A STUDY ON DETERMINANTS OF CUSTOMER'S INTENTION TO USE i-ASLAH

By

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ABSTRAK


Katakunci: pembiayaan peribadi, niat pelanggan, kadar faedah, pengaruh sosial, imej korporat.
ABSTRACT

The aim of this study was to examine the factors that can influence customers’ intention to use i-Aslah, in case of Bank Rakyat, Pasir Mas. Besides, it was also conduct to identify what is the most preferred factor that influences customers’ intention to use i-Aslah personal financing at Bank Rakyat Pasir Mas. A number of variables which are interest rate, social influence and corporate image have been examined as potential factors influencing customer’s intention to use i-Aslah. The sample comprised of 100 customers of Bank Rakyat Pasir Mas and the data were obtained through a questionnaire. The researcher manages to get 100% response rate. The data collected was then tested on its frequency, reliability analysis, correlation and regression analysis. The study found that all the three variables interest rate, social influence and corporate image to be significant. The most important factor in influencing the intention to use i-Aslah is social influence. The limitation of the study is the narrow focus of the survey on the customers from only 1 branch. Despite of the limitations, the findings of this study provide recommendations which can help the management of Bank Rakyat to improve their image and reputation. The bank needs to focus on the quality of the services they are rendering to clients in order to retain their current customers and to attract new customers.

Keywords: personal financing, customer intention, interest rate, social influence, corporate image.
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CHAPTER 1
INTRODUCTION

1.0 Introduction

According to Investopedia.com (retrieved, 2014) islamic banking is a banking system that is based on the *Shariah*, ideology of Islamic law and steered by Islamic economics. Furthermore, the collection and payment of interest, sharing of profit and loss, collecting interest is not acceptable under Islamic law.

Islamic financial sector introduces Islamic banking as a component to generate the growth of economic, beside Islamic capital market, takaful (Islamic insurance) and mutual fund. The earliest Islamic bank in Malaysia was in 1983. In 1993, some of the financial organizations started to use the Islamic Banking Scheme (IBS banks) to propose Islamic banking products and services. The funds and activities transactions that come from the Islamic banking have been separated from the conventional banking by IBS banks (Sudin Haron, 1999).

1.1 Background of the Study

Shariah Committees has been established by all Islamic and IBS banks. Its function is to lead them to Shariah matters and to check what is in line with Shariah. This is to guarantee the standardization in views and practices. The members of the Shariah Committees and the Shariah Advisory Council are academicians and Shariah experts in Islamic banking and finance (Sudin Haron, 1999).
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BIBLIOGRAPHY


Raymond A.K. Cox is Professor of Finance at Central Michigan University. *Review of Marketing*, (1990), American Marketing Association, Chicago, IL.


Rose M. Prasad is Associate Professor of Finance at Central Michigan University.


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