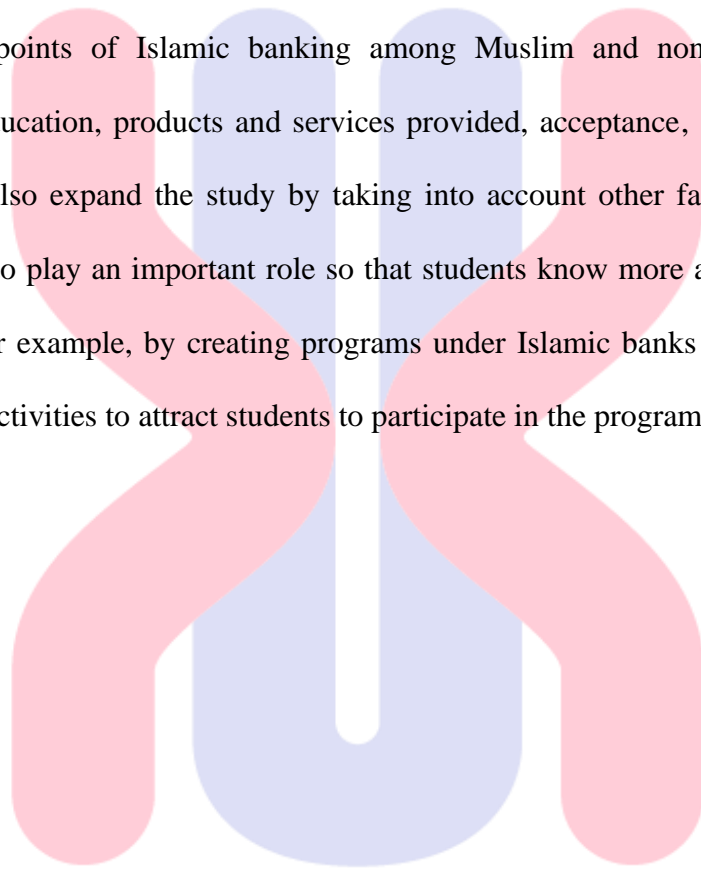


## 5.6 Recommendations / Suggestion for Future Research

Based on this study, the researcher will present some recommendations for future studies. It is hoped that the additional recommendations, as discussed in the previous section, will be able to provide knowledge to potential researchers in the future. Therefore, the researchers will be able to use several factors about the viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysia in the future. This is because each person's view is different, it is possible that in the future students will think that dealing with Islamic banking is more comfortable and transparent than conventional banks.

In addition, time management for researchers is also very important in the future. Time management can help researchers to allocate time in completing each given task and collect all the respondent samples at a certain time. For us, the time given is very enough to complete the final year research project. In fact, the scope of the field we studied is also extensive and very helpful for us to implement this project. Another reason we say that there is enough time is that in this modern age, interview questions are easily distributed in the form of google forms, this can save the researcher time to go out and find students to answer each question. Just need to share on WhatsApp or social media. The researcher would like to advise to choose respondents that are appropriate to the selected topic, for example, if the question focuses on university students in Malaysia, then the researcher will need to distribute the question to them.

Furthermore, we also want to give another suggestion to future researchers, which is to use other variables. This is because there are still many variables that can be used as factors regarding the viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysia such as education, products and services provided, acceptance, and so on. Moreover, the researcher can also expand the study by taking into account other factors such as Islamic banking also needs to play an important role so that students know more about the existence of Islamic banking. For example, by creating programs under Islamic banks with universities and holding interesting activities to attract students to participate in the program.



UNIVERSITI  
MALAYSIA  
KELANTAN

FKP

## 5.7 Overall Conclusion of the Study

In conclusion, it is believed that this study would offer a comprehensive picture of the variables influencing viewpoints of Islamic banking among Muslim and non-Muslim students in Malaysia. Primarily, clear insight into trust, convenience, social influence, and knowledge. The viewpoints of Islamic banking as the study's dependent variable come next. As a matter of fact, there are four independent variables: trust, convenience, social influence, and knowledge. The Spearman's Correlation Coefficient analysis of the dependent and independent variables demonstrates how the independent factors affect the dependent variable. As a consequence, the result demonstrates the strong association between trust, convenience, social influence, and knowledge of Islamic banking. Finally, the results of this study demonstrate that among Malaysian students, both Muslims and non-Muslims, there is a relationship between trust, convenience, social influence, and knowledge and viewpoints of Islamic banking.

In addition, through this study can also prove that the point of view about Islamic banking in knowledge is important. This is because knowledge can help students to explore more deeply about Islamic banking such as how Islamic banks operate, the products and services provided, are they Shari'ah compliant, do not oppress customers and so on. In fact, this knowledge can help students to give awareness to those around them of the benefits of dealing with Islamic banking compared to conventional banks.

## REFERENCES

- Ahmad, N., & Haron, S. (2002). Perceptions of Malaysian Corporate Customers towards Islamic Banking Products & Services. *International Journal of Islamic Financial Services*, 3(4), 1-16.
- Ali, Q. (2018). Service Quality from Customer Perception: Comparative Analysis Between Islamic and Conventional Banking. *Journal of Marketing and Consumer Research*, 43, 70-82.
- Amin, M., Isa, Z., & Fontaine, R. (2013). Islamic Banks: Contrasting the Drivers of Customer Satisfaction on Image, Trust, and Loyalty of Muslim and non-Muslim Customers in Malaysia. *International Journal of Bank Marketing*, 31(2), 79-97.
- Aziz, S., & Afaq, Z. (2018). Adoption of Islamic Banking in Pakistan an Empirical Investigation. *Cogent Business & Management*, 5(1), 1548050.
- Bezhovski, Z. (2016). The Future of Mobile Payment as an Electronic Payment System. *European Journal of Business and Management*, 8(8), 127-132.
- Blog, F. (2022). *What is Primary Data? + [Examples & Collection Methods]*.
- Bukhari, Syed Abdul. (2021). *Sample Size Determination using Krejcie and Morgan Table*. 10.13140/RG.2.2.11445.19687.
- Charag, A. H., Fazili, A. I., & Bashir, I. (2019). Determinants of Consumer's Readiness to Adopt Islamic Banking in Kashmir. *Journal of Islamic Marketing*.

- Conteh, S., & Hassan, R. (2021). An Analysis of Public Perception of Islamic Banking in the Gambia. *International Journal of Islamic Economics and Finance Research*, 4(1 July), 53-76.
- Cross Validated. <https://stats.stackexchange.com/questions/598796/why-are-shapiro-wilk-and-kolmogorov-smirnov-test-compared-with-same-sample-size>.
- Dimitriadis, S., Kouremenos, A. and Kyrezis, N. (2011), "Trust-Based Segmentation Preliminary Evidence from Technology-Enabled Bank Channels", *International Journal of Bank Marketing*, Vol. 29 No. 1, pp. 5-31.
- Eva H. T, Jorien V. H., Christina R. R., & Kathy T. D. (2018). Chapter Seven - Social Influence on Positive Youth Development: A Developmental Neuroscience Perspective. In *Advances in Child Development and Behavior* (Vol. 54, pp. 215-258). Elsevier Science.
- Explorable.com. (2009). *Research Population*.
- Fauzi, R. U. A., Bahrun Niam, Z., & Idris, I. (2022). The Effect of Religiosity, Profit Loss and Sharing on Consumer Trust and Intention to Financing in Islamic Banking. Li Falah: *Jurnal Studi Ekonomi dan Bisnis Islam*, 6(2), 21-40.
- Flavian, C., Guinaliu, M. and Torres, E. (2005), "The Influence of Corporate Image on Consumer Trust", *Internet Research*, Vol. 15 No. 4, pp. 447-70.
- Fleetwood, D. (2023). *Sample Size Determination: Definition, Formula, and Example*.
- Garbarino, E., & Johnson, M. S. (1999). The Different Roles of Satisfaction, Trust, and Commitment in Customer Relationships. *Journal of Marketing*, 63(2), 70-87.

- Haque, A., Osman, J., & Ismail, A. Z. (2009). Factor Influences Selection of Islamic Banking: A Study on Malaysian Customer Preferences. *American Journal of Applied Sciences*, 6(5), 922.
- Hoq, M. Z., Sultana, N., & Amin, M. (2010). The Effect of Trust, Customer Satisfaction and Image on Customers' Loyalty in Islamic Banking Sector. *South Asian Journal of Management*, 17(1), 70.
- Hu, S. (2014). Study Population. In A. C. Michalos (Ed.), *Encyclopedia of Quality of Life and Well-Being Research* (pp. 6412-6414).
- Iqbal, Z. and Mirakhor, A. (2007), *An Introduction to Islamic Finance, Theory and Practice*, John Willey & Sons (Asia) Pte Ltd, Singapore, 126pp.
- Johar, R., & Suhartanto, D. (2019). The adoption of online internet banking in Islamic banking industry. IOP Conference Series: Materials Science and Engineering.
- Kibuacha, F. (2021). *How to Determine Sample Size for a Research Study*.
- Loo, Mark Kam Loon. (2010). *Attitudes and Perceptions towards Islamic Banking among Muslims and Non-Muslims in Malaysia: Implications for Marketing to Baby Boomers and X-Generation*. *International Journal of Arts and Sciences*. 3.
- Malaysia, B. N. (2023). *Malaysia Financial Sector: Islamic Banking & Takaful*.
- Mbawuni, J., & Nimako, S. G. (2018). Muslim and non-Muslim consumers' perception towards the introduction of Islamic banking in Ghana. *Journal of Islamic Accounting and Business Research*, 9(3), 353-377. <https://doi.org/10.1108/JIABR-04-2016-0050>

- Md-Taib, F.M., Ramayah, T., Abdul-Razak, D. (2008), Factor Influencing Intention to use Diminishing Partnership Home Financing. *International Journal of Islamic and Middle Eastern Finance and Management*, 1(3), 235-248.
- Mohd Razali, Nornadiah & Yap, Bee. (2011). Power Comparisons of Shapiro-Wilk, Kolmogorov-Smirnov, Lilliefors and Anderson-Darling Tests. *J. Stat. Model. Analytics*. 2.
- Nelson Lajuni, Winnie Wong Poh Ming, Yusman Yacob, Hiram Ting, & Alfera Jausin. (2017). Intention to Use Islamic Banking Products and Its Determinants. *International Journal of Economics and Financial Issues*, 7(1), 329-333.
- Othman, A. and Owen, L. (2002), “The Multi Dimensionality of CARTER Model to Measure Customer Service Quality in Islamic Banking Industry: A Study in Kuwait Finance House”, *International Journal of Islamic Services*, Vol. 3 No. 4.
- Polit, D.F. & Hungler, B.P. (1999). *Nursing Research: Principles and Methods*. 6th Ed. [Online].
- Rizwan, M., Yaseen, G., Nawaz, A., & Hussain, L. (2014). Incorporating attitude towards Islamic banking in an integrated service quality, satisfaction, trust and loyalty model. *International Journal of Accounting and Financial Reporting*, 4(2), 456.
- Robert, H. G. (2015). Social Influence, Sociology of. *International Encyclopedia of Social & Behavioral Science*, 22(2).
- Rule of Thumb on Cronbach's Alpha - ResearchGate. (n.d.-b).  
[https://www.researchgate.net/figure/Rule-of-Thumb-on-Cronbachs-Alpha\\_tbl1\\_369590737](https://www.researchgate.net/figure/Rule-of-Thumb-on-Cronbachs-Alpha_tbl1_369590737)

- Saygılı, M., Durmuşkaya, S., Sütütemiz, N., & Ersoy, A. Y. (2022). Determining Intention to Choose Islamic Financial Products using the Attitude–Social Influence–Self-Efficacy (ASE) Model: The case of Turkey. *International Journal of Islamic and Middle Eastern Finance and Management*, 15(6), 1109–1126.
- Sentosa, I., & Mat, N. K. N. (2012). Examining a Theory of Planned Behavior (TPB) and Technology Acceptance Model (TAM) in Internet Purchasing using Structural Equation Modeling. *Researchers World*, 3(2 Part 2), 62.
- Shinkafi, A. A., Yahaya, S., & Sani, T. A. (2020). Realizing Financial Inclusion in Islamic finance. *Journal of Islamic Marketing*, 11(1), 143–160. <https://doi.org/10.1108/JIMA-02-2017-0020>
- Solanki, K. (2022). *Research Design | Definition, Features, Types, Process, Importance & Factors Affecting Research Design*.
- SooleenAbbas. (2023, June 16). *The Significance of Validity and Reliability in Quantitative Research*. Sago. <https://sago.com/en/resources/blog/the-significance-of-validity-and-reliability-in-quantitative-research/>
- Sudarsono, H., Tumewang, Y. K., & Kholid, M. N. (2021). Customer Adoption of Islamic banking Services: Empirical Evidence from Indonesia. *The Journal of Asian Finance, Economics and Business*, 8(3), 1193-1204.
- Tunçgenç, B., El Zein, M., Sulik, J., Newson, M., Zhao, Y., Dezecache, G., & Deroy, O. (2021). Social Influence Matters: We Follow Pandemic Guidelines Most When our Close Circle Does. *British Journal of Psychology*, 112(3), 763–780.



## APPENDIX A: DRAFT OF QUESTIONNAIRE

### Section A, Demographic Profile

No.	Content	Options	/
1.	Gender (Jantina)	Male / Lelaki	<input type="checkbox"/>
		Female / Perempuan	<input type="checkbox"/>
2.	Age (Umur)	< 20	<input type="checkbox"/>
		21 - 22	<input type="checkbox"/>
		23 - 24	<input type="checkbox"/>
		> 25	<input type="checkbox"/>
3.	Race (Bangsa)	Malay	<input type="checkbox"/>
		Chinese	<input type="checkbox"/>
		Indian	<input type="checkbox"/>
		Others / Lain-lain	<input type="checkbox"/>
4.	Religion (Agama)	Islam	<input type="checkbox"/>
		Buddha	<input type="checkbox"/>
		Hindu	<input type="checkbox"/>
		Christian	<input type="checkbox"/>
		Others / Lain-lain	<input type="checkbox"/>



### Section B, Dependent and Independent Variables

#### Part 1 (Dependent Variable), The Viewpoints of Islamic Banking.

No.	Content	1	2	3	4	5	6	7
1.	I prefer dealing with Islamic banks because they are Shari'ah compliant than conventional banks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Islamic prohibitions such as <i>riba</i> , <i>gharar</i> , <i>fraud</i> , and <i>gambling</i> are always applied in Islamic banking.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Islamic banking will not oppress its customers by charging excessive interest or interest rates.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Every product introduced by Islamic banking is halal from the Shari'ah point of view.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part 2 (Independent Variable I), The Factor of Trust.

No.	Content	1	2	3	4	5	6	7
1.	Islamic banks have a consistent reputation for honesty.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Islamic banking is always transparent and trustworthy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Do you agree that Islamic banks have a good record in supporting responsible social and economic activities in local communities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Islamic banks enjoy a good reputation in providing customer service that meets their needs and satisfaction.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



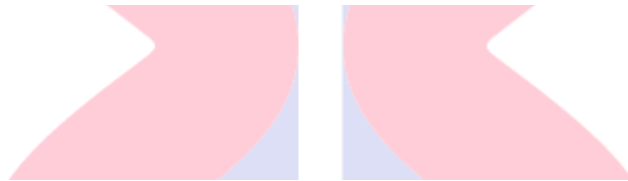
Part 3 (Independent Variable II), The Factor of Convenience.

No.	Content	1	2	3	4	5	6	7
1.	Islamic banking also provides a variety of services like conventional banks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	The returns on Islamic banking are in the form of gifts and profit-sharing basis rather than interest.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Do you agree that Islamic banks offer high quality customer service, including advice and support from knowledgeable professionals in Islamic banking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Do you agree that educational initiatives, including workshops, seminars, and campus outreach programs, can improve students' financial literacy about Islamic banking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

MALAYSIA  
KELANTAN

Part 4 (Independent Variable III), The Factor of Social Influence.

No.	Content	1	2	3	4	5	6	7
1.	Islamic banks offer conveniences to consumers, such as adequate facilities, parking, and interior comfort.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Recommendations to use Islamic banking services are from family and friends.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Do you agree that Islamic banks pay attention to relevant social issues, such as education, health, and humanitarian aid?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Do you agree that the media, including television, newspapers, and social media, can shape individual opinions and attitudes toward various subjects, including Islamic banking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Part 5 (Independent Variable IV), The Factor of Knowledge.

No.	Content	1	2	3	4	5	6	7
1.	I understand the concept of Islamic banking.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	<i>Riba</i> is an illegal product for Islamic banking.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Islamic banking conducts its operations in accordance with <i>Shari'ah</i> law.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Mudarabah is one of the Islamic banking products.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

UNIVERSITI  
 MALAYSIA  
 KELANTAN

FKKP

**APPENDIX B: GANTT CHART**

Month	Mac	Apr	May	June	July	Nov	Dec	Jan	Feb
<b>Week Activity</b>									
Project Title Selection	█	█	█	█	█	█	█		
Projection Research & Finding Journal		█	█	█	█	█	█		
Introduction		█	█	█	█	█	█		
Literature Review			█	█	█	█	█		
Research Methodology			█	█	█	█	█		
Preparation for Proposal Presentation				█	█	█	█		
Final Corrections and Amendments					█	█	█		
Collecting data						█	█	█	
Analyze & Discussion							█	█	
Conclusion & Summary								█	
Preparation for Final Presentation								█	█

**EKP**

UNIVERSITI  
MALAYSIA  
KELANTAN