



**THE INFLUENCE OF PRODUCTS AND
SERVICES, SOCIAL AND RELIGIOUS
PERSPECTIVES, AND CONFIDENCE ON
ACCEPTANCE TOWARDS ISLAMIC BANKING
AMONG NON-MUSLIM CUSTOMERS**

AHMED ABDELTAWWAB MOUSTAFA KHALED

Master of Islamic Banking and Finance

**Centre for Islamic Finance Education and Research
UNIVERSITI ISLAM ANTARABANGSA SULTAN
ABDUL HALIM MU'ADZAM SHAH
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**AHMED ABDELTAWWAB MOUSTAFA KHALED
A1940471M04**

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DECLARATION

I am, (AHMED ABDELTAWWAB MOUSTAFA KHALED) confirms that, my Master research entitled :(Number of words 24356 and pages 125), I have read and understood the Rules and Regulations of Universiti Islam Antarabangsa Sultan Abdul Halim Mu'adzam Shah (UniSHAMS) concerning plagiarism. I confirm that all the materials presented are my own work and that any quotation or paraphrase from the published or unpublished work of another person has been duly acknowledged.

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ABSTRACT

Being one of the strongest proponents of Islamic Banking, Malaysia has been promoting the idea of implementing Islamic Banking System (IBS) with the purpose of expand the ring of unity among non-Muslims and to ensure a fair distribution and utilization of fund in compliances with Islamic principles in order to parallel the conventional system. The existence of financial institutions for both Islamic and conventional, Malaysians have been presented with numerous choices to choose the products and services that meet their needs and wants. This study provides important contribution to the Islamic bankers in understanding customer attitudes, preferences and characteristics. The purpose of this research is to investigate the acceptance level towards Islamic banking among individual customers in Northern Malaysia. A sample size of 70 respondents is drawn from Alor Setar and Baling. The results show that more than half of the respondents are aware of the Islamic banking products and services in Northern Malaysia. Multiple Linear Regression analysis is then conducted, and all independent variables have significant positive effects on acceptance level, where the independent variables are appealing products and services, social and religious perspectives, and confidence in Islamic banking. Besides, confidence in Islamic banking has the highest Cronbach's alpha and the strongest impact on acceptance level.

ABSTRAK

Sebagai salah satu penyokong kuat Perbankan Islam, Malaysia telah mempromosikan idea untuk melaksanakan Sistem Perbankan Islam (SPI) dengan tujuan untuk mengembangkan lingkaran perpaduan di kalangan orang bukan Islam dan untuk memastikan pengagihan dan penggunaan dana yang adil dengan mematuhi prinsip Islam agar selari dengan sistem konvensional. Dengan kewujudan institusi kewangan Islam dan konvensional, rakyat Malaysia telah diberikan pelbagai pilihan untuk memilih produk dan perkhidmatan yang memenuhi keperluan dan kehendak mereka. Kajian ini memberi sumbangan penting kepada bank Islam dalam memahami sikap, keutamaan dan ciri pelanggan. Tujuan kajian ini adalah untuk mengkaji tahap penerimaan terhadap perbankan Islam dalam kalangan pelanggan individu di Utara Malaysia. Saiz sampel seramai 70 orang responden diambil dari Alor Setar dan Baling. Keputusan menunjukkan bahawa lebih separuh daripada responden mengetahui tentang produk dan perkhidmatan perbankan Islam di Utara Malaysia. Analisis Regresi Linear Berganda kemudiannya dijalankan, dan semua pembolehubah tidak bersandar mempunyai kesan positif yang signifikan terhadap tahap penerimaan, di mana pembolehubah bebas adalah produk dan perkhidmatan yang menarik, perspektif sosial dan agama, dan keyakinan terhadap perbankan Islam. Selain itu, keyakinan terhadap perbankan Islam mempunyai alpha Cronbach yang tertinggi dan kesan paling kuat terhadap tahap penerimaan.

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