

**FACTORS OF CUSTOMER'S INTENTION TO USE AR-RAHNU
AT POST OFFICE: A CASE STUDY IN KEDAH**

By

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Research Paper Submitted to
Othman Yeop Abdullah Graduate School of Business
Universiti Utara Malaysia
in Partial Fulfillment of the Requirement for the
Master in Islamic Finance and Banking

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ABSTRACT

Nowadays, the cost of living is increasing and most of the banking system has a strict procedure of financing. Both of these factors lead to the introduction of *Ar-Rahnu* in the financing field in Malaysia as one of the alternative ways for lower income group to borrow money quickly and easily without bear any higher cost of profit rate. This study aims to inspect the customer's intention to use *Ar-Rahnu @ POS* in the state of Kedah since it is a new service provided by Malaysia Post Office. A survey comprised of 200 respondents was carried out. In addition, the use of syariah view, attitude, pricing and customer service as the factors will helps the researcher to find out the most factors that influence factor customer's intention to use *Ar-Rahnu @ POS*. A structured question was designed where the data was analyzed by using t-test, ANOVA, correlation and multi regression analysis. Results show that syariah view, attitude, pricing and customer service are significantly important determinants to predict customer's intention to use *Ar-Rahnu @ POS*. The result from multiple regression shows that the most influencing factor is a customer service. Recommendation for the future research is security and confidentiality can be used as one of the determinants to predict customer's intention to use *Ar-Rahnu @ POS*. In conclusion, this study is useful for the Post Office to planning better *Ar-Rahnu* service for their customers in order to attract more customers to use their service.

Keywords: *Ar-Rahnu @ POS*, syariah view, attitude, pricing, customer service, intention to use

ABSTRAK

Kini, kos sara hidup yang semakin tinggi dan akta perbankan yang ketat mengenai prosedur pembiayaan menyebabkan *Ar-Rahnu* adalah salah satu cara alternatif bagi mereka yang berpendapatan rendah untuk meminjam wang dengan mudah dan cepat tanpa menanggung apa-apa kadar keuntungan yang tinggi. Kajian ini bertujuan untuk mengetahui niat pelanggan untuk menggunakan *Ar-Rahnu @ POS* di negeri Kedah memandangkan ianya perkhidmatan baru yang disediakan oleh Pejabat Pos Malaysia. Satu tinjauan terdiri daripada 200 responden telah dijalankan. Di samping itu, penggunaan pandangan syariah, sikap, harga dan perkhidmatan pelanggan sebagai faktor akan membantu penyelidik untuk mengetahui faktor-faktor yang paling mempengaruhi pelanggan untuk menggunakan *Ar-Rahnu @ POS*. Soalan yang berstruktur telah direka di mana data telah dianalisis melalui ujian-t, ANOVA, korelasi dan multi analisis regresi. Keputusan menunjukkan bahawa pandangan syariah, sikap, harga dan perkhidmatan pelanggan merupakan faktor penentu yang penting untuk meramalkan niat pelanggan untuk menggunakan *Ar-Rahnu @ POS*. Hasil daripada regresi menunjukkan bahawa perkhidmatan pelanggan merupakan pengaruh yang paling signifikan. Cadangan untuk penyelidikan masa depan adalah dengan menambah aspek keselamatan dan kerahsiaan bagi meramalkan niat pelanggan untuk menggunakan *Ar-Rahnu @ POS*. Akhir sekali, ini adalah berguna untuk Pejabat Pos bagi membaiki perkhidmatan *Ar-Rahnu* agar dapat menarik lebih ramai pelanggan untuk menggunakan perkhidmatan mereka.

Kata kunci: *Ar-Rahnu @ POS*, pandangan syariah, sikap, harga, perkhidmatan pelanggan, niat untuk menggunakan

ACKNOWLEDGEMENT

First of all, I would like to thank Allah for His blessing and for giving me strength of mind, spirit and ability to go through all the journeys in completing this research paper. With helps and permission from Allah, I succeeded in finishing this research paper. Working for this Master's degree is a journey towards accomplishing one of my lifetime objectives, which have been made possible by direct and indirect assistance from various parties.

Many thanks goes to my supervisors, Pn. Azizah Othman and Dr. Selamah Maamor for giving me an unwavering guidance, insights, moral support and direction throughout the whole process of completing this research paper. I would also like to extend my appreciation to my respectable advisor, Assoc. Prof. Dr. Abu Bakar Hamed for his professional and untiring guidance from the beginning of this study until the end of this report. Their valuable comments, suggestions, academic support and advices have been a great instrumental guidance in finalizing this report. I am very indebted to their patience and advices that motivated me to finish my research paper. Without their understanding and consideration, this research paper would not have been completed successfully. May Allah compensates all of them with a great rewards for sacrificing their time and sharing their knowledges in order to help me finishing this report.

Special dedication to my beloved parents, Mr. Baharum Hashim and Mrs. Rahanah Ismail for their endless supports, loves and cares. Not to forget, thanks to all my siblings, Muhammad Nazmi, Muhammad Nazim, Muhammad Nazrin, Muhammad Nazrie, Muhammad Nazrul and Noorazlia who understands my passions and financially supports my study from the starts until the end.

A sincere appreciation goes to all my dearest friends who never give up in giving me support, information and assistance to complete this research paper. A special thanks is also extended to those who have indirectly provided comments and helpful suggestions especially to all the respondents of this study. Last but not least, thanks to any other individual whom I may not recognized by name but still gave their support and cooperation.

May Allah S.W.T reward the kindness of everyone that I have mentioned above.

Thank You

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LIST OF ABBREVIATIONS

ARSAM	Ar-Rahnu Shop Acceptance Model
BNM	Bank Negara Malaysia
BKRM	Bank Kerjasama Rakyat Malaysia
CARTER	Compliance, Assurance, Reliability, Tangibles, Empathy And Responsiveness
EPS	Earning per Share
GPO	General Post Office
MAIDAM	Terengganu Islamic Religious and Malay Customs Council
MGIT	Muassasah Gadaian Islam Terengganu
PKB	Permodalan Kelantan Berhad
PKINK	Perbadanan Kemajuan Iktisad Kelantan
SERVQUAL	Service Quality
TRA	Theory of Reasoned Action
YaPEIM	Yayasan Pembangunan Ekonomi Islam Malaysia

CHAPTER ONE

INTRODUCTION

1.1 Introduction

Islamic banking is a banking activity that complies with Islamic law also known as Syariah law. The main principles that govern Islamic banking are mutual risk and profit sharing between parties, the assurance of fairness for all and that transactions are based on an underlying business activity or asset (info by Bank Negara Malaysia). The term use is syariah compliance which means it prohibits any payment and acceptance of usury or interest for financing. Activities that involve interest (riba), gambling (*maisir*) and speculative trading (*gharar*) are sinful and prohibited.

One of the familiar Islamic banking and finance products used for short-term collateralized borrowing is Islamic pawn broking or also known as *Ar-Rahnu* (info by Bank Kerjasama Rakyat Malaysia). The development of *Ar-Rahnu* in Malaysia provides an alternative pawn broking service for borrowers, which is in accordance to syariah principles. As been said by Amin, Chong, Dahlan and Supinah (2007) Islamic pawn broking should be one stop center for men and women to obtain quick cash and be one of the convenient ways to borrow money.

Literal meaning of *Ar-Rahnu* is derived from the Arabic term '*rahana*' which means to constancy and continuity, or to holding and binding. While for technical meaning, it also termed as pawning, mortgage, collateral, charge, lien and pledge, which may refers to take a property as a security against debt (ISRA, 2012). The property can be utilized to pay debt in the case of default payment. The general characteristics for *Ar-Rahnu* is where the contract is a voluntarily charitable contract (*'Aqd of Tabarru'*) and involving non-fungibles (*Al-'Uqud al-'Ayniyyah*). It is because there is no financial compensation for the given pawned object and it is considered as totally binding until the object is delivered to the owner (ISRA, 2012).

There are two sources of Islamic law that stated about Islamic pawn broking or called *Ar-Rahnu*. The evidence that shows *Ar-Rahnu* is a permissible contract in *syariah* can be found in the primary sources which are *Al-Quran* and *Al-Sunnah*. Provided by the verse in the *Al-Quran* is:

"If you are on a journey and cannot find a scribe, a pledge with possession (may serve the purpose). And if one of you deposits a thing in trust with another let the trustee (faithfully) discharge His trust, and let him fear his Lord..."

[Surah Al-Baqarah: 283]

Although there is an element of order in this verse that (should) have been used, but the jurist has unanimously said that mortgage is not compulsory but permissible.

From *As-Sunnah* source, *Bukhari* and *Muslim* have recorded at least ten to eleven text of various degree of hadith about *Ar-Rahnu* in their respective books, *Sahih Bukhari* (*Al-Bukhari, 810-870M/194 – 256H*) and *Sahih Muslim* (*Al-Naisaburi*). The Hadith that was narrated by *Bukhari* and *Anas r.a* are:

"The Prophet (pbuh) bought some food from a Jew, and he pawned his iron shield with him".

[Narrated by Bukhari]

"The Prophet (pbuh) pawned a shield with a Jew in Madinah, and he took from him some barley for his family".

[Anas r.a]

Based on that verse, most of the jurist shows consent that taking pawned items is permissible at home and during travelling. This is based on the deed of the Prophet where he pledges his shield to a Jew even he is not in travelling.

The combination of four Islamic concepts that been applied for short term financing under *Ar-Rahnu* are *Qardhul Hassan*, *Wadiyah Yad-Amanah*, *Wadiyah Yad Dhomanah* and *Ujrah* (Bhatt and Sinnakkannu, 2008). The first concept is *Qardhul Hassan* (benevolent loan). *Qardhul Hassan* means an interest free loan. A pawnbroker will grant a benevolent loan to the applicant who wishes to pawn his valuable item. The loan will be issued under the concept of *Qardhul Hassan*, whereby the customer is only mandatory to pay the amount borrowed, however customer are encourage to pay an extra amount as a token of appreciation. The second concept which is *Wadiyah Yad-Amanah* (trustworthiness) happened when borrower is required to produce

returnable collateral to ensure repayment of the loan. The borrower entrusted the lender to look after the belongings during the loan period. If an unthinkable event happens to the collateral item not due to the lender's negligence, the lender is not required to replace the item. The third concept is *Wadiah Yad Dhomanah* (safekeeping with guarantee). Lender will keep the items safely and have fully responsible to replace the missing or stolen items to the owner if lender fails to keep the agreement due to own negligence. The last concept is *Ujrah* (fee) where it can be describe as a payment for the utilization of services or '*manfaat*'. For context of today's economy, it can be in the form of salary, wage, allowance, commission, etc. In this situation, it is classify as some charges to be bear by the customer as safekeeping fees of valuable asset in a safe place where the fee is in fixed rate (Bhatt and Sinnakkannu, 2008).

1.2 Background of the Study

Muassasah Gadaian Islam Terengganu (MGIT) is the first Islamic pawn broking which was set up by Terengganu State Islamic Affairs and Malay Customs in January 1992. The Minister of Finance announced the introduction of *Ar-Rahnu* scheme in 21 August 1993 which involve three institutions namely Bank Negara Malaysia who supply the expertise in financing field, Islamic Economic Development Foundation Malaysia or Yayasan Pembangunan Ekonomi Islam Malaysia (YaPEIM) as the funder, and Bank Kerjasama Rakyat Malaysia Berhad (BKR) who supply the infrastructures and managing the transaction. *Ar-Rahnu* scheme has received highest demand from the local community. This indicated that the implementation of *Ar-Rahnu* scheme has increased the community's acceptance towards this system (Appannan and Doris, 2011).

In addition, the implementation of MIGT that fulfill the syariah compliance has enticed Perbadanan Kemajuan Iktisad Kelantan (PKINK). Through its subsidiary, which is Permodalan Kelantan Berhad (PKB), PKINK has opened up *Ar-Rahnu* shop that began its operation in March 1992 with initial capital of RM2 million. PKINK is one of the pioneers in Islamic pawn broking in Malaysia. (<http://www.pkb.net.my/>)

Normally, the transaction between Islamic pawnshop and conventional pawnshop is quite similar where the only difference in Islamic pawnshop operation is the contract or aqad. The other difference is the storage fee where it is not based on the amount of loan but it is based on the value of gold and the charges imposed are different by each Islamic pawn broker (Ismail and Ahmad, 1997). The importance of pawn-broking system has been studied by Mohammed, Daud and Sanusi (2005). There are some specific studies about the existence and operational of *Ar-Rahnu* concept in Malaysia.

Practically, only gold are permitted in Islamic-based pawnshop. Skully (2005) said that gold is permitted because gold have many advantages as collateral compare to the other items. Gold can easily sell as its purity can be easily determined and can easily be storage where bank can keep it securely. Moreover, in Malaysia, gold is use as the wedding gifts to women as it normally maintains the ownership of these items. In July 2012, Post *Ar-Rahnu* Sdn. Bhd. was established to embark in introducing Islamic Micro Financing as one of its new services. The first two outlets were opened in Bandar Baru Bangi and Kuala Terengganu. Nowadays, there are about 50 outlets opened at selected post offices nationwide. (<http://www.pos.com.my>)

Pos Malaysia Berhad is one of the famous premier postal service providers in Malaysia. It has over 1,000 touch points around Malaysia including Pos Malaysia Outlets, Pos Minis, Pos24 (Self Service Terminals), Post-On-Wheels (Mobile Outlets), postal agents and stamp agents. From the beginning of its operations until today, Pos Malaysia has grown rapidly from being a mail and postal provider to a dynamic communications, financial services and supply chain solutions provider. Today, a new service that has been offered by Pos Malaysia Berhad is *Ar-Rahnu*. (<http://www.pos.com.my>)

Pos *Ar-Rahnu* Sdn. Bhd. offer Islamic pawn broking scheme called *Ar-Rahnu @ POS* which in line with its syariah compliance business, where it offers financing of up to 75%. It did not only focusing Muslims as the main target, but it also offered to all Malaysians and foreigner with a valid passport. This main purpose of this scheme is to assist small traders, families with low income as well as civil servants to find source of easy credit in fast, simple and safe environment. It offers interest-free financing to everyone as it is expecting to be a major player in the short term. *Ar-Rahnu @ POS* in Kedah was established according to the region where the first branch is at General Post Office (GPO) Alor Star in July 2013 followed by Sungai Petani, Kulim, Jitra and Pendang. The fund for the financing and insurance for the pledge items are obtained from Post Malaysia itself. (<http://www.pos.com.my>)

Usually the margin of financing for *Ar-Rahnu* is at 60% to 70% against market value of gold item pawned. Customer will be given financing based on the value of gold item where the valuation is based on its purity (info by Bank Kerjasama Rakyat). In *Ar-Rahnu* @ POS, they apply 75% of financing from the appraised value (*marhun*) where the amount shall not exceed RM10,000 per person per day and maximum total accumulated financing is RM50,000 per person. (<http://www.pos.com.my>)

1.3 Problem Statement

Recently, Islamic banking institutions are aggressively promoting their Islamic-based products for customers as the demand for these products are getting higher day by day. The common products that have been promote are savings account, fixed deposit account, personal loan, home financing, car financing and other products which implement the syariah principle. Customer nowadays are really concern and prefer to choose Islamic based product as it is free from *riba* or interest and '*gharar*' or uncertainty elements. Naser, Jamal and Al-Khatib (1999) found that most of the Muslim customers choose the Islamic bank from the religious perspective rather than features of the bank such as location, profit and others.

For those who are in need of money, they may approach for an illegal money lender called loan shark. Even though it does not involve any procedures and can give a full loan, but it does burdened the customers due to the higher interest rate imposed on that loan. On the other hand, the popular Islamic products that giving instant cash for those who needs money immediatly is called Islamic pawn broking or *Ar-Rahnu*.

Ar-Rahnu is one of the alternatives that are free from deceitful transaction which based on conventional-oriented banking.

Nowadays, there are many outlets that offer *Ar-Rahnu* service such as *Ar-Rahnu @ POS*. *Ar-Rahnu* outlets are growing rapidly as the demand increase. Therefore it is essential for the researcher to know whether the service offered by Post Office is increasingly developed particularly in lower-income communities. Even though *Ar-Rahnu* has been promoted aggressively by many institutions, however, the policy are varies among each other.

Ar-Rahnu has been familiar activity to Malaysians especially among the Malay community and a famous way for the poor and the middle class in Malaysia to have financial sources quickly and easily. The cost of living nowadays is getting higher and it is a burden to some people especially those who come from the middle and lower income group. Based on previous study by Mustafa (2006), he said that low income is one of the main factors for people prefer to use Islamic pawn broking. Therefore, this research will be conducted to identify the relationship between the cost of living and intention to use *Ar-Rahnu @ POS*.

Based on the previous research, the study on *Ar-Rahnu* are more on banks and non-banks such as Bank Kerjasama Rakyat, Agrobank, YaPEIM, MGIT and PKB (Selamah and Abdul Ghafar, 2010). Norudin, Bashir Ahmad, Semanat and Irwan (2012) on the other hand, did a research on *Ar-Rahnu* in MAIDAM Dungun. As far as my concern, there is no research regarding Post Office is being done before as *Ar-*

Rahnu product is still new in Malaysia. *Ar-Rahnu @ POS* have the potential to diverse today's market as most of the people noticed that Post Office offers variety of services that make it as a one stop center. As Post Office needs to acquire the best way of promotions to promote *Ar-Rahnu* service, this study can helps them to find out the best solutions. From the survey, the total number of *Ar-Rahnu @ POS* has rapidly increased since its opening in the mid-year of 2013. Therefore, to fill the gap from the previous study, this research will be conducted to identify customer's intention to use *Ar-Rahnu @ POS* in Kedah.

1.4 Research Questions

The key research questions to be addressed in this study are as follows:

- i. Who are the potential customers of *Ar-Rahnu @ POS*?
- ii. What are the differences between selected demographic factors and intention to use *Ar-Rahnu @ POS*?
- iii. What is the relationship between terms of syariah view, attitude, pricing and customer service with the customer's intention to use *Ar-Rahnu @ POS*?
- iv. What is the most influential factor towards customer's intention to use *Ar-Rahnu @ POS*?

1.5 Research Objectives

The main concern of this paper attempted to identify customer's intention to use *Ar-Rahnu @ POS* in Kedah. The purposes of this research are:

- i. To investigate the potential customer of *Ar-Rahnu @ POS*.
- ii. To examine the differences between selected demographic factors and intention to use *Ar-Rahnu @ POS*.
- iii. To identify the correlation between customer's intentions to use *Ar-Rahnu @ POS* with syariah view, attitude, pricing and customer services.
- iv. To determine the most influential factor towards customer's intention to use *Ar-Rahnu @ POS*.

1.6 Significant of the Study

The study is conducted to look at the customer's intention to use *Ar-Rahnu @ POS* in Kedah. It is important as it may benefit in three areas of significance.

This research is important to Post Office to expand their branch since only five selected area in Kedah provides *Ar-Rahnu* scheme. It may give benefit to POS Malaysia since they know what exactly the determinants towards customer's intention to use *Ar-Rahnu @ POS*. By doing this research, it can helps them to attract more customers as well as improving their weaknesses and maintaining performance to be successful in future.

Hopefully, this research would be a useful source for other researchers in future if they also interested to do the similar topic of research. They can also use this to study to add more information regarding the customer's intention to use *Ar-Rahnu @ POS*.

Moreover, customer of *Ar-Rahnu* can gain latest information regarding other services provided by Post Office. They would also know that other than Post Office main services, they also can use *Ar-Rahnu @ POS* service. It can be said that Post Office is a one stop center who provided variety of services.

1.7 Scope of the Study

From this research, researcher will focus the customer's intention to use *Ar-Rahnu @ POS* in Kedah. It will cover five areas which are GPO Alor Setar, Jitra, Pendang, Kulim and Sungai Petani. This questionnaire can be answered by anyone as it is about the intention to use *Ar-Rahnu @ POS*. This research is conducted to understand the needs and economic conditions of the people in Kedah. It is also to determine the extent of public's intention to use *Ar-Rahnu @ POS*. Furthermore, it is to determine the extent of implementation of the *Ar-Rahnu @ POS* executed in Kedah.

1.8 Definition of Key Terms

Pawn Items	Example of pawn items that being used as collateral is jewelry (gold only) with a standard of 9K - 24K. <i>Ar-Rahnu @ Post</i> also received a gold bar branded "Pamp Suisse" with the original certificate of weight 5gm, 10gm, 20gm and 50gm only.
<i>Sighah/Agreement</i>	Is an agreement (<i>aqad</i>) between the borrower (<i>Ar-Rahin</i>) and lender (pawn broker)
Loan Amount	Is the amount of loan needed by the borrower. The amount of financing should not more than RM10,000 per head per day and maximum total accumulated financing is RM50,000 per person.
Margin of Loan	The margin of loan is up to 75% from appraised value or called <i>marhun</i> . In Islamic pawn broking, customer will get lesser loan as the valuation is only based on the purity of the gold item.
Tenure of Loan	Usually the tenure for <i>Ar-Rahnu</i> is six months plus advanced three months and advanced further three months. The borrower may request to extend the

payment period by settle all the safekeeping fees. However, in the event of default payment or failed to redeem his gold, the bank will give him notice of auction.

Safekeeping Fees

Customers will only be charged a minimum safekeeping fee depending on the value of the pawned item. The fees are RM0.75 for every marhun depending on institutions.

Repayment Method

Customer can make payment either by installment or lump sum amount through cash at the selected Post Office. Settlement in this situation, if the customer is not able to make the repayment, goods will be sold through auctioned at prevailing gold price.

Utilization of Pawn Goods

Pawn goods can be utilized with the permission for free. The person will not be charged for any damages made. *Ar-Rahnu* @ POS will only charge an administrative fee of 3% from the auctioned price of the collateral in the case of default payment.

1.9 Organization of the Study

For this research, it will be divided into five chapters. Chapter 1 contains the introduction, background of the study, problem statement, research questions and objectives, significant of the study and definition of the key terms.

Chapter 2 will explain about the review of past studies which are related to this research or can be known as literature review. In addition, it also discussed about the customer's intention to use and all the factors towards customer's intention to use. Lastly, the chapter will discuss all the variables regarding the customer's intention to use and presented the research theoretical framework and then hypotheses.

Chapter 3 will discuss the methodology which includes the research design, population and sampling of the study, measurement of variables used in this study and data analysis technique.

Chapter 4 provides the analysis on findings and interpretation on data to answer the objectives of the study. The discussion including differences on the correlation and multiple regression result between the dependent variables and independent variables with the results of hypotheses tested are presented. Lastly, a summary of results can be obtained at the end of this chapter.

Chapter 5 will discuss on the summary of the findings, recommendations followed by limitations and future research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In this chapter, some of the literatures relevant to this study have been explored. Even though, there are still numerous studies on *Ar-Rahnu* in Malaysia, but the study on intention to use *Ar-Rahnu* at Post Office is still new. Despite various speculations about *Ar-Rahnu*, previous study has shown otherwise. Past studies have documented on the importance of having pawnshops in our society (Sanusi and Johari, 2006; Mohammed *et al.* 2005; Lao, 2005; Ismail and Ahmad, 1997; and Ragayah, 1986). Synonym with short-term loans based on pledge assets mainly gold, *Ar-Rahnu* allows a lot of opportunities for people who are unable to easily obtain financial resources.

This chapter will be divided into 5 sections. Section one will discuss on the overview of demographic factors followed by syariah view, attitude, pricing and customer service. In conclusion, this chapter will meet the research objectives with supported evidence from previous literatures.

2.2 Theory of reasoned action (TRA)

Theory of Reasoned Action (TRA) was introduced by Fishbein and Ajzen (1975) in order to establish relationships between beliefs, attitudes, intentions and behaviors (Ramayah, Fauziah and Dzuljastri, 2008). The theory has been applied in different contexts. For instance, this study used TRA model in order to identify the factors influencing customer's intention to use *Ar-Rahnu @ POS* in Kedah. The evidence that support the use of TRA in Islamic banking is by Taib *et al.* (2008) who examine the perception towards Islamic home financing in Malaysia. In the same area, Amin, Abdul Rahman and Ramayah (2009) also used TRA to examine undergraduate students' acceptance of Islamic accounting.

The present study prolongs the theory to *Ar-Rahnu* product where all related determinants of TRA, namely, syariah view, attitude, pricing, customer service and intention to use are applied in this study since previous research indicated acceptance of Islamic financing could be explained by the determinants of TRA (Amin *et al.*, 2009 and Taib *et al.* 2008)

2.3 Customer's Intention to Use

Behavioral intention to use is the measure of the strength of one's intention to perform a specified behavior (Malhotra, 1999). According to Chan and Lu (2004), underlying processes in which a customer engages when he/she adopts induced behavior may be different. A study by Kant (1889) shows that intentions means action and not the consequences and even compassion. He said it because

compassion is temporary and not absolute. However, the best description about intentions is the existence of morality in actions.

There is some insufficient information regarding the study of Islamic-based pawnshop in Malaysia. However, there are several studies on Islamic-based pawnshop that give positive impact especially about the contents and implications. Previous studies have identified the important of having pawnshops in our society (Sanusi and Johari, 2006; Mohammed *et al.* 2005; Lao, 2005; Ismail and Ahmad, 1997; and Ragayah, 1986).

Similarly, there is also a study done by Gopi and Ramayah (2007) that revealed the attitude and intention to use an online trading system had a direct positive impact towards each other. From this information, it is expected that the intention to use Islamic pawnshop is particularly influenced by many factors. Previous research by Ramayah, Chin, Norazah and Amlus, (2005) examined intention to use an online bill payment system in Malaysia. They found that perceived risk affects indirectly and negatively intention to use the Earning per Share (EPS).

Therefore, this study is to find out what are the factors that influence customer's intention to use *Ar-Rahnu* @ POS. As syariah view, attitude, pricing and customer service are the factors being used, thus it is expected that all the variables are significant towards intention to use.

2.4 Demographic factors and customer's intention to use

Demographic factors can be define as a characteristics given to an age, gender, religion, level of education, income, marital status, and job sector. Studied by previous researcher shows that demographic factor has influence customer's adoption towards e-banking. Poon (2008) found that different age groups, level of education, income level, computer literacy, internet accessibility at home or office are having significant relationship with the usage of electronic banking. Moreover, he found that young people is more computer literate which make them finds the electronic banking is easy to operate and effective.

There is also a study of *Ar-Rahnu* by Shaari and Azlina (2003) who compared the demographic factors of the small independent *Islamicised* conventional pawn broking compare with the larger institutionalized counterparts (PKB and BKRM). They found the *Islamicised* conventional pawn broking attracted more female customers compared to male customers with relatively low-income. In term of age, most of the customers are comes from the early 40. However, *Ar-Rahnu* institutions have shown results where respondents are relatively from higher income groups. It also shown that, the gender composition between males and females is equal. In addition, their customers are more sociable as most of them are youngster.

According to Sohrabi, Yee and Nathan (2013), they found that male users are slightly higher compare to female user in the critical success factors for the customer's adoption of e-banking. This is also applicable to *Ar-Rahnu* as *Ar-Rahnu* is also one of the Islamic banking products.

However, based on Mohamed Ishak (2007), in terms of gender variable, female respondents are most likely preferred to use Islamic pawn broking services compare to male. In his findings, from the overall of total male respondents, only a few of them prefer the Islamic pawn broking service. Yet, the percentage of both genders asking for Islamic pawn broking service is almost equal.

Study by Zuriah (2007) shows that majority of the Muslim respondents in Sabah and Sarawak is aware on the existence of Islamic financial product in Malaysia while the non-Muslim in Sabah and Sarawak are not aware of it. Malays shows the highest percentage of customers for Islamic pawnshop followed by Indian and Chinese (Mohamed Ishak, 2007)

Based on the previous study, there are findings that shows significant and positive relationship between age and employees' commitment which is also related with customer's intention to use *Ar-Rahnu*. Research by Mathieu and Zajac (1990) found that age and organizational commitment have significantly related. Researchers propose that order workers have higher level of experience especially on commitment by Abdulla and Shaw (1999). This result may be due to the fact that older people adjust themselves better to their work situation compare to younger people who expect the higher realistic levels of working situations (Newstrom, 2007).

Based on Azila (2004) the traditional pawnshops had indeed oppressed and set an encumbrance on the lower-income group. Besides that, researcher Selamah and Abdul Ghafar (2006) stated that the other main factor is likely to be an increase in the number of people who do not use the formal financial institutions because of poverty. According to Mustafa (2006), he said the significant element that impacts individuals to demand for Islamic pawn broking could be because of low income.

Meanwhile, the other reasons why most people are not aware of Islamic financial products are because of low level of education. The analysis shows that lack understanding on the objectives and operations of Islamic financial products are the reasons why respondents are unaware, therefore, respondents could not make any decisions whether to participate in it or not by Zuriah (2007). Mohd Fazli, Md Nor Hayati and Noor Khamisah (2010), who studied on *Ar-Rahnu* scheme at Agrobank Malaysia found that most of the respondents are not aware on *Ar-Rahnu* scheme at Agrobank Malaysia either they are not well educated or well educated.

Therefore, based on the support evidence from previous literature, the researcher proposed that gender, age, marital status, level of education, job sector, income and choice of place will have positive relationship with customer's intention to use *Ar-Rahnu @ POS*.

2.5 Factors of customer's intention to use *Ar-Rahnu* @ POS

A further study by Amin *et al.* (2007) examined the relationship between independent variables (syariah view, pricing system, pledge asset, customer service, and locality of Islamic-based pawn broking) with dependent variable (acceptance of Islamic-based pawn broking). The results of their study shows that three independent variables which consist of syariah view, pledge asset and customer service are significantly related with acceptance of Islamic-based pawn broking while the other two are insignificant. Based on the previous study, the researcher used three factors which are syariah view, pricing and customer service together with attitude as an additional factors to determine customer's intention to use *Ar-Rahnu* @ POS.

2.5.1 Syariah View

Research by Ismail and Sanusi (2005) stated that syariah rules are very important in the implementation of Islamic pawn broking. They argued that these three elements which are *Wadiyah Yad Dhomanah*, *Qardhul Hassan* and *Ujrah* must be the main criteria to establishing Islamic pawn broking (Ismail and Sanusi, 2005; Bhatt and Sinnakkannu, 2008; Amin *et al.* 2007).

According to Amin *et al.* (2007), their result shows that syariah view is a stronger factor that influences the acceptance of Islamic pawnshops. Prior studies have documented the important of religion in *Ar-Rahnu* by Mohammed *et al.* (2005).

Post Office used syariah principle in their *Ar-Rahnu* products because they want to attract customers from rural area and lower income group specifically. People are normally anxious to involve with the conventional pawn broking because of *riba* and *gharar*. In *Ar-Rahnu*, all transactions are conducted in front of the customer. This is in line with the syariah guideline where the contract made must be clear and according to operational standards. Syariah in here means that the Post Office prohibit any involvement of uncertainties and doubtful in all transactions. Therefore, the researchers decided to put syariah view as one of the factor that influence customer's intention to use *Ar-Rahnu* @ POS.

2.5.2 Attitude

Attitude can be defined as a desire, an object, and a goal. Suki and Ramayah (2010) stated that attitude has been recognized as a cause of intention. While Fishbein and Ajzen (1975) have categorized attitude into two distinctive constructs. The first one is referred towards the object while the second one referred towards the behaviour. Ajzen and Fishbein (2000) define the current meaning of attitude as the degree of favorableness and unfavorableness of an individuals feeling towards a psychological object.

On the other hand, research conducted by Al-Rafee and Cronan (2006) found that attitude is the most significant relationship that influence the behavioural intention. In addition, Ahn *et al.* (2004) said that attitude and intention have highly correlation where the more positive a customers' attitude the higher his or her intention.

There are many studies regarding the significant effects of attitude towards intention by Davis *et al.* (1989), Mathieson (1991), Taylor and Todd (1995), Ramayah *et al.* (2003, 2004 and 2005). A study by Gopi and Ramayah (2007) found that attitude has a direct positive impact on intention to use an online trading system. Similarly, in this study it is expected that the intention to use Islamic pawnshop is particularly influenced by customer's attitude.

2.5.3 Pricing

The importance of the pricing with the pawn broking transactions have been examined by Mohammed *et al.* (2005) and Ismail and Ahmad (1997). Previously, Mohammed *et al.* (2005) documented that the conventional pawn broking system have imposed higher service charge which is two percent compared to Islamic pawn broking which is relatively cheaper. This means that the cost of borrowing cash in Islamic pawn broking system is lower than conventional pawn broking.

This result shows consistency with the result documented by Ismail and Ahmad (1997) where the basis on these findings shows that it is important to have *Ar-Rahnu* shop which offer competitive rate in order to reflect the normal pricing system in the market.

One of the items that include in the pricing is safekeeping fees which means the storage of assets or other items of value in a protected area. Individual are charged safekeeping fees as the services provided by bank or brokerage firm. Some

individual can use self-directed methods of safekeeping or the services provide by bank or brokerage firm. Financial institutions act as custodian and they are legally responsible for the items in safekeeping. However, the customers are still the owner of the goods. Naqib al-Misri (1994) stated that all jewelry and pawned assets will be kept safely whereby Islamic pawn broking institutions will give guarantee on safety matters and will be responsible on the pawned assets. Thus, client should not be worried on their pawned assets

By referring to the relative importance of the *Ar-Rahnu* concept, it is the contract of *Tabarru'* which is welfare contract where it is known as given money lending without any charge of profit through pledging a particular items such as gold as collateral.

In term of charges, the expenses for keeping the pledged items are based on its value. It is known as safekeeping fees in Islamic perspective. It can be said that mostly, the outlets charge for safekeeping fee is between RM0.50 and RM0.75 per every RM100 *marhun* or appraised value. For *Ar-Rahnu @ POS*, the charge is only RM 0.75 for every *marhun*. Johari *et al.* (2007) stated that pawn broking institutions especially owned by state government and banking institution should impose lower storage charge as been practiced by Muasassah Gadaian Islam Terengganu (MGIT) because most of the customers of pawn broking do not have the qualifications to access a formal financial system.

2.5.4 Customer service

According to Jamier (2002), "Customer service is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer expectation." Customer service is often seen as an activity, performance measurement and a philosophy. Mohammed *et al.* (2005) stressed out the importance of service factor. In order to strengthen the customer base the Islamic-based pawnshop must focus more on the important of customer service. The supported research done by Amin *et al.* (2007) revealed that customer service has significantly associated with the acceptance.

Lao (2005) has explained about the importance of customer service in the conventional-based pawnshop. His suggestion that pawnshop should offer a quick and convenient way to borrow money. This can be applied in Islamic pawn broking services. Pawnshop is easy to access and more convenient for customer compared to banking institutions as most of the customers are comes from lower income group which makes them unqualified to propose loans from conventional institutions. The use of asset as a pledge items in exchange with money is to secure the loan itself.

In addition, Erol and El-Bdour (1989) discovered that the most important criteria considered by the customers in bank selection are provision of fast and efficient services, bank's reputation and confidentiality. This finding is supported by Naser *et al.* (1999) who studied the Jordanian customers' satisfaction. They are mainly concerns with the bank's name, image, confidentiality policy and reputation. Quick

waiting and service time always be a main criteria for customer to select bank as they value time and expect the transaction to be completed as soon as possible.

Moreover, financial institutions must treat their customer fairly whether they are Muslim or non-Muslim. Islam advises us to treat neighbours kindly, even if they are not Muslim. Al-Qurtubi said:

I say: based on that, kind treatment of neighbours is enjoined and is recommended, whether they are Muslim or not. And this is the right thing to do. Kind treatment may be in the sense of helping or it may be in the sense of being kind, refraining from annoyance and standing by them.

[Al-Qurtubi]

Haron, Ahmad and Planisek (1994) surveyed the criteria of customer satisfaction in Islamic banking. Study has been conducted in Malaysia on Muslims and non-Muslims. The results conclude that the criteria for customer satisfaction include fast and efficient services of the bank, friendly personnel, confidentiality, and speedy transactions.

Masood and Bora (2009) have conducted a study in Jordan to investigate the customer satisfaction and preferences in Islamic banking. The finding reveals that most of the respondent showed high level of satisfaction towards different factors and aspects of Islamic banking. Those aspects are Islamic bank's name and image, customer confidentiality, customer-client interaction, and physical aspects like the internal layout, suitability of furniture, the architectural design of the bank.

Compliance, Assurance, Reliability, Tangibles, Empathy and Responsiveness (CARTER) model was developed by Othman and Owen (2001, 2002) and Othman (2003). It is based on six dimensions of the service quality. Previously, this model is very popular in the study of Islamic banking. Othman (2003) studied the relationship between the service quality with fulfillment and devotion of customer. He pointed out that satisfied consumer is committed with the business and customer loyalty will help in measuring the performance of the business.

The base for CARTER model consists of five dimensions of Service Quality or SERVQUAL. A new dimension has been added and known as “compliance with syariah” which is one of the important dimensions to be included in the model of Islamic banks (Islamic house Kuwait). Customer satisfaction will be achieved by high service quality and good professional behavior which result in reducing the customer erosion. (Leeds, 1992)

In addition to the above studies, Islamic pawn broking must be more concern about the customer service as *Ar-Rahnu* are more convenience for customer compare to banking institution. The present study will be able to add into the limited knowledge available in Malaysia for customer’s intention to use *Ar-Rahnu* @ POS.

2.6 Conclusion

This chapter has covered a review of relevant literature regarding to the demographic factors, intention to use, syariah view, attitude, pricing and customer service. Most of the study shows customers are satisfied with *Ar-Rahnu* services. Hence this study aims to investigate *Ar-Rahnu* services based on customer's intention to use *Ar-Rahnu* at Post Office in Kedah. The method being used for this study will be discussed in the next chapter.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter explains the research methodology adopted in this study. The researcher will discuss the research model, theoretical framework, together with hypothesis generated from the literature review in the previous chapter.

The researcher also described the population, sampling frame, sampling technique, data collection method and data administrative analysis to analyze the relationship between the dependent variables and independent variables. In conclusion, this chapter will provide information in term of process and technique that will be applied in conducted research.

3.2 Research design

The research design for this study is to analyze the customers' intention to use *Ar-Rahnu @ POS* in Kedah based on recent development. The researcher used intention as the dependent variable and syariah view, attitude, pricing and customer service as the independent variables for the study. Research design is important to determine the type of data, data collection technique, and sampling method in order to achieve research objectives (Burns and Bush, 2002). The basic research design used for this study was a survey method and questionnaire in nature.

3.3 Theoretical Framework

The conceptual framework for this study was designed towards exploring the customer's intention to use *Ar-Rahnu @ POS* based on the selected identifiable independent variables. The selected factors that influence the intention for Islamic pawn broking were syariah view, pricing and customer service as based on Amin *et al.* (2007). This framework is based on the model of *Ar-Rahnu* Shop Acceptance or ARSAM with an additional variable of attitude. Based on the Figure 3.1, the diagram for the theoretical framework is as follows:

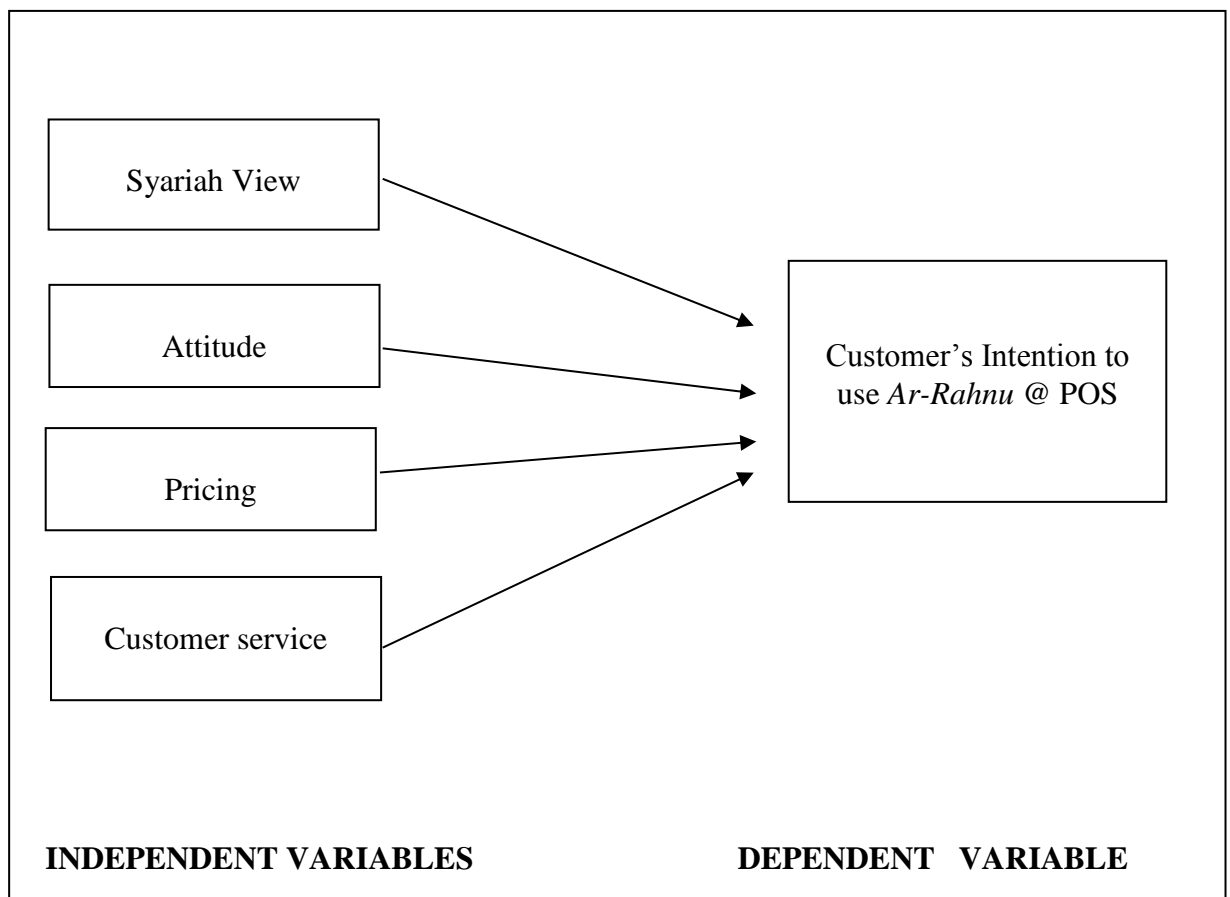


Figure 3.1: *Theoretical Framework*

The study aims at developing the model of Islamic-based pawnshop, a theoretical framework to explain the factors influence customer's intention to use *Ar-Rahnu @ POS* in Kedah. In this research, the dependent variable is a factor influencing customer's intention to use *Ar-Rahnu @ POS* in Kedah. Meanwhile independent variables would be the demographic factor, syariah view, attitude, pricing and customer service. This theoretical framework will explain the relationship between dependent variable and independent variables.

3.4 HYPOTHESIS

Hypothesis can be identified as a logically conjectured connection between several parameters stated in the proper execution of testable statement. Relationship is conjectured on the basis of the network of association established in the theoretical framework formulated for the research study. By doing testing on the hypothesis and confirming the conjectured relationship, the expected answer can be found to improve the problem occur. The first objective of this study is to identify the potential customers of *Ar-Rahnu @ POS* in Kedah. The technique used for this objective is descriptive analysis. While for the second, third and fourth objectives, the used of data analysis technique was used to gather all the data.

The second objective for this study is to examine the differences between selected demographic factors and intention to use *Ar-Rahnu @ POS*. The selected demographic factors that being choose are gender, age, marital status, race, level of education, job sector, monthly income and choice of place. The hypotheses tested for this objective are:

H01: There are no differences between selected demographic factors and intention to use *Ar-Rahnu @ POS*.

H02: There are differences between selected demographic factors and intention to use *Ar-Rahnu @ POS*.

As for the third objective, the researcher wants to identify the correlation between customer's intention to use *Ar-Rahnu @ POS* in Kedah with syariah view, attitude, pricing and customer services. The hypotheses tested for this objective are:

H01: There is no significant relationship between customer's intention to use *Ar-Rahnu @ POS* and syariah views, attitude, pricing and customer service.

H02: There is significant relationship between customer's intention to use *Ar-Rahnu @ POS* and syariah views, attitude, pricing and customer service.

The fourth objective is to determine the most influential factor towards customer's intention to use *Ar-Rahnu @ POS* in Kedah. By using the variables of syariah view, attitude, pricing and customer service, the researcher wants to find out which factor is highly influential towards intention to use *Ar-Rahnu @ POS*. The hypothesis tested for this objective are:

H01: The most influential factor is not significant towards customer's intention to use *Ar-Rahnu @ POS*.

H02: The most influential factor is significant towards customer's intention to use *Ar-Rahnu @ POS*.

3.5 Population and sample of the study

The study was about the customers' intention to use *Ar-Rahnu @ POS* in Kedah. There are five outlets that serve *Ar-Rahnu* service which are GPO Alor Setar, Jitra, Sungai Petani, Pendang and Kulim. The sample consisted of 250 respondents who are customers of Islamic pawn broking scheme *Ar-Rahnu*. Based on Noah (2002), there are two important things in the issue of the adequacy of the sample size and the issue of representation. The issue in the adequacy is that whether the number of selected samples is sufficient enough to make generalizations while in the representation issues is whether sample size represents the total population in the study. Crites view a sample size of less than 100 is not appropriate because it would cause large fluctuations in the calculation, especially when the study is replicated.

Konting (2005) also noted that the sample size is recommended more than 30 units due to the assumption that the normal distribution is usually filled when the sample size is more than 30 units. Therefore, this amount was considered sufficient for the author to analyze the data accurately. The area sampling technique was used in distributing the questionnaires to the respondents who are the customer of Post Office. The totals of 250 sets of questionnaire were distributed to all respondent in five selected area in Kedah which are Alor Setar, Sungai Petani, Jitra, Pendang and Kulim. Table 3.1 shows the distribution of questionnaire.

Table 3.1: *Distribution of Questionnaire*

Area	Distribute	Received
Alor Setar	50	50
Sungai Petani	50	50
Jitra	50	50
Pendang	50	50
Kulim	50	50
Total	250	250

In more detail, the respondents were asked whether they want to participate or not in study, in order to fill out the questionnaire. Once they agreed the researchers then handed over the questionnaire to be answered and the questionnaire was collected once completed. Respondents take about 10 to 15 minutes to answer the questionnaire given. At the same time, the respondents were also given a token of appreciation to encourage them and to show appreciation of their participation in the study. The researcher took two days to complete the data distribution whereas in overall it took 10 working days.

The data for this study are obtained through a structured questionnaire consisting of six parts (demographic, syariah view, attitude, pricing, and customer service and intention). In the process of collecting data, respondents' participation is based on voluntary basis (self-administered). According to Zikmund (2003), self-administrated questionnaires refer to the survey in which the respondent takes the responsibility for reading and answering the questions. From the total of 250 questionnaire distributed, only 200 responses were received which gives a response rate of 80 percent. The researcher also intended to do some interview with the customers in order to get some feedback regarding the mentioned issues.

3.6 Variables and measurement

The purpose of this survey is to measure the meaning of construct. To measure all variables, the method of Likert scale of five-point was used. The first section consists of 8 questions that capture demographic factor. The second section is devoted to the customer's intention to use *Ar-Rahnu*. There are 25 questions that use Likert scale which refers to intention to use, syariah view, attitude, pricing and customer service. The respondent are required to select each of the question to what range he or she are agrees or disagrees and which number will be strongly disagree (1) and strongly agree (5).

3.7 Research Instruments

The questionnaire was divided into two sections. Section A consists of demographic data that asked about gender, age, marital status, race, main job, monthly income and choice place for *Ar-Rahnu*. While for Section B, it consist the measurement of independent variables. Section B contains two parts which are Part B and Part C with a total of four measures was constructed in these sections. All these measures were adopted from past research and adapted for the purpose of this study. Table 3.2 shows the number of sub-questions according to variables.

Table 3.2: *The Measurements of Questionnaire Design*

Variables	Number of questions	Total of items	Sources
Demographic factors	1-8	8	Self-created
Syariah view	1-5	5	Metawa <i>et al.</i> (1998), Metwally (1996) and Naser <i>et al.</i> (1999)
Attitude	6-10	5	Taib <i>et al.</i> (2008)
Pricing	11-14	4	Hanudin <i>et al.</i> (2011) and Mohammed <i>et al.</i> (2005)
Customer service	15-20	6	Lao, (2005) and Mohammed <i>et al.</i> (2005)
Intention to use	27-31	5	Hanudin <i>et al.</i> (2011).

The set of questionnaire was originally written in English. However, in order to be suit to customer of Post Office itself, the researcher used back translation for the translation of the language in the questionnaire (Abdullah and Dusuki, 2006).

The total of questions in Part B contains 25 items. Section B (i) contains the items on the syariah view of *Ar-Rahnu*, part B (ii) contains the attitude towards *Ar-Rahnu*, the B (iii) consists of the items on pricing and B (iv) consist of items for customer service. Part C contains the items used to measure the customers' intention to use *Ar-Rahnu*. Each respondent is required to respond on the questions by marking one of the five Likert scale given, from 1 (strongly disagree) to 5 (strongly agree). (Please refer to Appendix A for sample of Questionnaire).

Prior to the actual survey, pilot study was conducted on 30 questionnaires using the developed questionnaire. The reason for the pilot test was to identify any problems associated with the study instrument, as well as any other relevant issues. All respondents of the test commented that the questions were easy to understand and could be completed within an average time of ten minutes.

3.7.1 Intention to use *Ar-Rahnu*

A study by Kant (1889) shows that intentions means action and not the consequences and even compassion. Compassion is temporary and not absolute. However, the best description about intentions is the existence of morality in actions. Intention to use *Ar-Rahnu* @ POS consist of five questions and each items is accompanies by a five Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). All items were adapted from Hanudin *et al.* (2011). The validity of all these items has been tested. Table 3.3 indicated the measurement for intention to use *Ar-Rahnu* @ POS.

Table 3.3: *Intention to Use*

No.	Items
1	I am interested to use <i>Ar-Rahnu</i> @ POS.
2	I am interested to use <i>Ar-Rahnu</i> @ POS in the future.
3	I will use <i>Ar-Rahnu</i> @ POS someday.
4	I like to use <i>Ar-Rahnu</i> @ POS.
5	I will definitely recommend <i>Ar-Rahnu</i> @ POS to others.

3.7.2 Syariah view

Islamic banking and finance institution must apply and follow the Islamic principles, ethics and objectives of the Islamic law when offering Islamic product to the customers. All the decision made by bank can directly affect one's decision whether to use or not to use Islamic banking product. It can be relate that the greater the application of syariah, the greater is the possibility if an individual wanted to use Islamic pawn broking. (Sulaiman, 2003)

Under this variable, it consists of five questions where respondents were requested to marking one of the five Likert scale given. All items were adapted from Metawa *et al.* (1998), Metwally (1996) and Naser *et al.* (1999). The validity of all these items has been tested. Table 3.4 indicated the measurement for syariah views.

Table 3.4: *Syariah View*

No.	Items
1	<i>Ar-Rahnu</i> @ POS is in line with an Islamic philosophy of doing banking business.
2	<i>Ar-Rahnu</i> @ POS is based on Islamic principle business implementation.
3	An introduction of <i>Ar-Rahnu</i> @ POS is based on al-Quran and Hadith.
4	<i>Ar-Rahnu</i> @ POS is free from fraud.
5	Choosing <i>Ar-Rahnu</i> @ POS is a good idea.

3.7.3 Attitude

Fisbein and Ajzen (1975) defined the attitude as positive or negative feelings of an individual in showing certain actions. There are some studies which relate the attitude to behavior. Taib *et al.* (2008) used the survey method found that there is a significant relationship between attitude towards the level acceptance of such financing. In other words, attitude towards intention to use may effect on how customer response to the *Ar-Rahnu*. This variable consists of six questions and each item is accompanied by five Likert scale. All items were adapted from Taib *et al.* (2008). The validity of all these items has been tested. Table 3.5 indicated the measurement for attitude.

Table 3.5: *Attitude*

No.	Items
6	Choosing <i>Ar-Rahnu</i> @ POS is useful.
7	Choosing <i>Ar-Rahnu</i> @ POS is beneficial.
8	I appreciate <i>Ar-Rahnu</i> @ POS.
9	<i>Ar-Rahnu</i> @ POS is one of the best Islamic banking products.
10	<i>Ar-Rahnu</i> @ POS is positive.

3.7.4 Pricing and customer service

Studies by Mohammed *et al.* (2005) and Ismail and Ahmad, (1997) have examined the importance of the pricing associated with the pawn broking transactions. Specifically, Mohammed *et al.* (2005) stated that the service charge imposed by *Ar-Rahnu* is relatively cheaper than the conventional pawn broking system which imposed 2%. These variables consist of six questions and each item is accompanied by five Likert scale. Question 1 and Question 4 were adapted from Hanudin *et al.* (2011) while Question 2 and Question 3 were adapted from Mohammad *et al.* (2005). In this study, it's focusing on justice and practical concern of pricing that applied by Post Office. Table 3.6 indicated the measurement for pricing.

Table 3.6: *Pricing*

No.	Items
11	<i>Ar-Rahnu</i> @ POS offers unjust pricing for those who are lower income group.
12	<i>Ar-Rahnu</i> @ POS practice <i>ibra'</i> or discount for early redemption.
13	The approval process for <i>Ar-Rahnu</i> @ POS is better and efficient.
14	<i>Ar-Rahnu</i> @ POS issue a receipt for all transactions made.

In terms of customer service, a study Lao (2005) has expanded on the importance of service factor. It is better for the Islamic pawn shop to focus more on customer service in order to attract more customers, other than syariah view concern. This variable consists of six questions and each item is accompanied by five Likert scale. Items were adapted from Lao (2005) is from Question 1 until Question 3 while Question 4 until Question 6 are adapted from Mohammed *et al.* (2005). Table 3.7 indicated the measurement for customer service.

Table 3.7: *Customer Service*

No.	Items
15	<i>Ar-Rahnu @ POS</i> set competitive service charge (safekeeping fees).
16	<i>Ar-Rahnu @ POS</i> offers sufficient loan amount needs.
17	<i>Ar-Rahnu @ POS</i> offers advice on Islamic pawnshops to customers.
18	<i>Ar-Rahnu @ POS</i> treats customers fairly Islamic and non-Islamic.
19	The process of evaluating the security and auctions <i>Ar-Rahnu @ POS</i> is more transparent (e.g., measure collateral, auctions).
20	<i>Ar-Rahnu @ POS</i> offers insurance guarantee for each item pawned.

3.8 Validity of pricing and customer service

One of the statistical tools that the researcher used in this research is factor analysis. The reason for use this statistical tool is to assist the researcher to reduce a large number of items to some smaller number by showing which variables belong together and which seems to indicate the same thing (Emory and Cooper, 1991).

In this study, factor analysis has been used for combination items which are pricing and customer service. This analysis is important as to confirm the validity of the scale by using the principle component analysis. An eigenvalue of more than 1.0 was used as a determinant for each factor in the factor analysis. Factor loading values were obtained using varimax rotation. The minimum factor loading of 0.4 on its hypothesized construct is proposed (Nunnally, 1978).

The Kaiser-Meyer-Olkin (KMO) is used to measure the combined items of pricing and customer service which shows a value of 0.869, indicating that the sampling adequacy was greater than 0.5 and therefore satisfactory. Bartlett's Test showed an X^2 of 1052.865 with a significance level of 1 percent. Table 3.8(a) shows the result KMO and Bartlett's Test for Pricing and Customer Service.

Table 3.8(a): *Principle Component Analysis*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.869
	Approx. Chi-Square	1052.865
Bartlett's Test of Sphericity	df	45
	Sig.	.000

The items that related to the intention to use *Ar-Rahnu* such as syariah views and attitude were not included in the analysis since the items were reliable, valid and fully adopted from the previous study. Thus, for the pricing and customer service, the researcher has computed it separately. Table 3.8(b) shows the detail of the outcomes of the factor loading for pricing and customer service which reported that all items examined were significant.

Table 3.8(b): *Factor Analysis for Independent Variables*

Items	Factor loadings	
	Customer service	Pricing
cs1	.795	
cs2	.638	
cs3	.835	
cs4	.752	
cs5	.743	
cs6	.723	
sf1		.854
sf2		.863
sf3		.683
sf4		.561

Note: cs = customer service, sf = pricing

3.9 Reliability of the Instruments

The study also applied Cronbach's alpha test in order to measure the reliability of the scales employed in this study. The Cronbach's alpha values for all dimensions ranged from 0.820 to 0.908, exceeding the minimum of 0.6 (Hair *et al.* 1998), thus the variables that have been constructed were reliable. For the items which have values more than 0.6 will be taken for further regression analysis. The result is reported in Table 3.9.

Correlation analysis was employed to test the relationships between the variables. More importantly, regression analysis was used to examine the relationship between the independent variables (i.e. syariah view, attitude, pricing and customer service) and the dependent variable, "the intention to use".

Table 3.9: *Reliability Test*

Variables	Number of items	Cronbach's Alpha Values
Intention to use	5	0.908
Syariah view	5	0.896
Attitude	5	0.899
Pricing	4	0.820
Customer service	6	0.886

(Please refer to Appendix C for more detail)

From the Table 3.9, the results showed that Cronbach's alpha for intention to use, syariah view, attitude, pricing and customer service are more than 0.80. That's mean that all the variables are reliable and can be considered as "very good". The instrument that being used in this study also is consistent and stable.

3.10 Data analysis technique

Software Statistical Package for Social Science (SPSS) version 19.0 was used to analyze the data analysis for this study. This statistical test used to cover the analysis of frequency, percentage, mean, standard deviation, t-test, ANOVA, Pearson correlation and multiple regressions.

3.11 Normality test

Normality of data is perceived as fundamental element in a research conducted especially multivariate research as suggested by Hair *et al.* (1998). The used of normality was aimed to make sure that all data is in normal distribution.

Pallant (2001) said that normality is used to describe a symmetrical bell shape curve which has the greatest frequency of scores in the middle with smaller frequencies towards extreme. If the variation from the normal is sufficiently large, all resulting statistical test are invalid because normality is required to use the F and t statistic (Hair *et al.* 2006).

According to Coakes and Steed (2007) positive values for skewness indicate a positive skew while positive values for kurtosis indicate a distribution that is peaked (leptokurtic). Negative values for skewness indicate a negative skew while negative values for kurtosis indicate a distribution that is flatter (platykurtic). While according to Hair *et al.* (2003), if the skewness values are larger than +1 or smaller than -1 this shows a substantially skewed distribution. For the kurtosis, a curve is too peaked when the values exceed +3 and is too flat when it is below -3. (Refer Appendix B)

3.12 Descriptive statistics

According to Hair *et al.* (2007), the standard deviation describes the spread or variability of the sample values from the mean. If the value of standard deviation is small, therefore the responses in a sample distribution of number fall very close to the mean. Descriptive analysis used in this study is an analysis of the frequency, percentage, mean, standard deviation, t-test, Pearson correlation and multiple regressions to obtain information about the respondents. Besides that, the mean test was used to determine the level for each variable.

3.13 Independent t-test and ANOVA

It was used in order to detect whether there is any statistically significant differences between the means. As the objectives of this study, independent t-test is applied in order to test the differences between gender, age, marital status, race and income towards customer's intention to use *Ar-Rahnu @ POS*. While One way ANOVA (ANOVA) or stands for Analysis of Variance is used to compare means of selection criteria for more than two groups of respondents such as level of education, job sector and choice of place towards intention to use. The assumptions for ANOVA are the same as those for t-test.

3.14 Correlation

The Pearson correlation measures the linear association between two metric variables (Hair *et al.* 2003). In addition, it was used to examine whether there was a relationship between the dependent and independent variables as well as indicates the strength of the relationship. In this study, the correlation was used to test the hypothesis on relationship between the factors namely syariah view, attitude, pricing and customer service with the intention to use *Ar-Rahnu @ POS*.

3.15 Multiple Regressions

Multiple regressions were the method that frequently used in a data analysis to analyze data when there are more than two independent variables being used. Besides, multiple regressions helps the researcher to understand how much variance in the dependent variable that being affected by the independent variables.

According to this study, there are four independents variables and the number of respondents is 200 respondents which indicate around 50 times more cases than independent variables. Hence, the multiple regressions can be used to examine the most influential factors towards the intention to use *Ar-Rahnu @ POS* in Kedah.

The researcher simply expanded the formulation of multiple regressions models as shown below.

$$ITU = a + \beta_1(SH) + \beta_2(ATT) + \beta_3(SF) + \beta_4(CS) + \mu$$

Where

a = Intercept

β = Unstandardized beta coefficient

ITU = Intention to use

SH = Syariah view

ATT = Attitude

SF = Pricing

CS = Customer service

μ = Error term

For the multiple regression analysis, the R square (R^2) obtained in the multiple regressions indicates the percentage of variance in the dependent variable that can be explained by the independent variables. Since these variables are measures in different units which are nominal, ration and interval scale, Beta coefficient will be used to eliminate the problem of dealing with different units of measurement and they reflect the relative impact on the criterion variable of a change in 1 standard deviation in either variable. Through beta coefficient, the analysis will have common unit measurement and the coefficients tell which variable is most influential.

From the formula, it explains that every one unit of syariah view increase would increase the intention to use *Ar-Rahnu*. Moreover, with one unit of attitude increase will affect the increase in intention to use *Ar-Rahnu*. Next, every one unit of pricing increase will increase in intention to use *Ar-Rahnu*. Besides that, every unit increase

of customer service will increase every one unit of intention to use *Ar-Rahnu*. It can be said that all variables shows positive influence towards intention to use *Ar-Rahnu*.

Table 3.10: *Data Analysis Technique*

Objectives	Test
1. To investigate the prospect and the existing customer of <i>Ar-Rahnu @ POS</i> .	Descriptive Analysis
2. To examine the differences between selected demographic factors and intention to use <i>Ar-Rahnu @ POS</i> .	T-test, ANOVA
3. To identify the correlation between customer's intention to use <i>Ar-Rahnu @ POS</i> in Kedah with syariah view, attitude, pricing and customer services.	Pearson Correlation
4. To determine the most influential factor towards customer's intention to use <i>Ar-Rahnu @ POS</i> in Kedah.	Multiple Regression

3.16 Conclusion

This chapter has briefly views all parts of the research methodology applied in this study. The researcher has described how the research approach adopted in the study, providing the details in research subjects based on population and size sample, about the questionnaires and how the questionnaire will be administered. The data collected has been analyzed using SPSS Version 19.0 and the results of statistically analysis are explained in the next chapter that is Chapter 4.

CHAPTER FOUR

FINDINGS

4.1 Introduction

This chapter will discuss the findings from the collected and analyzed questionnaires. Findings of this study will meet all the criteria that required by research objectives and hypothesis developed in chapter one and chapter two. The findings were based on the methodology discussed in chapter three.

In terms of data collection, a total of 250 respondents was participated in the survey, however only 200 questionnaires (80%) were useable. The remaining of 50 questionnaires that were not completed was excluded from the analysis. A self-administered questionnaires that consists of eight socio-demographic questions and 25 using a 5-point Likert scale measuring the research constructs were administered to the respondents who intend to use *Ar-Rahnu @ POS* in Kedah.

This section will be divided into several sections. First section will be discussed on profile of respondent and observation of the variables. Second section discussed on the differences between demographic factors and intention to use. Third section discussed on the relationship between the determinants and intention to use. Last, will be the views and suggestions of respondents followed by conclusion. Under this section also the researcher will focus more on the hypothesis to meet the research objectives.

4.2 Profile of Respondents

In the descriptive analysis, the researcher conducted the research to explore the data and also describes the observations or an overview of the sample data that has been collected. It will explain the demographic profile of the respondents and observation of the variables.

The profile of the respondent is important to determine the trend of customers' intention to use *Ar-Rahnu* towards the pertaining problem. The demographic variables are included gender, age, marital status, race, level of education, job sector, monthly income, and choice of place. Table 4.1 presents the profile of respondents in this study. (Please refer to Appendix D for detail output)

Table 4.1: *Profile of the respondents*

No	Demographic items	Frequency	Percentile
1	<i>Gender</i>		
	Male	101	50.5
	Female	99	49.5
2	<i>Age</i>		
	29 and below	113	56.5
	30 and above	87	43.5
3	<i>Marital status</i>		
	Single	108	54.0
	Married	92	46.0
4	<i>Race</i>		
	Malay	175	87.5
	Non-malay	25	12.5
5	<i>Level of education</i>		
	Primary school	11	5.5
	Secondary school	58	29.0
	Diploma	57	28.5
	Degree	74	37.0
6	<i>Job sector</i>		
	Government sector	21	10.5
	Private sector	81	40.5
	Housewife	13	6.5
	Pensioners	19	9.5
	Student	66	33.0
7	<i>Monthly income</i>		
	RM 3000 and below	177	88.5
	RM 3001 and above	23	11.5
8	<i>Choice of place</i>		
	Bank Kerjasama Rakyat	85	42.5
	Agrobank	10	5.0
	Post Office	90	45.0
	YaPEIM	15	7.5

Table 4.1 presents a summary of respondent's socio-demographic profile. In terms of gender, more males were found to have the intention to use *Ar-Rahnu* @ POS as compared to females. The result shows that male and female respondents have a total of 101 respondents (50.5%) and 99 respondents (49.5%) respectively. Based on the data collected, the highest percentage in the age category is from year 0-29 with 56.5% followed by age category 30 and above with 43.5%.

According to the marital status, single is the highest number which are 108 respondents (54.0%) followed by married 92 respondents (46.0%). For the race, it shows that Malay is the majority of the respondents which are 175 respondents (87.5%) while non-Malay only shows 25 respondents (12.5%). For the respondent's education level, 74 respondent (37.0%) are degree holder, 58 respondents (29.0%) are from secondary school, 57 respondents (28.5%) from diploma holder and only 11 respondents (5.5%) completed their primary school.

This table also shows that most of the respondents are working in the private sectors which are 81 respondents (40.5%) followed by student with 66 respondents (33.0%), government sector with 21 respondents (10.5%) and pensioners with 19 respondents (9.5%). In terms of level of income, majority of the respondents gain income below RM 3000 which is 177 (88.5%) while respondents who gain income more than RM3001 are 23 respondents (11.5%).

The respondents' distribution by *Ar-Rahnu* outlets indicated 90 respondents (45.0%) were from the Post Office, 85 respondents (42.5%) from Bank Kerjasama Rakyat, YaPEIM are 15 respondents (7.5%) and lastly the distributions by Agrobank are 10 respondents (5%).

4.3 Level of Intention to Use Towards Determinant Factors

Descriptive analysis has been used to analyze the customer's intention to use *Ar-Rahnu @ POS*, syariah view, attitude, pricing and customer service. This study also being used to identify the situation of each constructs which are dependent and independent variables in the form of mean and standard deviation. The mean values of the variables were obtained by the measure on a five Likert scale, which means the greater the number of the five point scale, the greater the goodness of the variable will be. The values which are nearer to five are considered good, while the values close to zero are considered bad. Moreover, a mean value equal or more than 4 indicates a high agreement with a particular criterion which are a mean value equal or less than 2 were considered as low, and a mean value of 3 was considered as a moderate agreement. A descriptive analysis of all five variables is presented in the Table 4.2.

Table 4.2: *Descriptive analysis of variables*

Variables (N=200)	Minimum	Maximum	Mean	Std. Deviation
Intention to use	2.00	5.00	4.0110	.72575
Syariah view	2.00	5.00	4.1130	.65970
Attitude	2.20	5.00	4.0350	.67888
Pricing	2.50	5.00	3.9538	.66597
Customer service	2.00	5.00	3.9608	.61617

(Please refer to Appendix D for detail output)

Table 4.2 indicates the minimum, maximum, mean and the standard deviation of the model variables. The mean values of the intention to use *Ar-Rahnu*, syariah view, attitude, pricing and customer service are between 3.9 to 4.12. Mostly, all the values are considered moderate.

The level of customer's intention to use is quite high in moderate with the mean value of 4.01. This figure shows that the customers generally have higher intention to use *Ar-Rahnu* offered by Post Office because of syariah view.

The highest mean value of independent variables was obtained by the syariah view at 4.11, followed by attitude at 4.04 and customer service at 3.96. The lowest mean value is pricing with 3.95 mean value. On the other hand, all the independent variables are considered moderate in mean values. Hence, the syariah view, attitude, pricing and customer service is considered moderate.

4.4 The Differences between Demographic Factors and Customer's Intentions to Use

The second objective of this research study is to examine the differences between selected demographic factors and intention to use *Ar-Rahnu @ POS*.

4.4.1 Differences between Gender, Age, Marital Status, Race and Income towards Intention to Use

The independent t-test compares the means between two unrelated groups on the same continuous, dependent variable. In this study, t-test is used to analyze the differences between gender, age, marital status, race and income towards intention to use towards intention to use *Ar-Rahnu @ POS*.

Table 4.3: *Differences between Gender, Age, Marital Status, Race and Income towards Intention to Use Ar-Rahnu @ POS*

Variables	Mean	Std. Deviation	t	Sig.
<i>Gender</i>				
Male	4.11	.737	1.900	.059
Female	3.91	.705		
<i>Age</i>				
29 and below	3.91	.746	-2.191	.030
30 and above	4.14	.682		
<i>Marital status</i>				
Single	3.85	.735	-3.579	.000
Married	4.20	.669		
<i>Race</i>				
Malay	4.04	.707	1.500	.135
Non-Malay	3.81	.832		
<i>Monthly income</i>				
RM3000 and below	4.01	.713	0.138	.890
RM3001 and above	3.99	.837		

(Please refer to Appendix E for detail output)

Based on Table 4.3, this analysis corresponds to the objective one of this study that is to examine the differences between selected demographic factors towards intention to use *Ar-Rahnu @ POS*. Therefore, the independent group t-test analysis is conducted to test one of the hypotheses in this study. For the age results, it indicate the mean of respondents who are 29 years and below who have intention to use *Ar-Rahnu @ POS* is 3.91 with the standard deviation of 0.746 while mean for the respondents who are 30 years and above is 4.14 with the standard deviation of 0.682. Marital status factor shows that married have higher mean compare to single which are 4.20 and 3.85 respectively. The standard deviation for both married and single status is 0.735 and 0.669. The other factors such as gender, race and level of income shows insignificant relationship. Since the significant level is below 0.05 ($p=0.000$), thus the null hypothesis for this test is rejected. It can be concluded that only age and marital status have significant in intention to use *Ar-Rahnu @ POS*.

4.4.2 Differences between Level of Education and Job Sector towards Intention to Use

According to Hair *et al.* (2003), analysis of variance is used to assess the statistical differences between the means of two or more variables. This study applied One-Way ANOVA test to examine the differences among at least three groups or more than two groups. Table 4.4.2 shows the result of selected demographic factors towards intention to use.

Table 4.4: *Differences between level of education and job towards intention to use Ar-Rahnu @ POS*

Items	Mean	Std. Deviation	F	Significant
Level Of Education			5.412	.001
Primary School	4.15	.849		
Secondary School	3.97	.664		
Diploma	4.29	.639		
Degree	3.81	.755		
Job sector			5.093	.001
Government Sector	4.41	.602		
Private Sector	4.11	.688		
Housewife	4.08	.773		
Pensioners	4.12	.691		
Student	3.72	.724		

(Please refer to Appendix E for detail output)

Table 4.4 shows the mean and standard deviation between both variables, level of education and job sector. In terms of level of education, it shows the mean for primary school, secondary school, diploma and degree are 4.15, 3.97, 4.29 and 3.81 respectively while the standard deviation for these items are 0.849, 0.664, 0.639 and 0.755. For job sector, it shows the mean for government sector, private sector, housewife, pensioners and students are 4.41, 4.11, 4.08, 4.12 and 3.72 respectively while the standard deviation for each items are 0.602, 0.688, 0.773, 0.691 and 0.724. Moreover, the significant value shows the same figure which is 0.000 with F values for both level of education and job sector are 5.412 and 5.093. It shows that both factors are the most significant factors towards intention to use *Ar-Rahnu @ POS*. Since $p\text{-value} < 0.05$, therefore there is having significant difference towards intention to use *Ar-Rahnu @ POS*.

Moreover, analysis by using Post Hoc test shows secondary school, diploma, degree, government sector, private sector and student were found to be significant at the range 0.000 to 0.031.

4.5 The Relationship between the Determinants and Intention to Use *Ar-Rahnu @ POS*

Correlation analysis use to examine the nature of relationship that exists between independent variables which are syariah view, attitude, pricing and customer service.

Pearson correlation was used to analyze the data collected in this study.

Table 4.5: *Correlation between customer's intentions to use Ar-Rahnu @ POS and independent variables*

Variables	Correlation	Significant Level
Syariah view	.689	.000
Attitude	.698	.000
Pricing	.633	.000
Customer service	.755	.000

(Please refer to Appendix F for detail output)

Based on the Table 4.5, the result shows that all independent variables are significant and positively correlated with the customer's intentions to use *Ar-Rahnu @ POS* at the confidence level of 99% ($p < 0.01$). It can be briefly explained as the stronger the independents variable are, the greater customer's intentions to use *Ar-Rahnu @ POS*.

Customer service has high strength of association with the customer's intentions to use *Ar-Rahnu @ POS* (75.5%) followed by attitude (69.8%), syariah view (68.9%), and pricing (63.3%). These results explained that customer service and attitude has a strong relationship with the customer's intentions to use *Ar-Rahnu @ POS* while for syariah view and pricing, the results show moderately correlates with the customer's intentions to use *Ar-Rahnu @ POS*.

4.6 Determinants towards customer's intention to use

To examine the influence of the customer's intentions to use *Ar-Rahnu @ POS*, the researcher used multiple linear regressions as the analysis tool. Linear regression was used to predict the value of a variable based on the value of another variable. In this study, the researcher wants to predict the customer's intentions to use *Ar-Rahnu @ POS* while the variables used to predict the intention are syariah view, attitude, pricing and customer service.

Table 4.6 illustrated the results gathered from the multiple regression analysis. It shows that analysis of variance from the ANOVA table indicated that F statistic produced ($F=96.095$) is found to be significant ($p=0.000$) at the level 0.05 level. It can be concluded that this regression model reaches statistically significant as the p value is less than 0.05.

Preliminary analysis was performed in order to ensure there is no violation of the assumptions of outliers, multicollinearity, linearity, normality as well as homoscedasticity. Moreover, from the result, all the assumptions are not violated in this study and thus multiple regressions can be used to examine the influences between dependent and independent variables.

Table 4.6: *Result of Linear Regression*

Variables	B	Std. error	Beta	t	Significant Level
(Constant)	-.217	.219		-.989	.324
Syariah view	.219	.072	.199	3.028	.003
Attitude	.211	.074	.197	2.863	.005
Pricing	.203	.061	.187	3.316	.001
Customer Service	.422	.081	.358	5.198	.000

R square = 0. 657

F value = 96.095

(Please refer to Appendix G for detail output)

The R² obtained indicate the percentage of variance in the dependent variables that can be explained by the independent variables. The R square of the regression model is 0.657. By converting this figure to percentage, the R² for this model is 65.7%. Thus it showed that 65.7% of the variance of customer's intention to use *Ar-Rahnu* can be explained by the all independent variables which are syariah view, attitude, pricing and customer service. Moreover the output showed that the independant variables (syariah view, attitude, pricing and customer service) are statistically significant to predict the customer's intention to use *Ar-Rahnu* at the interval level of 0.05. The highest B coefficient score is customer service with the B coefficient of 0.422 followed by syariah view, attitude and pricing with the result are 0.219, 0.211 and 0.203 respectively.

It can be concluded that customer service is the most influential independent variable on customer's intention to use *Ar-Rahnu* while syariah view, attitude and pricing give a moderate impact on customer's intention to use *Ar-Rahnu*. From the Table 4.6, the coefficient values are included in the formula given.

$$\text{ITU} = -0.217 + 0.219\text{SH} + 0.211\text{ATT} + 0.203\text{SF} + 0.422\text{CS}$$

The formula above explains that by increasing of one unit of customer service then the customer's intention to use *Ar-Rahnu* would increase by 0.422 units. Besides, with one unit of syariah view increase contributes to increase 0.219 units of customer's intention to use *Ar-Rahnu*. Next, one unit of attitude increase would make the customer's intention to use *Ar-Rahnu* increase by 0.211 units. The last variables which is pricing shows when it is increase of one unit, then the customer's intention to use *Ar-Rahnu* will increase by 0.203 units.

4.7 Views and Suggestions of Respondents

There are some comments and suggestion made by the respondents are included in this chapter regarding this topic of study. *Ar-Rahnu @ POS* is the new product offered by Post Office where nowadays, this product is famously known as one of the Islamic banking product. As *Ar-Rahnu* outlets has been rapidly expand, the customers tend to use this service which offer the best quality service and low safekeeping fees.

Other than that, there is also some complaints regarding the *Ar-Rahnu* offered by certain Post Office. However, it is admitted that this *Ar-Rahnu* service offered by Post Office have the potential to be rapidly growth. Nowadays, people tend to use Post Office which act as one stop center who offers variety of services such as post letter, paying bills, renew license, money savings, withdraw money and so on.

In addition, some of the respondents mentioned that they have highly intention to use Islamic pawn broking as they believe the important of using Islamic product is in line with the syariah principle where any elements of interest (*riba*), uncertainty (*gharar*) and gambling (*maisir*) are totally prohibited.

4.8 Conclusion

In this chapter, finally the researcher has discussed on the analysis of data collected. The data were analyzed using SPSS 19.0 and overall the analysis process involves testing of reliability followed by descriptive statistic and then hypotheses of this study were tested. The reliability test was done with all variables and it shows all of them are reliable to use. In testing hypotheses on relationship between the determinants and customer's intention to use *Ar-Rahnu*, Pearson correlation was used and the result shows all the determinants have a positive relationship with the intention to use. While to test the influence of the determinants towards customer's intention to use *Ar-Rahnu*, multiple linear regression was used. The result indicates that all variables have different influence towards customer's intention to use *Ar-Rahnu* where the major influence is customer service followed by syariah view, attitude and pricing.

CHAPTER 5

CONCLUSION

5.1 Summary of Findings

This chapter will discuss more on the research findings and analyze the result. In this chapter also will highlight the most influential factors towards customer's intention to use *Ar-Rahnu @ POS*. Moreover, this chapter also briefs the inferences from the findings and the recommendation for future research.

There are four main objectives of this study. Firstly is to investigate the potential customer of *Ar-Rahnu @ POS*. Secondly is to identify the differences between customer's intention to use *Ar-Rahnu @ POS* in Kedah with syariah view, attitude, pricing and customer services and the last objectives is to determine the most influential customer's intention to use *Ar-Rahnu @ POS* in Kedah.

The first objective in this study is to investigate the demographic factor. Age, gender, marital status, race, level of education, job sector, monthly income and choice of place were chosen to meet this objective. As based on the previous studies which have explored the impact of demographic factors on intentions to use by Joines *et al.* (2003) and Lee *et al.* (2010).

The results show that all the variables do affect the customer's intention to use *Ar-Rahnu*. This findings support the Fishbein (1975) attitude theory that implicate demographic profile as an important variable that influence positive or negative attitude in an object, for example in this study, the intention to use *Ar-Rahnu*.

The second finding shows that all the determinants mentioned have a significant relationship with intention to use *Ar-Rahnu*.

The highest strength for this study that impact customer intend to use *Ar-Rahnu* at Post Office was found to be the customer service. Customer service is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer expectation. Mohammed *et al.* (2005) mentioned the important of service factor. The Islamic-based pawnshop must stress the important of customer service in order to strengthen the customer base. These findings were consistent with studies conducted by Lao (2005). He explained in detail about the important of service in the conventional-based pawnshop. He suggested that pawnshop should offer a quick and convenient way to borrow money.

This is supported by another recent study by Othman *et al.* (2012) who investigated customer satisfaction levels of service quality at *Ar-Rahnu* in Kelantan. The results of the study showed the main factor that motivated the respondents to obtain *Ar-Rahnu* services was the company could handle problems that were not expected. As a result, respondents rated high quality services of *Ar-Rahnu* providers in the state.

The second higher relationship with the intention to use is syariah view. Generally and in Islam, religion is being an integral part of culture influences market researchers to explore its role in the consumption world (Bettina *et al.* 2005; De Run *et al.* 2010). Therefore, it is important for the organization to investigate, understand and measure the role of religion in purchasing decision of its intended segment.

The third finding shows that all variables shows significantly related towards customer's intention to use *Ar-Rahnu @ POS*. Syariah view, attitude, pricing and customer service are significant towards customer's intention to use *Ar-Rahnu @ POS* where the most influential customer's intention to use *Ar-Rahnu @ POS* in Kedah is customer service. In order to become a successful *Ar-Rahnu* shop, Post Office must strengthen the customer service. The present study revealed that customer service is significantly associated with intention to use. First, the approval for the transaction should be efficient and fast. Next, Post office must provide advice support or simply consultation to help the customer's transaction. Next, Post Office must clear of the issue of discrimination. To be a successful pawnshop, Post Office needs to take care of persons fairly regardless of these races. A very important factor that needs to be concern is the customer's record must certainly be kept confidential. The record of the customers must certainly be kept properly where it only involves between the customer and the company itself.

5.2 Recommendation

It is recommended that Post Office must do some aggressive promotion by focusing on specific group which are those who have higher education level and those who are student, worked at government and private sectors since they have better intention on using *Ar-Rahnu* product. As based on the findings, it shows these group have better intention towards using *Ar-Rahnu @ POS*, thus it is better for the *Ar-Rahnu @ POS* focusing more on these group.

Moreover, Post Office should improve their customer service to be better as people intend to use their service because of their good advice, fairly treated and efficient approval process. Lao (2005) suggested that pawnshops should offer a quick and convenient way to borrow money. By improving their strength it is believe that it will become a strategy to attract more potential customer.

Other than that, in terms of syariah view, *Ar-Rahnu @ POS* should make clear and transparent transaction that based on Islamic principle where most of Muslim tend to choose Islamic product more rather than conventional which is clearly involve in *riba* and *gharar*. Besides, there is a common agreement regarding the important of syariah view in conducting *Ar-Rahnu* businesses (Ismail and Sanusi, 2005; and Ismail, 2004).

Furthermore, Post Office must offer different and attractive promotion regarding *Ar-Rahnu* in order to attract people to use it. It is one of their duties to change people's

mind and create people awareness to use *Ar-Rahnu*. By applying the real concepts of *Ar-Rahnu* practices it can help the public to know the benefit of *Ar-Rahnu*.

Next, Post Office should include the difference of safekeeping fees offer by other financial institution and conventional pawn broking shops in newspaper. Therefore, it can allow customer to choose the best provider in terms of the safekeeping fees. Most of pawn broking customers are individuals who do not have access to a formal financial system, therefore there is a requirement to the pawn broking institutions not to impose storage charge as practiced by Muasassah Gadaian Islam Terengganu (MGIT) especially pawnshop owned by the state government and banking institution. This is because majority of *Ar-Rahnu* consumers are came from poor background. As cheaper cost of loan rate is one of the factors influence public to pursue Islamic pawn broking therefore Post Office should not imposed high storage fees on their customer.

Lastly, currently, there are only five branches of Post Office that offer *Ar-Rahnu* service, therefore it is recommended that Post Office should expanding *Ar-Rahnu* outlets that are easy for the customers to access especially in the rural area. This will attract loyal conventional pawn broking customers, especially the Muslims, to deal with Islamic pawnshops which are free from *riba*, *gharar*, and promote social justice to the borrower. However, Post Office should further enhance the security of pawn items.

5.3 Limitation and future research

There are several limitations faced by the researchers in terms of time and cooperation. In terms of collecting data and responses from the main players, the researcher faced a limitation of time and lack of cooperation from the respondents as they did not want to give full cooperation to the researcher due to some reasons.

In addition, the researchers also faced some limitation regarding lack of prior research studies on the topic. The researcher needs to found out a lot of supporting information regarding the topic as it required developing an entirely new research especially in explanatory research design. Furthermore, the researcher also have lack of available data where it is likely required the researcher to limit the scope of analysis, the sample size, or it can be a significant obstacle in finding a trend and a meaningful relationship. However, these limitations can be an opportunity to describe the need for future research.

Future research may adopt other data-collection methods such as mall intercept surveys or personal interview. Moreover, future research can proceed with the other factors such as security and confidentiality of the *Ar-Rahnu* as it not yet been explored in this research.

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implementation Challenges.

APPENDIX A

QUESTIONNAIRE



“Penerimaan Pelanggan Terhadap Ar-Rahnu@POS: Kajian Kes Di Kedah”

Kepada responden,

Soal selidik ini bertujuan untuk menentukan apakah faktor penerimaan pelanggan terhadap Ar-Rahnu@Pos di sekitar Kedah. Maklumat yang diperolehi daripada soal selidik ini adalah sangat penting bagi penyelidik untuk memenuhi objektif kajian dalam memenuhi keperluan pengajian bagi Sarjana Kewangan dan Perbankan Islam di Universiti Utara Malaysia.

Semua maklumat dan identiti responden adalah SULIT dan akan digunakan untuk TUJUAN AKADEMIK sahaja. Terima kasih atas kerjasama anda.

Yang benar,

Nadiah Nabilah binti Baharum
Master in Islamic Finance and Banking (MIFB)
Universiti Utara Malaysia.
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**POS MALAYSIA
MEMPERKENALKAN KEMUDAHAN
PINJAMAN BERCAGARKAN EMAS**

- ◆ Gadaian mengikut syariah dan terbuka kepada semua rakyat Malaysia dan warga asing
- ◆ Pinjaman tanpa faedah
- ◆ Pinjaman 75% dari nilai marhun
- ◆ Kadar upah simpan yang rendah, cuma 75sen bagi setiap RM100 marhun
- ◆ Tempoh gadaian fleksibel 6 bulan + 3 bulan + 3 bulan
- ◆ Had pembiayaan sehingga RM10,000 sehari dan tidak melebihi RM50,000 seorang
- ◆ Lelongan dilaksanakan secara telus
- ◆ Tiada yuran terlindung
- ◆ Kami menerima semua jenis emas
- ◆ Perkhidmatan penilaian zakat secara percuma
- ◆ Perkhidmatan cucian barang kemas disediakan pada harga RM2 bagi setiap barang kemas
- ◆ Perlindungan insurans dijamin

Kami mempunyai rangkaian di seluruh negara!

Pos Ar-Rahnu Sdn. Bhd. (984811-U)
(Dahulu dikenali sebagai Bright Emerald Sdn Bhd)

Untuk maklumat lanjut sila hubungi:

PosLine | 300 300 300 | www.pos.com.my

BAHAGIAN A: LATAR BELAKANG PELANGGAN

Arahan: Sila tanda (/) jawapan tuan/puan pada kotak yang sesuai.

1. Jantina:

Lelaki

Perempuan

2. Umur: _____ tahun

3. Status perkahwinan:

Bujang

Berkahwin

4. Bangsa:

Melayu

Bukan Melayu

5. Tahap pendidikan:

Sekolah rendah

Diploma

Sekolah menengah

Ijazah

6. Pekerjaan utama:

Sektor kerajaan

Berniaga

Sektor swasta

Pelajar

Surirumah

7. Pendapatan bulanan: RM _____

8. Tempat pilihan Ar-Rahnu

Bank Kerjasama Rakyat

Agrobank

Pejabat Pos

YaPEIM

BAHAGIAN B: MAKLUMAT TENTANG AR RAHNU @ POS

Sila bulatkan jawapan anda berdasarkan skala di bawah :

<i>Sangat tidak setuju</i>	<i>Tidak setuju</i>	<i>Neutral</i>	<i>Setuju</i>	<i>Sangat setuju</i>
1	2	3	4	5

1.	Ar-Rahnu @ POS adalah selaras dengan falsafah Islam dalam menjalankan perniagaan perbankan.	1	2	3	4	5
2.	Ar-Rahnu @ POS adalah berdasarkan kepada pelaksanaan prinsip perniagaan Islam.	1	2	3	4	5
3.	Pengenalan Ar-Rahnu @ POS adalah berdasarkan kepada al-Quran dan hadis.	1	2	3	4	5
4.	Ar-Rahnu @ POS adalah bebas daripada penipuan.	1	2	3	4	5
5.	Memilih Ar-Rahnu @ POS adalah idea yang baik.	1	2	3	4	5
6.	Memilih Ar-Rahnu @ POS adalah berguna.	1	2	3	4	5
7.	Memilih Ar-Rahnu @ POS adalah berfaedah.	1	2	3	4	5
8.	Saya menghargai Ar-Rahnu @ POS.	1	2	3	4	5
9.	Ar-Rahnu @ POS adalah salah satu produk terbaik perbankan Islam.	1	2	3	4	5
10.	Ar-Rahnu @ POS adalah positif.	1	2	3	4	5
11.	Ar-Rahnu @ POS menetapkan harga yang adil bagi mereka yang berpendapatan rendah.	1	2	3	4	5
12.	Ar-Rahnu @ POS mengamalkan ibra atau diskaun untuk penebusan awal.	1	2	3	4	5
13.	Proses kelulusan Ar-Rahnu @ POS lebih baik dan cekap.	1	2	3	4	5
14.	Ar-Rahnu @ POS mengeluarkan suatu resit bagi semua urusan niaga yang dilakukan.	1	2	3	4	5
15.	Ar-Rahnu @ POS menetapkan caj perkhidmatan (upah simpan) yang berdaya saing.	1	2	3	4	5
16.	Ar-Rahnu @ POS menawarkan amaun pinjaman yang sesuai dengan keperluan.	1	2	3	4	5
17.	Ar-Rahnu @ POS menawarkan nasihat mengenai sistem pajak gadai Islam kepada pelanggan.	1	2	3	4	5

18.	Ar-Rahnu @ POS melayan secara adil pelanggan Islam dan bukan Islam.	1	2	3	4	5
19.	Proses menilai cagaran serta lelongan Ar-Rahnu @ POS adalah lebih telus (contohnya menilai cagaran, lelongan).	1	2	3	4	5
20.	Ar-Rahnu @ POS menawarkan jaminan insurans bagi setiap barang yang digadai.	1	2	3	4	5
21.	Saya berminat untuk menggunakan Ar-Rahnu @ POS.	1	2	3	4	5
22.	Saya berminat untuk menggunakan Ar-Rahnu @ POS di masa depan.	1	2	3	4	5
23.	Saya akan menggunakan Ar-Rahnu @ POS pada suatu hari nanti.	1	2	3	4	5
24.	Saya suka menggunakan Ar-Rahnu @ POS.	1	2	3	4	5
25.	Saya pasti akan mengesyorkan Ar-Rahnu @ POS kepada orang lain.	1	2	3	4	5

BAHAGIAN C: CADANGAN BERKAITAN AR-RAHNU @ POS

Saya cadangkan,

TERIMA KASIH DI ATAS KERJASAMA ANDA

APPENDIX B

- NORMALITY TEST-

APPENDIX C

-RELIABILITY TEST-

APPENDIX D

-DESCRIPTIVE TEST-

APPENDIX E

-CORRELATION TEST-

APPENDIX F

-MULTI REGRESSION TEST-

APPENDIX G

-INFERENTIAL TEST-

APPENDIX B

-NORMALITY TEST-

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
meanDV	200	100.0%	0	.0%	200	100.0%
meanSH	200	100.0%	0	.0%	200	100.0%
meanATT	200	100.0%	0	.0%	200	100.0%
meanSF	200	100.0%	0	.0%	200	100.0%
meanCS	200	100.0%	0	.0%	200	100.0%

Tests of Normality

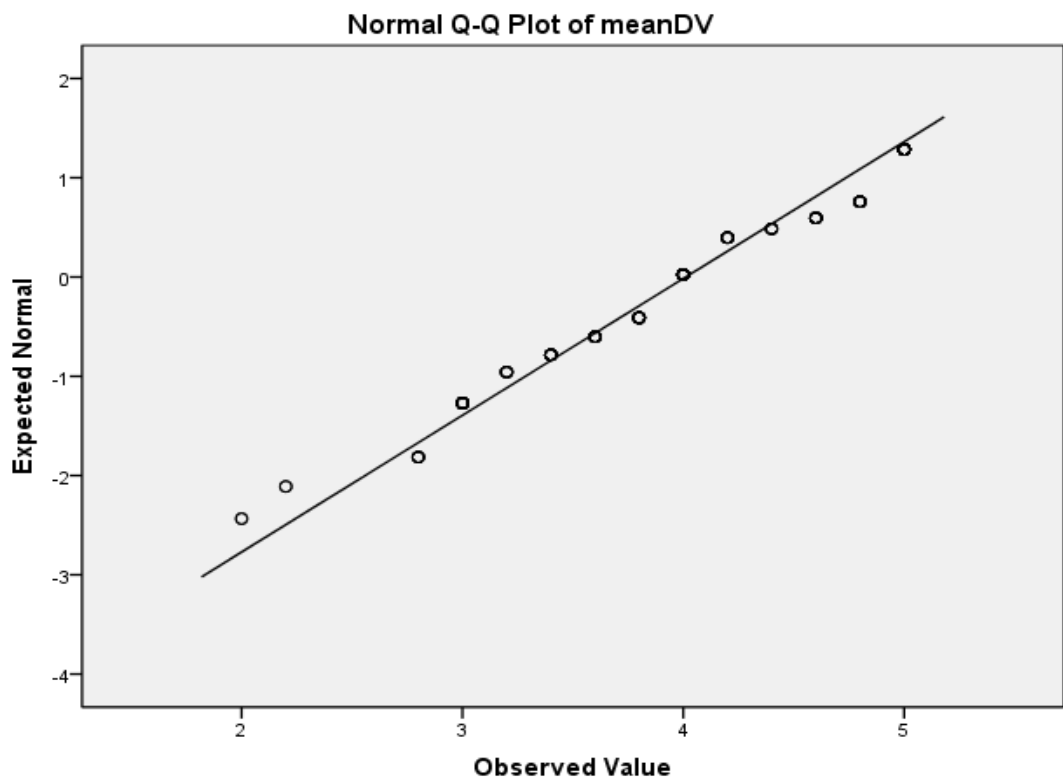
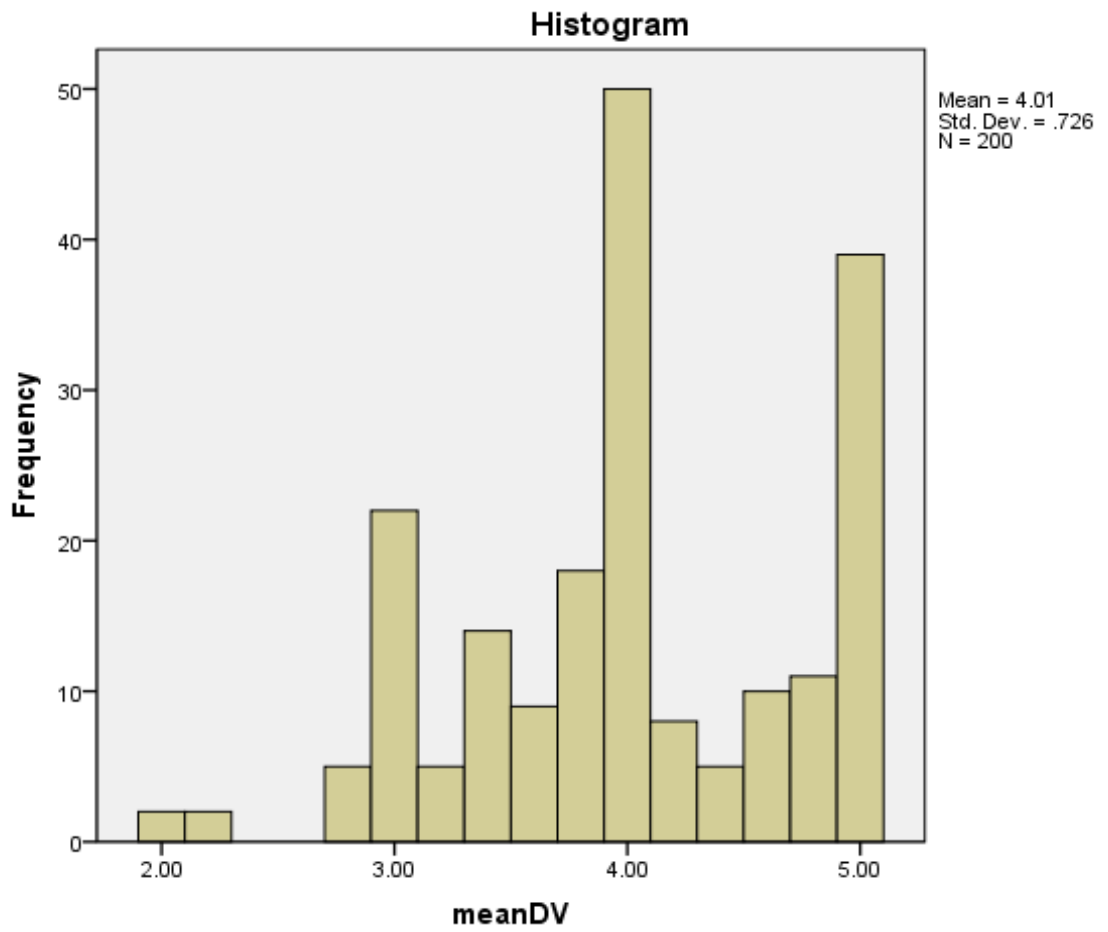
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
meanDV	.141	200	.000	.930	200	.000
meanSH	.102	200	.000	.941	200	.000
meanATT	.144	200	.000	.940	200	.000
meanSF	.138	200	.000	.956	200	.000
meanCS	.110	200	.000	.967	200	.000

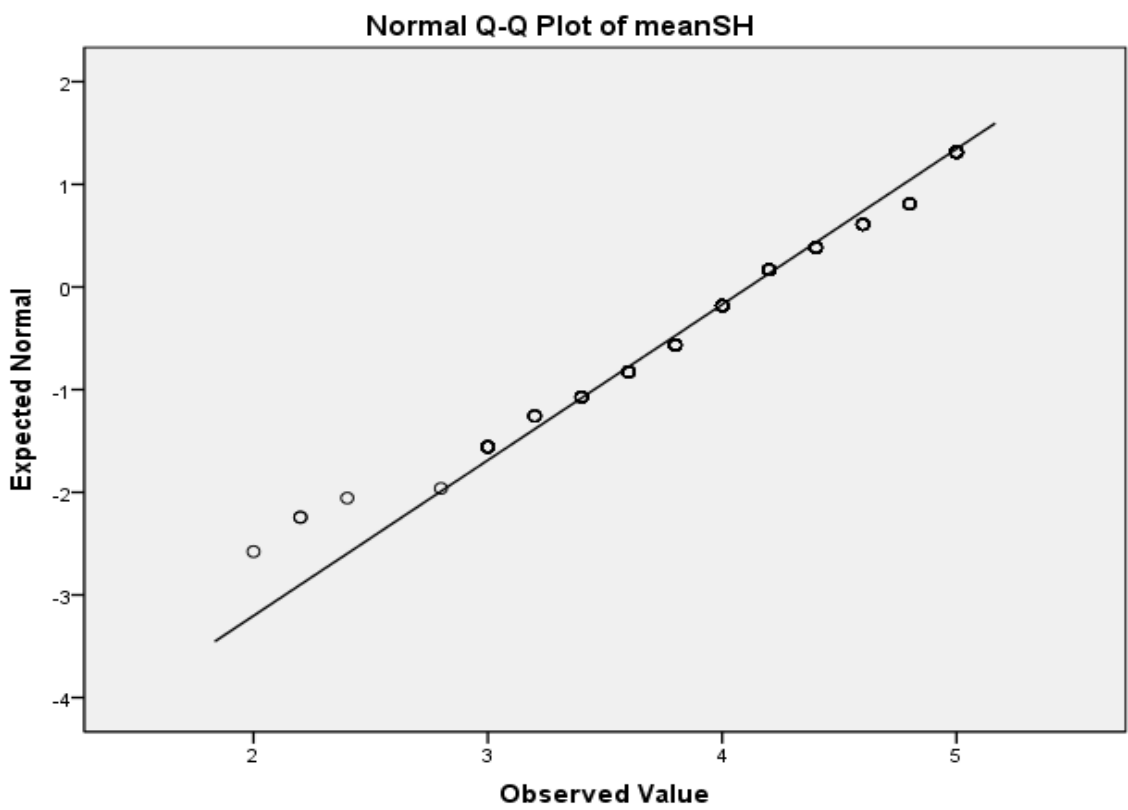
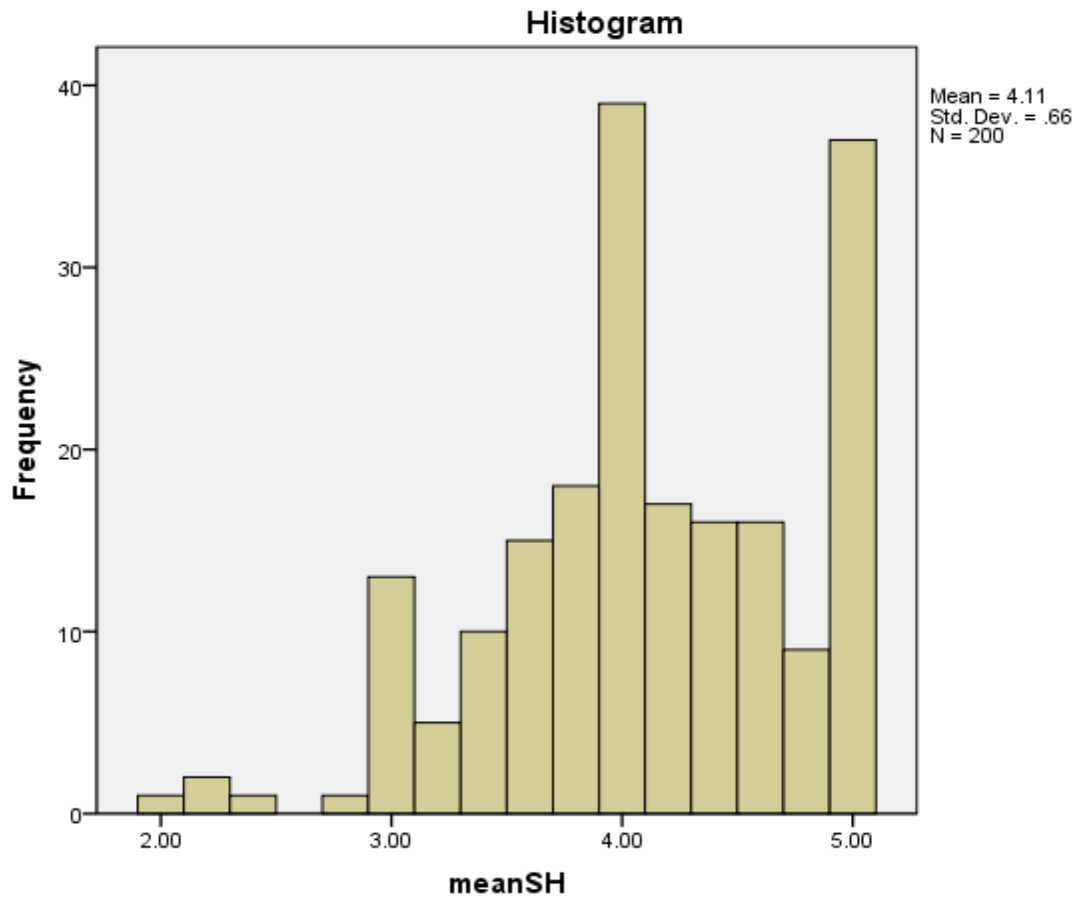
a. Lilliefors Significance Correction

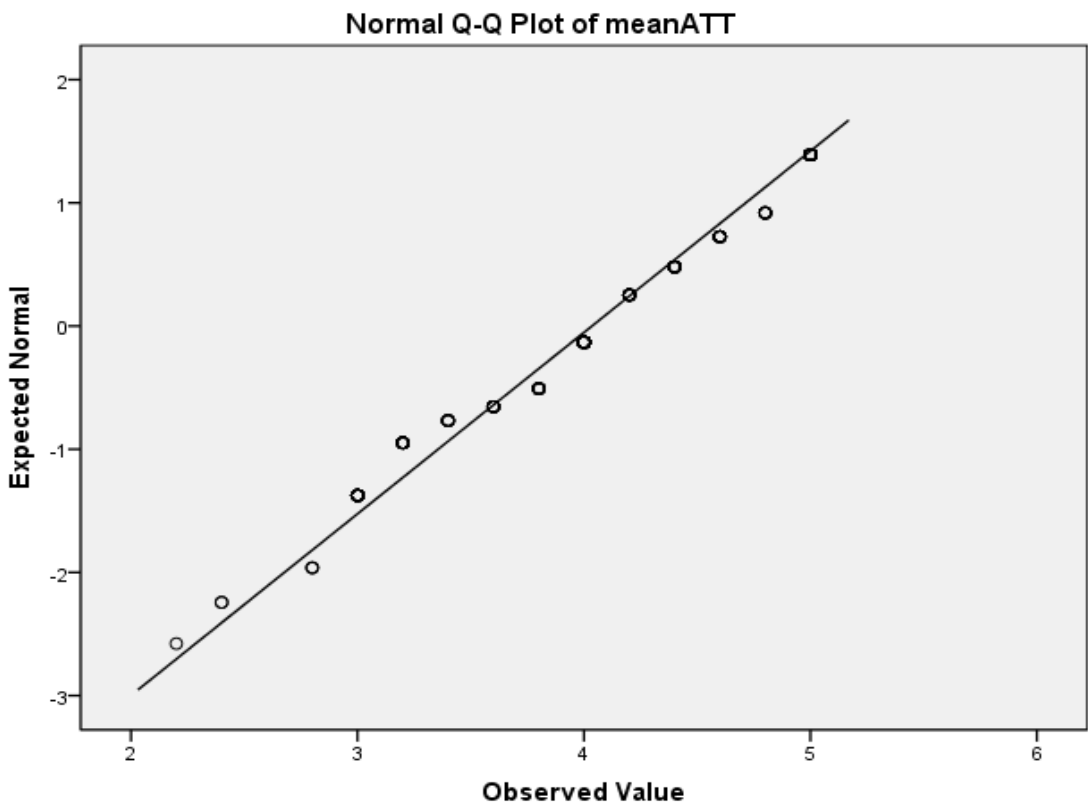
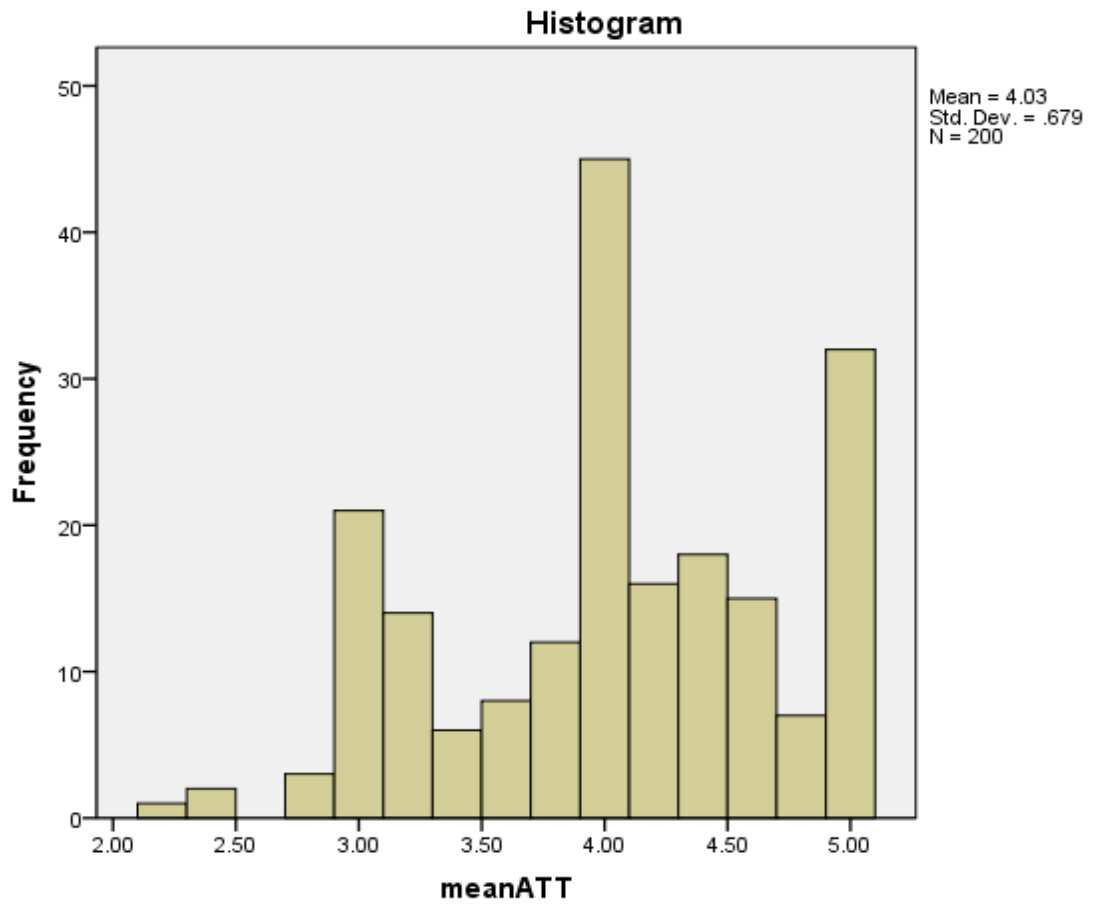
Descriptives

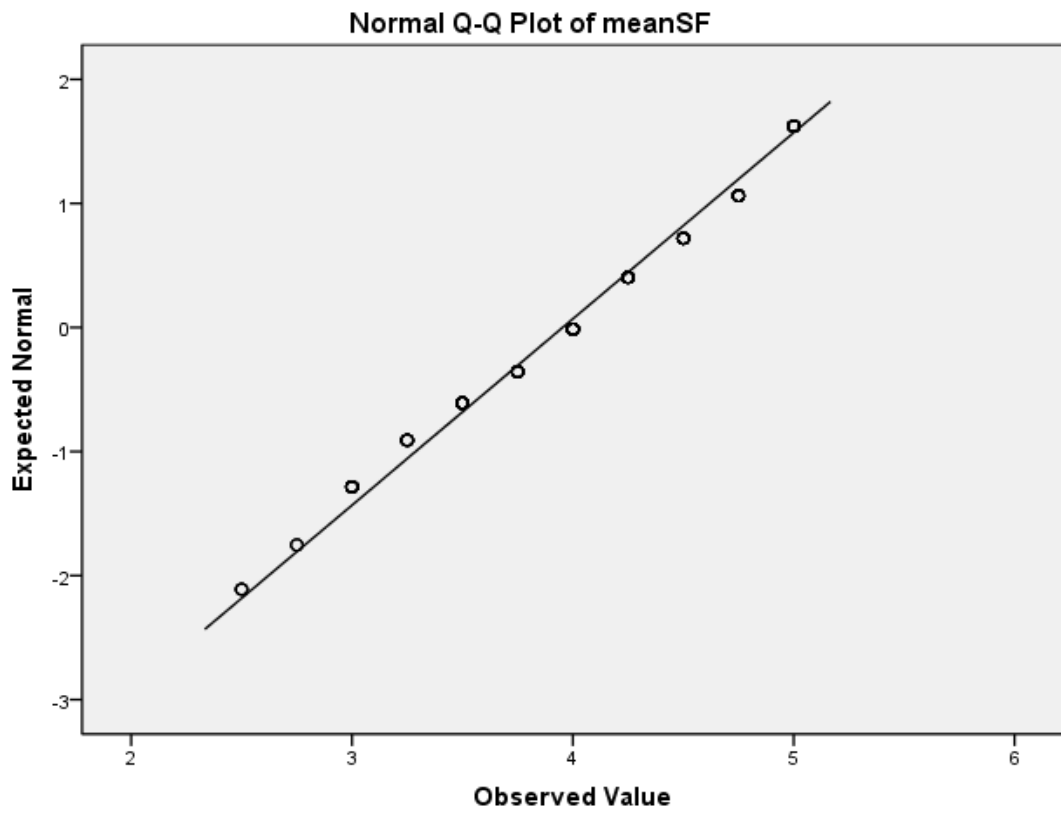
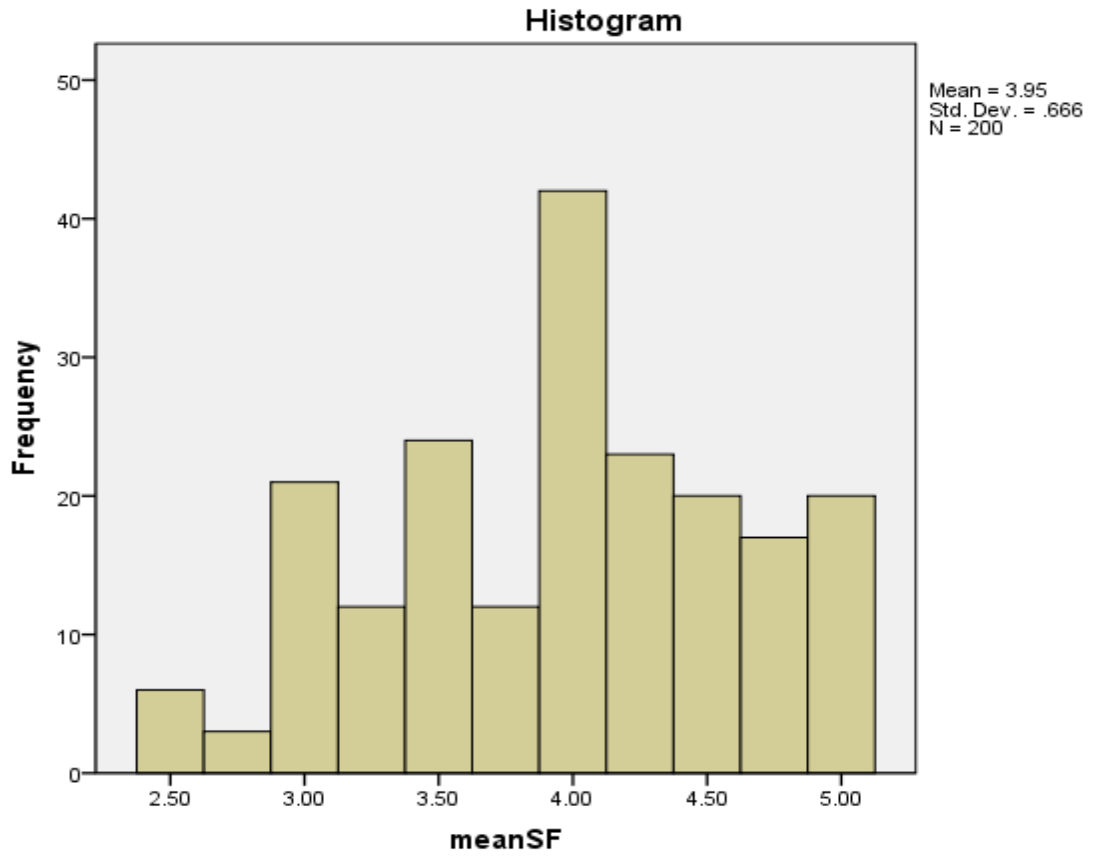
		Statistic	Std. Error
meanDV	Mean	4.0110	.05132
	95% Confidence Interval for Mean	Lower Bound 3.9098	
		Upper Bound 4.1122	
	5% Trimmed Mean	4.0378	
	Median	4.0000	
	Variance	.527	
	Std. Deviation	.72575	
	Minimum	2.00	
	Maximum	5.00	
	Range	3.00	
	Interquartile Range	1.30	
	Skewness	-.277	.172
	Kurtosis	-.521	.342
	meanSH	Mean	4.1130
95% Confidence Interval for Mean		Lower Bound 4.0210	
		Upper Bound 4.2050	
5% Trimmed Mean		4.1444	
Median		4.0000	
Variance		.435	
Std. Deviation		.65970	
Minimum		2.00	
Maximum		5.00	
Range		3.00	
Interquartile Range		.80	
Skewness		-.490	.172
Kurtosis		.001	.342
meanATT		Mean	4.0350
	95% Confidence Interval for Mean	Lower Bound 3.9403	
		Upper Bound 4.1297	
	5% Trimmed Mean	4.0533	
	Median	4.0000	
	Variance	.461	
	Std. Deviation	.67888	
	Minimum	2.20	
	Maximum	5.00	
	Range	2.80	
	Interquartile Range	1.00	
	Skewness	-.305	.172

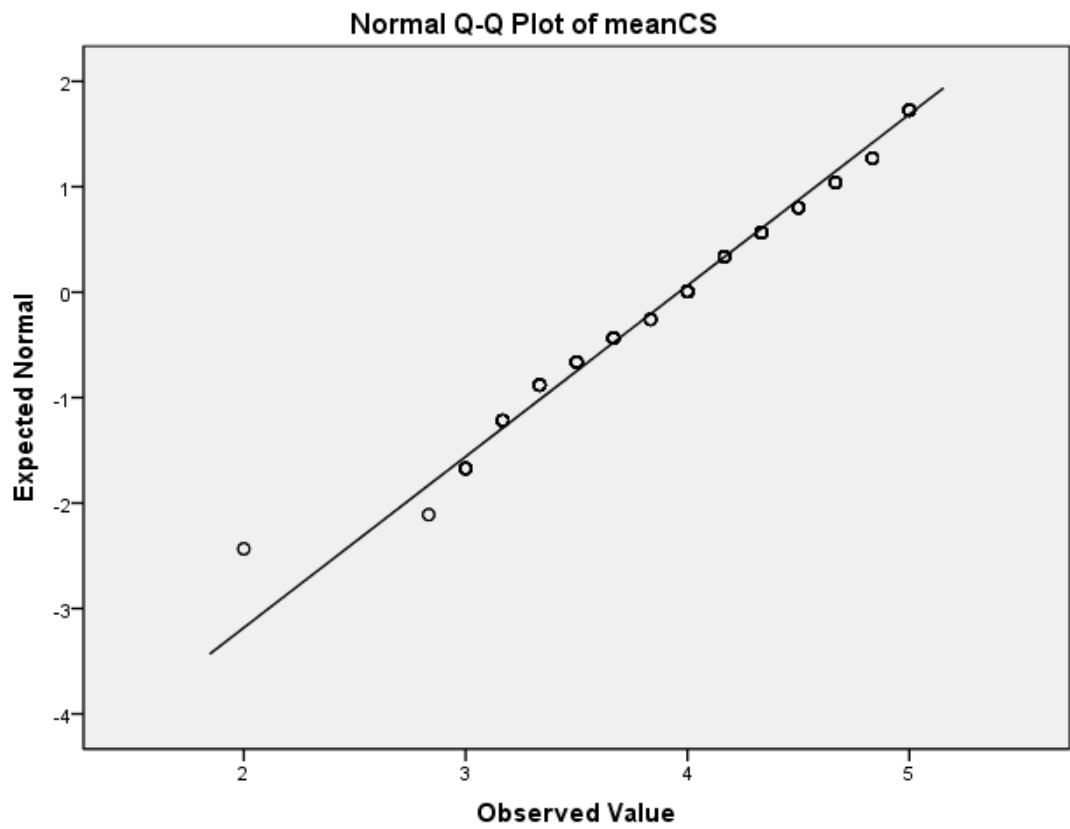
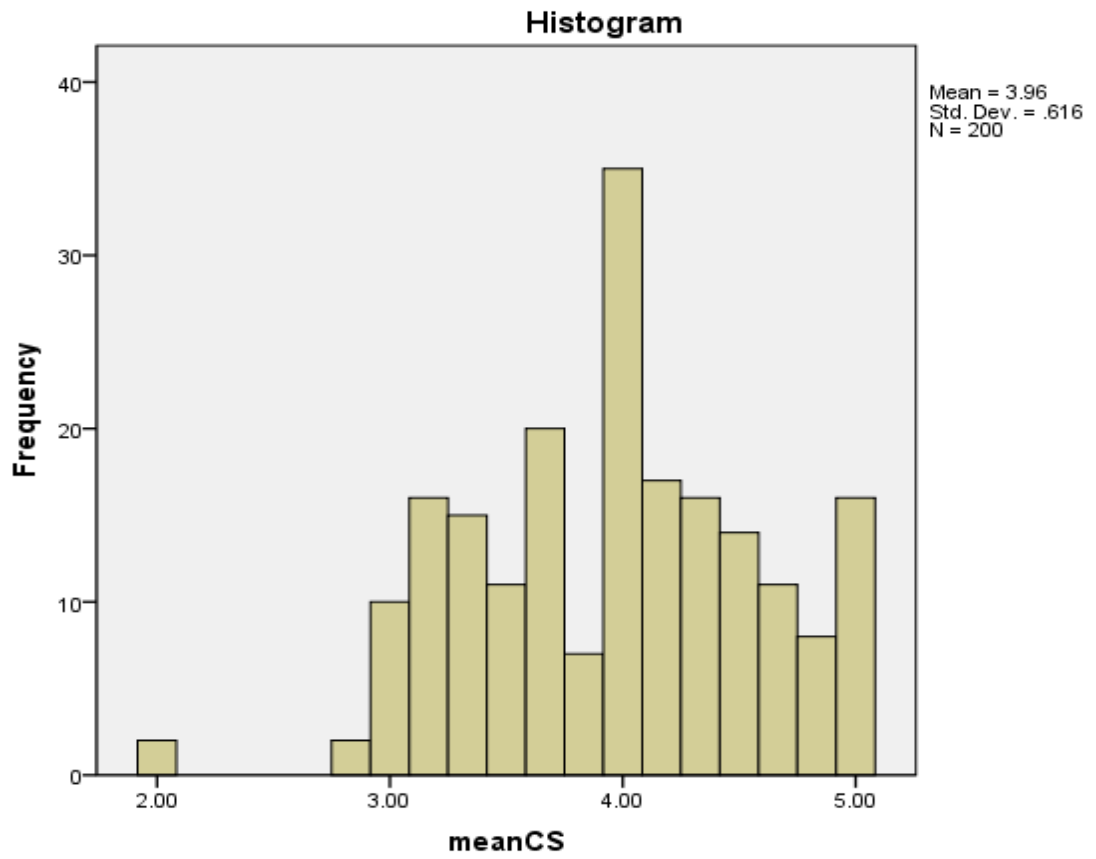
	Kurtosis		-.685	.342
meanSF	Mean		3.9538	.04709
	95% Confidence Interval for	Lower Bound	3.8609	
	Mean	Upper Bound	4.0466	
	5% Trimmed Mean		3.9694	
	Median		4.0000	
	Variance		.444	
	Std. Deviation		.66597	
	Minimum		2.50	
	Maximum		5.00	
	Range		2.50	
	Interquartile Range		1.00	
	Skewness		-.224	.172
	Kurtosis		-.750	.342
	meanCS	Mean		3.9608
95% Confidence Interval for		Lower Bound	3.8749	
Mean		Upper Bound	4.0468	
5% Trimmed Mean			3.9694	
Median			4.0000	
Variance			.380	
Std. Deviation			.61617	
Minimum			2.00	
Maximum			5.00	
Range			3.00	
Interquartile Range			.83	
Skewness			-.213	.172
Kurtosis			-.236	.342











APPENDIX C

-RELIABILITY TEST-

1. Intention to Use

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.906	.908	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
b27	16.0950	8.348	.827	.742	.872
b28	15.9900	8.834	.790	.733	.881
b29	15.9400	9.413	.692	.546	.901
b30	16.1700	8.393	.719	.597	.897
b31	16.0250	8.135	.813	.693	.875

2. Shariah View

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.895	.896	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
sh1	16.4350	7.242	.732	.575	.874
sh2	16.4250	6.989	.791	.661	.861
sh3	16.5300	7.064	.784	.638	.863
sh4	16.5050	7.156	.683	.490	.886
sh5	16.3650	7.278	.724	.567	.876

3. Attitude

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.898	.899	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
att1	16.1850	7.649	.728	.591	.879
att2	16.1550	7.539	.851	.739	.855
att3	16.1400	6.955	.807	.674	.862
att4	16.0700	7.673	.726	.560	.880
att5	16.1500	7.997	.639	.437	.898

4. Pricing

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.820	.820	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
sf1	11.8550	4.104	.690	.560	.752
sf2	12.0550	3.942	.718	.585	.738
sf3	11.8200	4.420	.592	.364	.797
sf4	11.7150	4.456	.575	.339	.805

5. Customer Service

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.883	.886	6

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
cs1	19.9400	9.504	.732	.565	.857
cs2	19.9350	9.468	.626	.442	.877
cs3	19.7750	9.582	.725	.541	.858
cs4	19.7050	10.098	.684	.521	.865
cs5	19.7350	9.844	.738	.591	.857
cs6	19.7350	9.784	.684	.501	.865

APPENDIX D

-DESCRIPTIVE TEST-

Statistics

	gender	age	mstatus	race	edulevel	jobs	income	place
N Valid	200	200	200	200	200	200	200	200
Missing	0	0	0	0	0	0	0	0
Mean	1.4950	30.7550	1.5600	1.1700	2.9700	3.4750	1402.9657	2.2050
Median	1.0000	28.0000	2.0000	1.0000	3.0000	2.0000	1000.0000	3.0000
Mode	1.00	23.00	1.00	1.00	4.00	2.00	.00	3.00
Std. Deviation	.50123	9.97560	.59003	.48193	.93996	1.92298	1678.07195	1.13553
Skewness	.020	1.161	.506	2.877	-.343	.349	1.715	.276
Std. Error of Skewness	.172	.172	.172	.172	.172	.172	.172	.172
Kurtosis	-2.020	.521	-.649	7.388	-1.053	-1.583	3.549	-.944
Std. Error of Kurtosis	.342	.342	.342	.342	.342	.342	.342	.342
Minimum	1.00	19.00	1.00	1.00	1.00	1.00	.00	1.00
Maximum	2.00	61.00	3.00	3.00	4.00	6.00	9000.00	5.00

newAge

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1.00	104	52.0	52.0	52.0
2.00	59	29.5	29.5	81.5
3.00	22	11.0	11.0	92.5
4.00	15	7.5	7.5	100.0
Total	200	100.0	100.0	

gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid MALE	101	50.5	50.5	50.5
FEMALE	99	49.5	49.5	100.0
Total	200	100.0	100.0	

race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALAY	175	87.5	87.5	87.5
	INDIA	16	8.0	8.0	95.5
	CHINESE	9	4.5	4.5	100.0
	Total	200	100.0	100.0	

mstatus

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SINGLE	98	49.0	49.0	49.0
	MARRIED	92	46.0	46.0	95.0
	WIDOW/WIDOWER	10	5.0	5.0	100.0
	Total	200	100.0	100.0	

edulevel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	PRIMARY SCHOOL	11	5.5	5.5	5.5
	SECONDARY SCHOOL	58	29.0	29.0	34.5
	DIPLOMA	57	28.5	28.5	63.0
	DEGREE	74	37.0	37.0	100.0
	Total	200	100.0	100.0	

jobs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	GOVERNMENT SECTOR	21	10.5	10.5	10.5
	PRIVATE SECTOR	81	40.5	40.5	51.0
	HOUSEWIFE	13	6.5	6.5	57.5
	PENSIONERS	18	9.0	9.0	66.5
	UNEMPLOYED	1	.5	.5	67.0
	STUDENT	66	33.0	33.0	100.0
	Total	200	100.0	100.0	

newINCOME

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	176	88.0	88.0	88.0
	2.00	20	10.0	10.0	98.0
	3.00	4	2.0	2.0	100.0
	Total	200	100.0	100.0	

place

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	B.RAKYAT	85	42.5	42.5	42.5
	AGROBANK	10	5.0	5.0	47.5
	POST OFFICE	90	45.0	45.0	92.5
	YaPEIM	9	4.5	4.5	97.0
	OTHERS	6	3.0	3.0	100.0
	Total	200	100.0	100.0	

APPENDIX E

- CORRELATION-

		Correlations				
		meanSH	meanATT	meanSF	meanCS	meanDV
meanSH	Pearson Correlation	1	.733**	.572**	.667**	.689**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	200	200	200	200	200
meanATT	Pearson Correlation	.733**	1	.511**	.723**	.698**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	200	200	200	200	200
meanSF	Pearson Correlation	.572**	.511**	1	.647**	.633**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	200	200	200	200	200
meanCS	Pearson Correlation	.667**	.723**	.647**	1	.755**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	200	200	200	200	200
meanDV	Pearson Correlation	.689**	.698**	.633**	.755**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	200	200	200	200	200

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

APPENDIX F

-MULTIPLE REGRESSION TEST-

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.816 ^a	.665	.655	.42645	1.860

a. Predictors: (Constant), meanCS, income, age, meanSF, meanSH, meanATT

b. Dependent Variable: meanDV

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	69.716	6	11.619	63.891	.000 ^a
	Residual	35.099	193	.182		
	Total	104.816	199			

a. Predictors: (Constant), meanCS, income, age, meanSF, meanSH, meanATT

b. Dependent Variable: meanDV

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.289	.232		-1.246	.214
	age	.004	.004	.049	.986	.325
	income	-9.599E-6	.000	-.022	-.445	.656
	meanSH	.213	.073	.193	2.921	.004
	meanATT	.213	.074	.199	2.882	.004
	meanSF	.209	.062	.192	3.387	.001
	meanCS	.414	.082	.352	5.042	.000

a. Dependent Variable: meanDV

APPENDIX G

INFERENCEAL TEST

Group Statistics

gender	N	Mean	Std. Deviation	Std. Error Mean
meanDV MALE	101	4.11	.737	.073
FEMAL E	99	3.91	.705	.071

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
meanDV Equal variances assumed	.169	.681	1.900	198	.059	.194	.102	-.007	.395
Equal variances not assumed			1.901	197.881	.059	.194	.102	-.007	.395

Group Statistics

age	N	Mean	Std. Deviation	Std. Error Mean
meanDV 0-29	113	3.91	.746	.070
30 and above	87	4.14	.682	.073

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
meanDV Equal variances assumed	.072	.789	-2.191	198	.030	-.225	.103	-.427	-.022
Equal variances not assumed			-2.217	192.269	.028	-.225	.101	-.425	-.025

Group Statistics

mstatus	N	Mean	Std. Deviation	Std. Error Mean
meanDV SINGLE	108	3.85	.735	.071
MARRIED	92	4.20	.669	.070

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
meanDV Equal variances assumed	.002	.962	-3.579	198	.000	-.358	.100	-.555	-.161
Equal variances not assumed			-3.606	197.098	.000	-.358	.099	-.554	-.162

Group Statistics

race	N	Mean	Std. Deviation	Std. Error Mean
meanDV MALAY	175	4.04	.707	.053
NON-MALAY	25	3.81	.832	.166

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means							
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference		
								Lower	Upper	
meanDV	Equal variances assumed	2.269	.134	1.500	198	.135	.232	.155	-.073	.537
	Equal variances not assumed			1.328	29.173	.194	.232	.175	-.125	.589

Group Statistics

income	N	Mean	Std. Deviation	Std. Error Mean
meanDV 0.00 - 3000.00	177	4.01	.713	.054
3001.00 and above	23	3.99	.837	.174

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
meanDV Equal variances assumed	2.482	.117	.138	198	.890	.022	.161	-.296	.340
Equal variances not assumed			.122	26.316	.904	.022	.182	-.353	.397

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.816 ^a	.665	.655	.42645	1.860

a. Predictors: (Constant), meanCS, income, age, meanSF, meanSH, meanATT

b. Dependent Variable: meanDV

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	69.716	6	11.619	63.891	.000 ^a
	Residual	35.099	193	.182		
	Total	104.816	199			

a. Predictors: (Constant), meanCS, income, age, meanSF, meanSH, meanATT

b. Dependent Variable: meanDV

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.289	.232		-1.246	.214
	age	.004	.004	.049	.986	.325
	income	-9.599E-6	.000	-.022	-.445	.656
	meanSH	.213	.073	.193	2.921	.004
	meanATT	.213	.074	.199	2.882	.004
	meanSF	.209	.062	.192	3.387	.001
	meanCS	.414	.082	.352	5.042	.000

a. Dependent Variable: meanDV

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
edulevel	Between Groups	24.640	13	1.895	2.332	.007
	Within Groups	151.180	186	.813		
	Total	175.820	199			
jobs	Between Groups	74.867	13	5.759	2.901	.001
	Within Groups	369.213	186	1.985		
	Total	444.080	199			
place	Between Groups	15.151	13	1.165	1.014	.439
	Within Groups	213.724	186	1.149		
	Total	228.875	199			

Descriptives

		N	Mean	Std. Deviation	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
edulevel	2	2	4.00	.000	4.00	4.00	4	4
	2	2	3.00	1.414	-9.71	15.71	2	4
	3	5	3.40	1.342	1.73	5.07	1	4
	3	22	2.82	1.053	2.35	3.28	1	4
	3	5	4.00	.000	4.00	4.00	4	4
	3	14	3.07	.917	2.54	3.60	2	4
	4	9	2.56	.527	2.15	2.96	2	3
	4	18	3.67	.686	3.33	4.01	2	4
	4	50	2.82	.941	2.55	3.09	1	4
	4	8	3.13	.835	2.43	3.82	2	4
	4	5	2.60	.548	1.92	3.28	2	3
	5	10	2.60	1.075	1.83	3.37	1	4
	5	11	2.55	.934	1.92	3.17	1	4
	5	39	2.97	.873	2.69	3.26	1	4
	Total	200	2.97	.940	2.84	3.10	1	4
jobs	2	2	5.00	.000	5.00	5.00	5	5
	2	2	4.00	1.414	-8.71	16.71	3	5
	3	5	5.00	.000	5.00	5.00	5	5
	3	22	3.50	1.439	2.86	4.14	2	5
	3	5	2.80	2.049	.26	5.34	1	5
	3	14	3.29	1.437	2.46	4.12	2	5
	4	9	2.89	1.269	1.91	3.86	2	5
	4	18	4.00	1.572	3.22	4.78	1	5
	4	50	2.94	1.391	2.54	3.34	1	5
	4	8	3.88	1.553	2.58	5.17	1	5
	4	5	2.40	.548	1.72	3.08	2	3
	5	10	3.50	1.841	2.18	4.82	1	5
	5	11	2.73	1.555	1.68	3.77	1	5
	5	39	2.44	1.231	2.04	2.83	1	5
	Total	200	3.14	1.494	2.93	3.35	1	5

place	2	2	1.00	.000	1.00	1.00	1	1
	2	2	3.00	.000	3.00	3.00	3	3
	3	5	2.80	1.095	1.44	4.16	1	4
	3	22	1.91	1.109	1.42	2.40	1	4
	3	5	2.00	1.414	.24	3.76	1	4
	3	14	2.07	1.207	1.37	2.77	1	4
	4	9	2.56	1.333	1.53	3.58	1	4
	4	18	2.28	.958	1.80	2.75	1	3
	4	50	2.06	1.058	1.76	2.36	1	4
	4	8	2.63	1.061	1.74	3.51	1	4
	4	5	2.40	.894	1.29	3.51	1	3
	5	10	2.20	1.033	1.46	2.94	1	3
	5	11	1.73	1.104	.99	2.47	1	4
	5	39	2.33	1.009	2.01	2.66	1	4
Total		200	2.17	1.072	2.03	2.32	1	4