THE DETERMINANTS OF USING ISLAMIC FINANCIAL PRODUCTS BY RESIDENTS IN MELAKA TENGAH

MUHAMMAD ALIFF BIN ABU BAKAR

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

THE DETERMINANTS OF USING ISLAMIC FINANCIAL PRODUCTS BY RESIDENTS IN MELAKA TENGAH

MUHAMMAD ALIFF BIN ABU BAKAR

A report submitted

in partial fulfillment of the requirements for the degree of

**Bachelor of Technology Management (High Technology Marketing)**

Faculty of Technology Management and Technopreneurship

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

FEBRUARY 2024

DECLARATION

I declare that this thesis entitled "THE DETERMINANTS OF USING ISLAMIC FINANCIAL PRODUCTS BY RESIDENTS IN MELAKA TENGAH" is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in the candidature of any other degree.
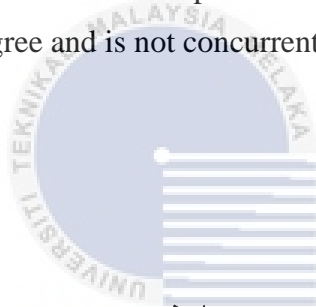
SIGNATURE: اليف

NAME: MUHAMMAD ALIFF BIN ABU BAKAR

DATE: ____16 JANUARY 2024_____

APPROVAL

I hereby declare that I have checked this report entitled "THE DETERMINANTS OF USING ISLAMIC FINANCIAL PRODUCTS BY RESIDENTS IN MELAKA TENGAH" and in my opinion, this thesis complies with the partial fulfillment for awarding the award of the degree of Bachelor of Technology Management (High Technology Marketing).

SIGNATURE:

SUPERVISOR'S NAME: <u>DR NOR AZAH BINTI ABDUL AZIZ</u>

 DATE: __16 JANUARY 2024_____

SIGNATURE:

PANEL'S NAME: <u>DR ATHIRAH BINTI SUFIAN</u>

 DATE: _____16 JANUARY 2024_____

DEDICATIONS

This entire project is dedicated to my mother Anita Binti Ismail, who has been my biggest supporter and able to give me her wisdom and ideas for this project until it was completed, and to my father, Abu Bakar Bin Mohamad, who has also been my biggest supporter alongside my mother, giving me encouragement, raising me up back again when I was having drawbacks and showed me that every difficulty has its ending. I have poured my very soul into this project, and it could not be done without my supervisor, Dr. Nor Azah Binti Abdul Aziz, who pushed me into finishing this project successfully. Although I had some minor drawbacks, my enthusiasm for finishing this project has never lacked and I had most determined to make it as perfect as possible. Adding to that, I am also grateful for my friends who have stuck by me, finishing their own projects, and giving encouragement and hope to each other that helped me finish my paper successfully.

ACKNOWLEDGMENT

First and foremost, I am thankful and most grateful to Allah, the Almighty, thank you for your abundance of guidance, strength, and health for making me accomplish this project. With his permission, I can finish my paper and complete my final-year project with ease. In preparing this report, I was in contact with many people, researchers, academicians, and practitioners. They have contributed to my understanding and thought. I wish to express my sincere appreciation to my main project supervisor, Dr. Nor Azah Binti Abdul Aziz, for their encouragement, guidance critics, and friendship. I am also very thankful to my panels, Puan Hartini Binti Azman and Dr. Athirah Binti Sufian for their guidances, pieces of advice, and motivation. Without their continued support and interest, this project would not have been the same as presented here. I am also indebted to my Faculty of Technology Management and Technopreneurship and University Technical Malaysia, Melaka (UTeM). My fellow postgraduate students should also be recognized for their support. My sincere appreciation also extends to all my colleagues and others who have helped on various occasions. Their views and tips are useful indeed. Unfortunately, it is not possible to list all of them in this limited space. I am grateful for all my family members.

ABSTRACT

This final-year project's goal is to look at what influences Melaka Tengah inhabitants' adoption of Islamic financial products. This study looks at how well Islamic financial goods predict individual behaviour toward the intention to utilize Islamic financial products using a modified Theory of Planned Behaviour. A total of 388 questionnaires were given; however, 384 were required to gather data. TPB theory was applied to the data analysis. The results demonstrated the explanatory and predictive value of attitude, social norms, perceived behavioural control, and the usage of Islamic financial goods in predicting an individual's propensity to use Islamic financial products. By offering insights into the topic matter in emerging economies, where financial services are being localized and humanized to better serve clients, this study adds to the body of literature already in existence. This study looks at how the Theory of Planned Behaviour (TPB) affects Melaka Tengah, Melaka residents' adoption of Islamic financial products. The study focuses on the variables that influence the adoption of Islamic financial products and how these variables relate to one another. Financial institutions in Malaysia employ Islamic products such as Islamic banking, Islamic finance, Islamic capital products, and Takaful. Strategic innovation offers Islamic financial institutions a large potential for revenue development and a competitive advantage through, among other things, the production of at least some new knowledge and skills (Katila and Ahuja, 2002). To create economic value, new ideas must be implemented and communicated to clients (Lyonsetal, 2007).

Keywords:

Islamic, Theory of Planned Behaviour, Intention, Individual Behaviour

ABSTRAK

Matlamat projek tahun akhir ini adalah untuk menyiasat penentu penggunaan produk kewangan Islam oleh penduduk di Melaka Tengah. Ini menyiasat kuasa ramalan produk kewangan Islam pada Teori Tingkah Laku Terancang yang diubah suai, yang akhirnya membawa kepada tingkah laku individu terhadap niat untuk menggunakan produk kewangan Islam. Tiga ratus sembilan puluh lapan soal selidik telah diedarkan, dengan 384 diperlukan untuk pengumpulan data. Data dianalisis menggunakan teori TPB. Dapatan kajian menunjukkan bahawa sikap, norma sosial, kawalan tingkah laku yang dirasakan, dan penggunaan produk kewangan Islam mempunyai kuasa penjelasan dan ramalan untuk meramalkan niat individu untuk melaksanakan produk kewangan Islam. Kajian ini memanjangkan literatur sedia ada dengan memberikan pandangan tentang subjek dalam pasaran baru muncul, kerana perkhidmatan kewangan dimanusiakan dan disetempatkan untuk memberi perkhidmatan yang lebih baik kepada pelanggan. Kajian ini menyiasat kesan Teori Tingkah Laku Terancang (TPB) terhadap penggunaan produk kewangan Islam di Melaka Tengah, Melaka. Penyelidikan memfokuskan kepada penentu dan hubungan antara faktor-faktor ini dengan penggunaan produk kewangan Islam. Produk Islam yang digunakan oleh institusi kewangan Malaysia termasuk Takaful, produk modal Islam, perbankan Islam, dan pembiayaan Islam. Melalui proses inovasi strategik, yang antara lain memerlukan penciptaan sekurang-kurangnya beberapa pengetahuan dan kemahiran baru, institusi kewangan Islam mempunyai potensi yang besar untuk pertumbuhan hasil dan boleh memperoleh kelebihan daya saing

(Katila dan Ahuja, 2002). Konsep-konsep baru mesti dilaksanakan dan dikongsi dengan pelanggan untuk menghasilkan nilai ekonomi (Lyonsetal, 2007).

Kata Kunci:

Islam, Teori Tingkah Laku Terancang, Niat, Tingkah Laku Individu.

TABLE OF CONTENT

LIST OF TABLES

LIST OF FIGURES

LIST OF ABBREVIATIONS

IFSB	**Islamic Financial Services Board**
TRA	**Theory Reasoned Action**
TPB	**Theory Planned Behavior**
A	**Attitude**
SN	**Subjective Norm**
PBC	**Perceived Behavioural Control**
BH	**Intention Behavior**

CHAPTER 1

INTRODUCTION

1.0 Introduction

This chapter explains the introduction and the background of the study, the problem statement, the research question, the research objective, the scope limitations of the study, the significance of the study, and the summary of this whole chapter.

1.1 Background of the Study

Nowadays, one of the fastest-expanding segments of the global finance sector is Islamic financing. According to the IFSB's (2020) study, the worldwide Islamic financial services business has assets of around $2.44 trillion. On the one hand, it is highly remarkable how quickly the Muslim population will increase over the next 20 years. Abdul Qawi and Lynn (2001) stated that Islamic banking is seen as a financial idea that completely complies with Islamic "Shariah" law and has innovative and forward-thinking financial engineering where it offers efficient and competitive banking, trade finance, investment, commercial, and real estate financing services. There are now 17 Islamic banks functioning in Malaysia that follow the Islamic banking system, according to data made public by Bank Negara Malaysia. Islamic product includes Islamic banking, Islamic financing, Takaful, and Islamic capital product that has been used in Malaysian finance institution.

Malaysia is a potential hub for Islamic financial services on the global scene, given its reputation as a thriving and developing industry (Lo & Leow, 2014). According to Amin et al. (2011), Islamic financial goods and services are available across the nation, providing a range of facilities and services to meet the financial demands of both Muslim and non-Muslim clients. In light of the existing theoretical framework and empirical data about the correlation between perceptions and behavioural intention, it is considered imperative to examine individual intentions to utilise Islamic financial goods and services in emerging countries. Non-Muslims are allowed to enjoy these goods and services as well; their application is not restricted to Muslims alone.

1.2 Problem Statement

This study explores and examines the impact of Islamic financial products on reducing the cost of living. This is because according to Qorchi (2005), Islamic banks can operate with a great deal of flexibility and offer a variety of Islamic financial products for customers to choose from thanks to various Islamic financial facilities like the well-applied ijarah (leasing), mudharabah (profit sharing), and musyarakah (partnership) rather than interest (riba) from financial transactions. However, the prohibition of riba is supported as an ethically sound economic practice that is socially and economically equitable. When the creditor is guaranteed a positive fixed profit without sharing the debtor's risk and the debtor is required to assume all possible risks in addition to his own efforts and competence, this is referred to as inequality.

Specifically in this paper, we try to understand that riba is a critical issue for our financial institution in Malaysia. The Quran specifically declares in verse 275 of chapter 2 that "... God has allowed trade and forbidden riba." However, the ulama (Islamic scholars) are still divided on the issue of whether the interest rates offered by regular banks are comparable to riba or not. Without a doubt, the main causes of the current financial crisis are riba (interest and usury) and maysir (gambling and speculative activities akin to

gambling). The current financial crisis could not have occurred if Islam's ban on riba and maysir, together with Islamic values and morality, and the recognition of others' interests in one's economic success, had been followed.

Nonetheless, one of the issues the sector is now facing is changing the public's perspective. Specifically, it may still be said that there is a lack of public knowledge and comprehension of Islamic financial concepts, which limits the industry's ability to reach its full potential for expansion. Moreover, many non-Muslims are reluctant to use Islamic financial goods and services since they are sometimes misunderstood as being available to and exclusive to Muslims. Furthermore, research has indicated that they may not have a good knowledge of Islamic banking (Thambiah et al., 2011).

The objective of this research study is to find out how the determinants to use of Islamic financial products in Malaysia generally. In addition, the goal of the study is to identify the relationship between to investigate how the factor that determines to use of Islamic financial products is affected by Islamic financial products.

1.3 Research Questions

One of the important steps in the research process is the development of research questions. A research question is an answerable inquiry that summarizes the problems that the research will study. It is the fundamental core of research which guides all stages of the research process from identifying the problem to reporting the results. The research questions of this research were:

1. What are the determinants of using Islamic financial products by residents in Melaka Tengah?

2. What is the relationship between the determinants of using Islamic financial products and the intention to use by residents in Melaka Tengah?

3. What is the most significant factor that determines to using of Islamic financial products by residents in Melaka Tengah?

1.4 Research Objectives

Research objectives are the goals that we aim to achieve through the research. A research objective is a simple, concise, declarative sentence that provides ways to analyze the variables in research. The research objectives of this research were:

1. To investigate the determinants of using Islamic financial products by residents in Melaka Tengah.

2. To analyze the impact of determinants of using Islamic financial products by residents in Melaka Tengah.

3. To examine the most significant factor that determines to use of Islamic financial products by residents in Melaka Tengah.

1.5 Scope of Study

This study aims to investigate the most significant Islamic financial product that helps consumers by using the Theory of Planned Behaviour (TPB). The justification for this is the concentration on people in public specification areas in Melaka Tengah, Melaka. The location for this research is Melaka. This research wants to identify the effect of determinants on to use of Islamic financial products. The aspects of the relationship between the determinants of using Islamic financial products and the intention to use are important in this research to know about the behavior of users using Islamic financial products. This research is open to all people who live in Melaka Tengah as a respondent

as long it uses Islamic financial products in daily transactions. The surveying method is used in this study.

1.6 Theoretical Significance

The research is significant in terms of its theoretical and practical contribution to the existing body of research knowledge. The theoretical contribution such as the academic support of the Theory of Planned Behaviour (TPB) used to propose a research framework contributes to the body of knowledge. A study by Md Husin, et. Al (2016) used TPB to understand the individual behavioral intention to participate in the family takaful scheme which validated the TPB model. The study discovers that all predictors of the TPB are statistically significant, demonstrating the parsimony of the theory in the Islamic finance context. However, an extensive search of the literature failed to reveal an empirical study that deals directly with factors relating to user acceptance and behavior intention to use Islamic financial products, especially in Malaysia.

Due to the lack of prior research on this study area, a two-stage research design is proposed for this study. Stage one consists of a literature review to explore and identify a suitable theoretical framework for this study. In stage two, an online survey will be conducted to gather data to test the hypothesis. The methodological insight used in this study will contribute to the body of research knowledge in Malaysia.

In addition, the findings of this study also impact many sectors, especially Islamic financial products. The main practical contributions are as follows: First, the research can offer useful perspectives and suggestions on utilizing Islamic financial products to lower living expenses. It can guide the creation of laws and policies that encourage the expansion of Islamic finance and its ability to improve access to affordable housing, healthcare, and other basic services. Second, the study's conclusions may encourage new ideas in the Islamic finance sector. Financial institutions can find ways to offer fresh products or

enhance already existing ones to better help people and communities deal with the issues posed by rising costs of living. This could result in the development of creative financial solutions that adhere to Islamic teachings and help cut costs. Third, the study may increase consumer understanding of Islamic financial products and their potential to lower costs of living. People can choose Islamic finance products that fit their values and financial objectives by actively looking for them and making more educated financial decisions. This can help individuals take control of their money and enhance their overall financial health. Lastly, the research's implications for reality can provide insight into the social and economic effects of Islamic financial products. It can show how these goods aid in eradicating poverty, distributing wealth, and promoting sustainable development. This information can compel interested parties to advocate and fund Islamic finance more vigorously in order to alleviate socioeconomic problems.

1.7 Operational Definitions

Islamic financial product is a form of banking and finance that adheres to Islamic law and has unique goods, services, and contracts that set them apart from traditional banking. Islamic financial products and instruments emphasize equity and various forms of profit- and loss-sharing. Mudharabah (profit sharing), Wadiah (safekeeping), Musharakah (joint venture), Murabahah (cost plus financing), Ijar (lease), Hawala (an international fund transfer mechanism), Takaful (Islamic insurance), and Sukuk (Islamic bonds) are a few examples of Islamic financial instruments. Adapting to Admin (2022) that Islamic financial products can be categorized into three basic groups which are semi-debt-based, equity-based, and debt-based. World Bank Group. (2017) defines that Islamic money has become a powerful tool for funding global development, particularly in nations that are not Muslim. Major financial markets are finding convincing evidence that Islamic banking has already gained traction in the world's financial system and that it has the

capacity to assist address the issues of eradicating extreme poverty and fostering shared prosperity.

Murabaha is a type of Islamic financing structure that is commonly used in Islamic finance. It is a sale transaction where the cost of acquiring the asset and the profit to be added are disclosed to the client. Young, J. (2020) stated the purchase and selling prices are known to both parties, and the markup takes the place of interest, which is illegal in Islamic law. Murabaha | islamic-banking.com. (2023) shows the seller declares the cost and profit, and the buyer pays the cost plus the profit. Then, the word Murabaha is derived from the Arabic word Ribh, which means profit. Murabaha is not an interest-bearing loan but is an acceptable form of credit sale under Islamic law by Young, J. (2020). The purchaser does not become the true owner until the loan is fully paid, and the repayment is typically in installments. According to Financing: Murabahah. (2017) examined that Murabaha is widely used to finance diverse sectors, and it is the most popular and most common mode of Islamic financing. In Murabaha, the bank purchases a commodity on behalf of the customer, which is then sold to the customer on a cost-plus-profit basis.

Mudarabah is a type of business contract in Islamic finance where one party brings capital and the other personal effort. According to Mudarabah | islamic-banking.com. (2023). The financier is known as 'rabal-maal' and the entrepreneur as 'mudarib'. Wikipedia contributors. (2023) is a partnership where one party provides the capital while the other provides labor and both share in the profits. The party providing the capital is called the rabb-ul-mal ("silent partner", "financier"), and the party providing labor is called the mudarib ("working partner"). According to Mudaraba | Practical Law. (n.d.) that stated mudarib must invest the funds on a Sharia-compliant basis, and the funds cannot be invested in prohibited (haram) products or activities such as tobacco, alcohol, or gambling. Wikipedia contributors. (2023) stated the mudarib earns a fee that is deducted from any profits for managing the funds or business, and the parties share in any profits according

to a pre-agreed ratio. Admin. (2022) Mudarabah is widely used to structure bank deposit accounts, and it is also used in combination with other Islamic financial contracts.

Takaful is a type of Islamic insurance based on the principles of cooperation, shared responsibility, and risk distribution. According to Kagan, J. (2021), Takaful is a cooperative insurance system where members contribute a certain sum of money to a common pool to guarantee each other against loss or damage. Takaful policies cover health, life, and general insurance needs. Takaful is based on Sharia or Islamic religious law, which explains how individuals are responsible to cooperate and protect one another. (Islamic Insurance) (2015) made a Takaful a form of mutual assistance (Ta'awun) in furthering good virtues by helping others who are in need or in hardship. Takaful, on the other hand, is based on a tabarruʿ (cooperation) contract, which is not subject to the same rules (EY, 2013).

Sukuk is an Islamic financial certificate that is like a bond in Western finance, but it complies with Islamic religious law commonly known as Sharia. Ganti, A. (2022) showed Sukuk involves direct asset ownership interest, while bonds are indirect interest-bearing debt obligations. The issuer of a Sukuk essentially sells an investor group a certificate and then uses the proceeds to purchase an asset that the investor group has a direct partial ownership interest (Ganti, A., 2022). The issuer must also make a contractual promise to buy back the bond at a future date at par value (Ganti, A., 2022). Wikipedia contributors. (2023a), Sukuk is an alternative to conventional bonds, which are forbidden in Islamic finance because Sharia prohibits lending with interest payments (riba), which is considered usurious and exploitative in nature.

Willingness to adopt, use, or accept a behaviour is a common definition of behavioural intention (Fishbein and Azjen, 1975). Furthermore, a great deal of research has shown that intention accurately predicts behaviour (Putit and Johan, 2015). While earlier research has also proposed moderators and mediators between Lajuni, et al.:

Intention to Use Islamic Banking Products and Its Determinants... Vol. 7, Issue 1, 2017, International Journal of Economics and Financial Issues 330 intention and actual behaviour, it is primarily discovered that there is still a considerable relationship between the two variables of interest. Ajzen and Madden (1986) demonstrate in their study that the stronger an individual's intention is, the more likely he is willing and expected to try, and hence the greater the likelihood that the behavior will eventually be performed. In the present study, intention to use Islamic banking products is constructed as the outcome variable. Instead of exploring the factors that contribute to the said intention, past literature is reviewed to come out with factors that determine the intention. As such, attitude, social norms, and perceived behavioral control, are selected into the research model to fulfil the purpose of the study. These variables are found to be key determinants in behavioral studies and important constructs in studies of using Islamic banking products. Each of these variables is explained in the following sections.

1.8 Organization of Research

Chapter One provides a brief introduction, background, and the study's research problem. It then outlines the research questions, objectives, significance of the study, the scope of the study, and finally it presents the organization of the study. Chapter two contains the literature review with a focus on previous research. It covers the explanation of awareness of Islamic banking products and attitude, perceived behavior, and subjective norms as the independent variable, with the intended use of Islamic financial products factors as dependent variables. Chapter three explains the framework of the research and it states the hypothesis. Furthermore, it presents the research methodology and justifies the methods that have been used in this study. The chapter then discusses the operational definition of the study. Then it explains the data collection method, sampling, population, and questionnaire design. Techniques of data analysis are also discussed.

1.9 Conclusion

This chapter presented a general view of the outline and the direction of the research execution. The focus of this chapter is to define the main question about the research area on is important in this research in order to know about the user behavioral intention on using Islamic financial products on the public residents in Melaka Tengah. This chapter contained a brief introduction, background of the study, problem statement, and research questions. In addition, the scope of the study and the organization of the study were also discussed in this chapter.
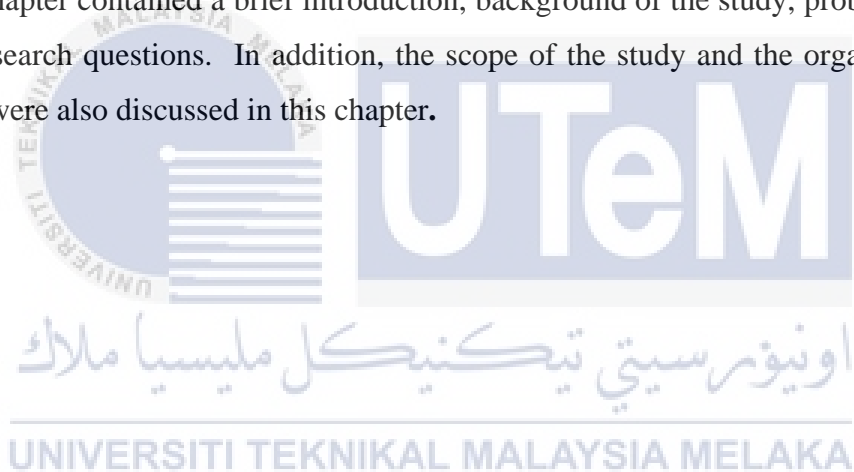
CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In this chapter, the researcher's understanding is given in rigid. In this literature review, According to Fishbein and Azjen (1975), behavioral intention is the readiness to adopt, use, or accept an act of behaviour. In previous studies, intention has been shown to be a powerful predictor of actual behavior (Putit & Johan, 2015); the stronger one's intention, the more likely one is to be willing and expected to try, and as a result, the higher the likelihood that the behavior will eventually be carried out. Moreover, it also used economic finance theory on Islamic finance as the first theory that been used by Al-Jarhi, M. (2017) that makes learning from monetary, banking, and finance theories concerning Islamic finance, provides a brief description of the Islamic finance model, as a result, numerous studies on Islamic banking services and products have been carried out in Malaysia (Amin et al., 2011). However, lack of awareness has also prevented customers from acquiring their intention to perform on Islamic financial products. There is a gaping hole in Islamic financial products on reducing the cost of living is getting larger.

2.2 Literature Review

Over the past few decades, Islamic banking has been one of the industries with the most rapid growth rate and has spread to all the places over the earth and received wide acceptance by both Islamic and non-Islamic countries and their citizens (Iqbal & Molyneux, 2005). For instance, Malaysia is deemed as one of the leaders in the Islamic

banking industry where Islam is the official religion of the country and most citizens of Malaysia are Muslim. Hence, this chapter aims to determine each relationship of the determinants to use Islamic banking products in Malaysia to obtain a better understanding of the effect of Islamic financial products on reducing the cost of living.

Intention Use of Islamic Financial Products

As of now, academics from various nations are becoming increasingly interested in Islamic banking and finance. The study of consumer behavior is one of the topics. Customers' level of awareness and perception are considered among the top issues for businesses offering goods and services in every area of the economy worldwide. The Islamic banking sector is aware of how crucial it is to comprehend consumer behavior. Any financial institution that wants to compete in the market must also comprehend how customer behavior is changing and make the required adjustments to its operations. According to Fishbein and Azjen (1975), behavioral intention is the readiness to adopt, use, or accept an act of behavior.

In previous studies, intention is a powerful predictor of actual behavior (Putit & Johan, 2015); the stronger one's intention, the more likely one is to be willing and expected to try, and as a result, the higher the likelihood that the behavior will eventually be carried out. As a result, numerous studies on Islamic banking services and products have been carried out in Malaysia (Amin et al., 2011). The outcome variable for the current study is the intention to adopt Islamic banking products. Past literature is researched in order to identify factors that determine the goal rather than analyzing the components that contribute to the stated desire.

Determinants to Use Islamic Banking Products

Attitude

According to Amin et al. (2013), one's attitude is seen to have the greatest impact on whether one intends to use Islamic banking products like Islamic credit cards and Islamic personal financing. The strong influence of attitudes toward the usage of Islamic

banking products on the intention to use them has been repeatedly demonstrated by studies by Lada et al. (2009), Amin et al. (2009), and Md-Taib et al. (2008). Particularly, it has been discovered that attitude and intention to use Islamic banking products are positively correlated. This suggests that efforts to alter or influence potential users' attitudes through marketing and education campaigns may lead to an increase in the willingness of both Muslims and non-Muslims to select Islamic banking products. Therefore, the attitude has a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah.

Perceived Behavior Control

According to Brouwer et al. (2009), perceived behavior control is the concern of the consumer's own assessment of their capacities to engage in a specific behaviour (Ajzen, 1991) and believe in their innate competencies to exhibit certain actions. In a similar way, it alludes to the resources that are at hand, including purchasing power.

Therefore, prior research has offered well-evidenced significance of behaviour control (e.g., Lim & Dubinsky, 2005; Kang et al., 2006; Kasuma et.al., 2020). Since perceived behaviour control is related to consumer situational factors including capacity, time, money, and resources, it is anticipated that cultural and national differences will be minimal. Francis et al. (2004) have highlighted its role as the consumer's capacity for self-control and their level of confidence in their ability to engage in or refrain from engaging in such conduct. Therefore, a person's belief will affect their behavioural intention and motivate them to engage in the desired conduct. In this situation, one's perception of behavioural control may influence their decision to consume Islamic goods and services. Therefore, perceived behaviour has a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah.

Subjective norms

The role of social value is generally examined in studies about the intention to utilize Islamic financial goods or services (Amin, 2013). Furthermore, it has been found by Lajuni et al. (2017), Lada et al. (2009), Amin et al. (2009), and Taib et al. (2008) that

the adoption of such financial products/services is driven by social value. An individual would exhibit the expected behaviour when faced with a strong social value, even if they were opposed to doing so (Venkatesh & Davis, 2000). Additionally, prior research has stressed the importance of the ideas and opinions of Ulama' (the panel of chief priests), Shariah board members, family members, and peers in determining a person's intention to choose the shrinking partnership house financing (Taib et al., 2008). Social value is used in this study to analyze its impact on the intention to use Islamic financial products and services due to its significance. Therefore, subjective norms have a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah.

2.3 Summary of Systematic Literature Review

Islamic banking has experienced rapid growth and acceptance worldwide, with Malaysia being a leader in the industry. The study aims to determine the relationship between determinants and intention to use Islamic banking products in Malaysia . Behavioral intention is a crucial aspect of understanding consumer behavior, as it is the readiness to adopt, use, or accept an act of behavior. In Malaysia, the intention to use Islamic banking products has been studied extensively, with numerous studies conducted in the country. The outcome variable for this study is the intention to adopt Islamic banking products. Attitude is the most significant determinant of intention to use Islamic banking products, with attitudes having the greatest impact on whether one intends to use Islamic banking products like Islamic credit cards and Islamic personal financing. Studies have consistently demonstrated that attitudes and intention to use Islamic banking products are positively correlated, suggesting that efforts to alter or influence potential users' attitudes through marketing and education campaigns may lead to an increase in the willingness of both Muslims and non-Muslims to select Islamic banking products. Perceived behavior control is the consumer's assessment of their capacities to engage in specific behavior and believe in their innate competencies to exhibit certain actions. This control is related to consumer situational factors, including capacity, time, money, and resources. Research has shown the significance of behavior control in influencing a person's behavioural intention and motivating them to engage in desired conduct. Subjective norms play a significant role in the intention to use Islamic financial products

and services. Research has found that the adoption of such financial products/services is driven by social value, with individuals exhibiting expected behavior when faced with a strong social value. Social value is used in this study to analyze its impact on the intention to use Islamic financial products and services due to its significance. The cost of living in Malaysia is relatively low compared to many other countries, with housing costs varying depending on the location and lifestyle of the individual. The cost of living in Malaysia varies depending on the location and lifestyle of the individual, with Kuala Lumpur being the costliest city to live in. In conclusion, understanding the determinants of intention to use Islamic banking products in Malaysia is crucial for understanding the effect of Islamic financial products on reducing the cost of living. In summary, the provided text introduces the concept of Islamic banking, discusses various Islamic financial products, and provides a brief overview of the cost of living.

2.4 Theories
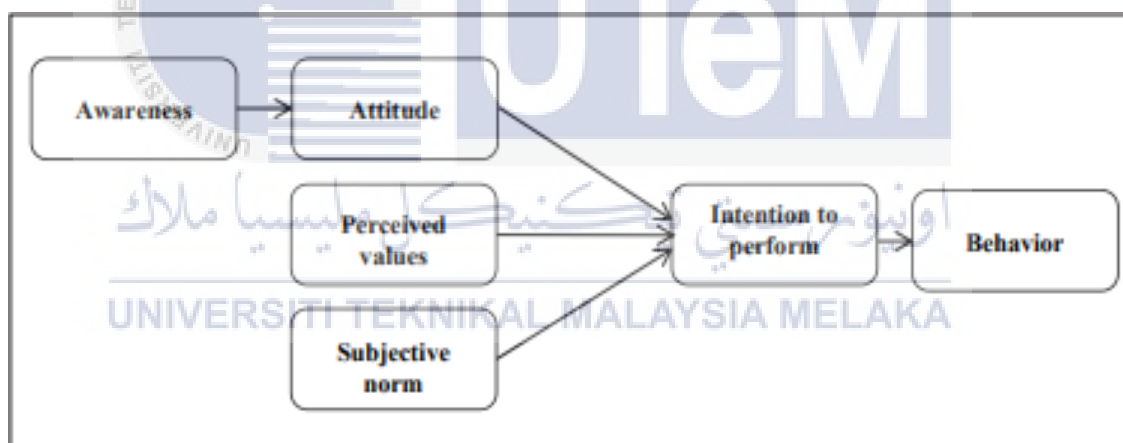
Source: Author.

Figure 1.1: Modified and Proposed Theoretical

The current study attempts to determine the factors influencing Islamic financial products and services patronizing behavior of people in Melaka Tengah, Melaka. To achieve this objective, the Theory of Planned Behaviour (TPB) is used to predict and explain the intentions behind human behavior in a particular context (Ajzen,1991). The strength of this theory lies in its ability to predict behavior using several external and internal factors. The behavioral intention of people from Melaka toward Islamic financial

products and services can be predicted by several factors among which are attitude, subjective norms, and perceived values. The three elements of the TPB framework focus on organizational pressures and individual perceptions of knowledge sharing (Gagne ´, 2009), although they vary slightly across research topics. The current study adopts and adapts the model, therefore, awareness of Tatarstan people towards Islamic financial products and services is considered an external factor. The modified and proposed theoretical framework is illustrated in Figure 1.1.

2.5 Conceptual Framework

Independent Variable   **Dependent Variable**
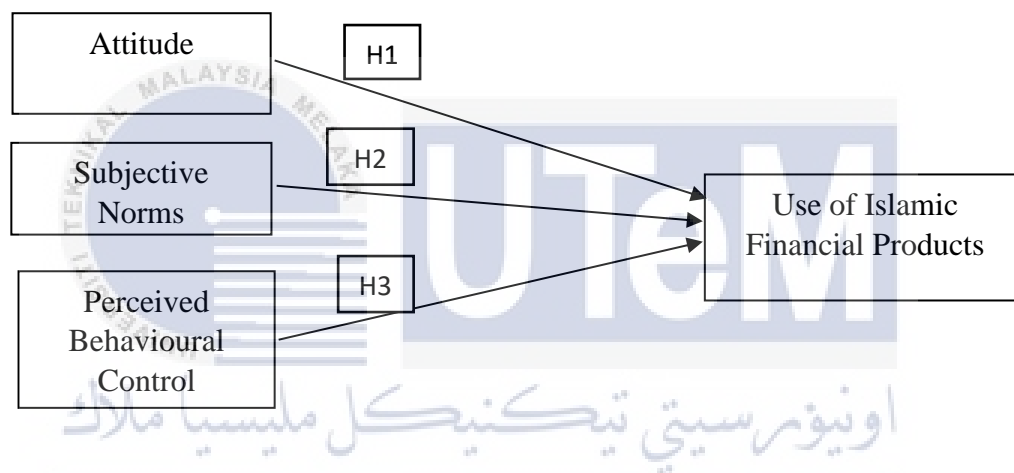
Figure 1.2: Conceptual Framework

2.6 Hypothesis Development

In this research, the researcher wants to identify the relationship between the determinants of using Islamic financial products and the usage of Islamic financial products in the public area in Melaka Tengah. Based on the theoretical framework development that had been constructed in Figure 1.2, there are several potential relationships between the effects that had been discussed in this research. The hypothesis will be tested as listed below:

Attitude:

H0: Attitude hurts the intention to use Islamic financial products toward residents in Melaka Tengah

H1: Attitude has a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah

Subjective Norms

H0: Subjective norms have a negative effect on the intention to use Islamic financial products toward residents in Melaka Tengah

H2: Subjective norms have a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah.

Perceived Behaviour Control

H0: Perceived behavior controls have a negative effect on the intention to use Islamic financial products toward residents in Melaka Tengah

H3: Perceived behavior controls have a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah

2.7 Conclusion

This chapter explains the intention of Malaysians to use Islamic banking, which is supported by some findings and journals. Furthermore, this chapter also discusses the hypothesis development related to the subtopics in Chapter 1. In Chapter 3, there will be a discussion about the research methodology.

Chapter 3

RESEARCH METHOD

3.1   Introduction

If the study emphasizes the Theory of Planned Behaviour (TPB) as the backbone for investigating the effect of Islamic financial products on protecting families, assets/property, and individuals from financial risk or losses, it suggests that the researchers believe individuals' intentions to use these products are influenced by their attitudes and subjective norms. In this context, the study aims to explore whether positive attitudes towards Islamic financial products and perceived social pressure to utilize them lead to increased adoption and subsequently provide protection against financial risks and losses for individuals and their families in Malaysia.

To support their findings, the researchers would have likely conducted a review of relevant literature and journals in the field of Islamic finance. This would help them understand the specific needs of people in Malaysia regarding financial protection, as well as identify various Islamic financial products that address those needs. By referencing and incorporating findings from previous research and journals, the study strengthens its theoretical foundation and draws upon existing knowledge to inform its analysis.

The research method in this study is related to the type of methodological choice that the researcher applies for research using the quantitative method, qualitative method, or mixed method. This section includes the research design that is suitable for this study, the

data collection method, the location research, the sampling technique, and the data analysis technique. The summary of this chapter also includes in this section. In addition, in Chapter 3, the Union model plays a role in selecting research decisions.
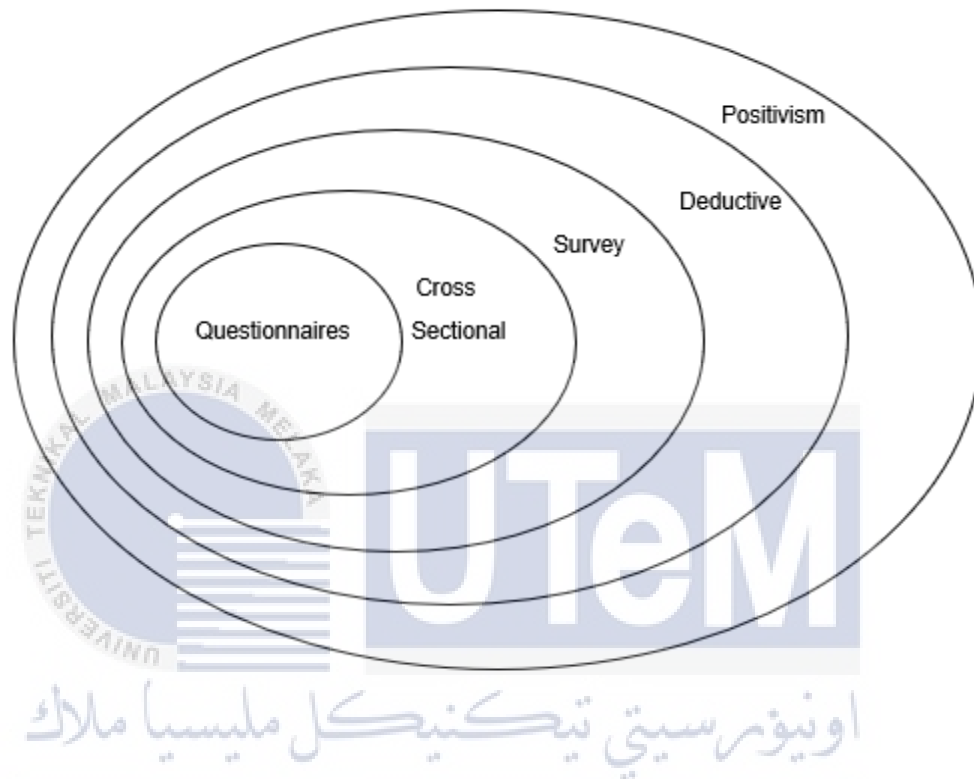
Figure 1.3: The research onion model

3.2 Onion model for this study

The phrase "union model research methodology" is not frequently used in academic contexts. The phrase could relate to a particular study methodology applied to a certain topic or situation. The meaning of the union model study approach, however, cannot be determined from the search results given. It is crucial to remember that research methods are specific procedures, and several kinds of research methods can be applied depending on the nature of the data and the research issue.

There are 5 levels in the Onion Model, and each level has a different set of requirements. philosophy, methodological choice, strategy(ies), time horizon, techniques, and procedures are a few of the levels present in the Union Model.

3.2.1 Philosophy

Research philosophy is a set of presumptions and beliefs about how knowledge develops. It is related to assumptions, knowledge, and the character of the study and is concerned with the distinct technique of knowledge creation. Research philosophy is important because it can help us understand the views that various researchers have about the nature of truth and knowledge. The genesis, nature, and growth of knowledge are the subjects of research philosophy, which expresses the researcher's viewpoints on how information about a subject should be gathered, processed, and used. Every step of the research process is founded on presumptions regarding the information sources and types of knowledge. One definition of research philosophy is the development of research presumptions, knowledge, and nature. Any school of thought has a paradigm that directs how individuals view and try to understand truth. The views, presumptions, and concepts that direct how researchers perform their research are known as their research philosophy. Positivism, interpretivism, pragmatism, critical realism, and interpretivism are only a few of the various research philosophies.

3.2.1.1 Positivism

So, the researcher will thus employ the Positivism method at the philosophical level. Positivism is a paradigm that relies on measurement and reason, that knowledge is revealed from a neutral and measurable (quantifiable) observation of activity, action, or reaction. Positivism states that if something is not measurable in this way it cannot be known for certain. Scientific knowledge is derived from the accumulation of data obtained theory-free and value-free from observation. This suggests that anything that cannot be observed and thus in some way measured (that is quantified), is of little or no importance. Positivism is closely associated with quantitative methods of data collection. This approach begins with a focus on comprehending human experiences and the meanings people give to them. The researcher uses this positivism method because the researcher is conducting a study to explore the perceptions, attitudes, and beliefs of individuals. For example, the exploration that the researcher is working on is the perception, attitudes, and beliefs of individuals by using Islamic financial products. The purpose of the researcher

doing this research is because the researcher wants to examine the relationship between the determination to use Islamic financial products and the usage of Islamic financial products within their on situation.

3.2.2 Approach to Theory Development

Depending on the study goal, the type of data, and the resources at hand, different theory development methodologies may be used. Deduction research, abduction research, and induction research are a few typical approaches to theory development.

3.2.2.1 Deductive

The researcher used the Deductive method to conduct this research. Deduction research is concerned with developing a hypothesis based on existing theory and then start designing a research strategy to the test hypothesis. The researcher will begin this research study by collecting data on the determination of using Islamic financial products by residents in Melaka Tengah through surveys, interviews, or data analysis. Next, the researcher will identify patterns, correlations, and trends that can help the researcher conclude the determinants of using Islamic financial products by residents in Melaka Tengah.

3.2.3 Strategy(ies)

Research strategies are the plans or techniques used to carry out research and achieve research objectives. Experiments, surveys, archival studies, case studies, ethnography, action studies, grounded theory, and narrative inquiry are all examples of research methods. The study question, the type of data, and the resources at hand all influence the research strategy that is selected. To make sure that the study's objectives are achieved, it is essential to choose the finest feasible research strategy. Some research procedures need more resources than others and are better suited to study challenges.

3.2.3.1 Survey

Surveys tend to be used in quantitative research projects and involve sampling a representative proportion of the population (Bryman & Bell, 2011). The surveys produce quantitative data that can be analyzed empirically. This research is suitable to use survey research because this research wants to identify the most significant Islamic financial product by residents in Melaka Tengah. This approach investigated the relationship between the use of Islamic financial products and the usage of them with their behavioral intention to use, which are measured numerically and analyzed using a range of statistical strategies. Borges Bill et al, (2017) state that survey research is a frequently used technique for systematically gathering data about a population of interest.

3.2.4 Choice

There are several factors to consider while choosing a methodology for a research project. These variables include the type of information needed to answer the research question, the nature of the problem being studied, and the resources at hand. There are many common methodologies, including qualitative research, quantitative research, experimental research, survey-based research, and action research. Whether the research will be qualitative or quantitative, as well as whether the researcher seeks to measure something or explore concepts and meanings, will determine the approach selected.

3.2.4.1 Survey-based research

A popular technique in research for gathering information from a lot of individuals is surveys. For this research project, a survey-based research approach would be appropriate to collect quantitative data on the attitudes, behaviors, and views of people utilizing Islamic financial products. The researcher can create and distribute questionnaires to a sample of people in order to gather information on aspects that most significant and their experiences with Islamic financial products.

3.2.5 Time Horizon

The research project's planned completion date is known as the time horizon (The Research Onion for Beginners, 2023). It is a crucial component of research design that

aids in selecting the best research techniques and strategies to employ. Cross-sectional and longitudinal time periods are the two categories that can be distinguished (The Research Onion for Beginners, 2023).

3.2.5.1 Cross-sectional research

In a cross-sectional study, data is collected from a sample of individuals or groups at a specific point in time. This design allows researchers to examine the relationship between the use of Islamic financial products by residents in Melaka Tengah at a particular moment. Researchers can gather data from individuals who are currently using Islamic financial products and living in residents' area by Melaka Tengah.

3.2.6 Techniques and Procedures

Techniques and procedures are specialist methods used in research for gathering and analyzing data. The study topic, the type of data being used, and the resources at hand all influence the approaches and processes that are used. To guarantee that the study's goals are achieved, it is essential to choose the approaches and procedures that are most suited. Some approaches and procedures need more resources than others, and some are more suited to research challenges than others. Before choosing the approaches most suited to the research topic and the available data, it is crucial to evaluate the advantages and disadvantages of each technique and procedure.

3.2.6.1 Data Collection

Data collection has been collected in two ways in this study which are primary data and secondary data. Primary data is the data that the researcher gathers in order to understand the specific research project based on research questions and objectives and find a solution for the problem statement for that research. Meanwhile, secondary data help the researcher to understand to explain to research question based on previous reports, articles, journals, books, and other texts that related to research. This study used both data collection methods to complete the research.

3.2.6.1.1 Primary Data

Primary data is that which is derived from first-hand sources. This can be historical first-hand sources, or the data derived from the respondents in survey interview data (Bryman, 2012). Primary data can be determined in three ways, first collecting primary data through observation, second using semi-structured, in-depth, and groups and lastly, using questionnaires. A questionnaire refers to a data collection method in which respondents are asked to respond to the same set of questions in a predetermined way (Borges et al, 2017). This study used a questionnaire method to collect the data from respondents. The questionnaire has been distributed to people who use Islamic financial products in Malaysia. In this study, the questionnaire was distributed to respondents through various ways such as through the internet, web browsers that use a hyperlink, mobile devices, and face-to-face questionnaires. The advantage of the questionnaire is less expensive, quick for the respondents to complete, greater geographical area, and reduces bias because in the questionnaire no need to write the respondents' names.

3.2.6.1.2 Secondary Data

Secondary data is that which is derived from the work or opinions of other researchers (Newman, 1998). The conclusion of a research article can be an example of secondary data because it is information that has already been processed by another. Likewise, analyses conducted on statistical surveys can constitute secondary data (Kothari, 2004).

3.2.6.2 Sampling Design

Sampling is a method to choose specific members of a population or a group of the population to figure out what characteristics of the whole population are. The picking method is a way to choose people to talk to base on the whole group. Sampling is a popular study method because it gives enough good information to decide.

3.2.6.3 A Sample Size

This research uses Krejcie and Morgan Table. The ever-increasing need for a representative statistical sample in empirical research has created the demand for an effective method of determining sample size. To address the existing gap, Krejcie & Morgan (1970) came up with a table for determining the sample size for a given population for easy reference (Qhaireenizzati, 2017) A sample size of this research is **384 respondents.**

3.2.6.4 Location Research

This research is conducted in Melaka. The researcher contributes the questionnaire as the data collection method through Google form distribution and through in person. This is because the purpose of this research is to know the determinants of using Islamic financial products.

3.2.6.5 Data Analysis

3.2.6.5.1 Descriptive Analysis

The type of research question, methodology, and data analysis that will be used for a certain topic is what is meant by the word "descriptive research." Statistics that try to figure out cause and effect are called predictive statistics. The type of question the researcher asks will decide, in the end, what kind of method is needed to do an accurate evaluation of the topic at hand. The number of factors used in the descriptive study is what makes it special. Like other types of research, descriptive research can look at more than one variable, but unlike other methods, it only needs one variable (Borg & Gall, 1989). Also, this type of research tries to give an exact picture of how a phenomenon was seen, and it was usually set up and intended to measure the factors listed in the research questions. This study is descriptive because the descriptive data was gathered from public users in Melaka through a thorough questionnaire that was filled out both online and in person.

3.2.6.5.2 Statistical Package for the Social Sciences (SPSS)

The Statistical Package for Social Science (SPSS) will be utilized to analyze and interpret the data in this study. This method is used to analyze, customize, and generate distinct patterns between different data variables. Reliability analysis is a type of data analysis used to interpret data, as is descriptive analysis, which helps to explain or conclude data points constructively so that forms can emerge that satisfy all the data's conditions. It is one of the most crucial procedures to conduct the data and summary of this research. In this study, the researcher will use the Spearman Correlation test to evaluate how closely two variables are related to one another.

3.2.6.5.3 Correlation Analysis

Correlation analysis is a statistical method used in the study to figure out what kind of relationship, there is between two factors and how much they are linked directly. In other words, correlation analysis is used to figure out how many shifts in one variable cause changes in another variable. Correlation analysis is a useful tool for looking at numeric data from research methods like surveys and questionnaires to see if there are any patterns, trends, or correlations that stand out. A scatter graph will be used to figure out what to think about the results. This is usually the easiest and fastest way to show how the results of the data collection are both complete and easy to understand: There is a clear connection between them. The correlation coefficient is generally shown by the letter r, and its value can be any number between +1 and -1 (Gogtay & Thatte, 2017).

Correlation Coefficient Value, (r)	Direction and strength linear of correlation
-1	Perfectly negative
-0.8	Strongly negative
-0.5	Moderately negative
-0.2	Weakly negative
0	No association
0.2	Perfectly positive
0.5	Strongly positive
0.8	Moderately positive
+1	Weakly negative

Table 3.2: Correlation Analysis

3.3 Construct Measurements

Constructs	Original Measurement Item	Sources of Measurement	Measurement Items Adopted and Adapted for this Study
Perceived Value	Used intention to use for relate to perceived value	Lajuni, N., Kasuma, J., Yacob, Y., Azali, N. H., Emang, W., & Ismail, M. B. (2020). Islamic financial products/services and the intention to use. Malaysian Journal of Consumer and Family Economics, 24(1), 153-172.	Individual behavioral intention to use Islamic financial products/services primarily explains by learned predisposition in area in Sabah
Subjective Norms	Used research used a quantitative methodology	Lajuni, N. (2017, March 1). Intention to Use Islamic Banking Products and Its Determinants. https://dergipark.org.tr/en/pub/ijefi/issue/32002/353197?publisher=http-www-cag-edu-tr-ilhan-ozturk	The increasing acceptance of Islamic banking among Muslims and non-Muslims requires reconnoitering customers' intention to use products. This study examines determinants of intention in an

			emerging market, finding that attitude, government support, and social influence are explanatory and predictive factors. This study provides insights into the subject matter in emerging markets.
Attitude	Used research used quantitative methodology. An alternative to the quantitative method of analysis is qualitative methods, which allow data collection via surveys and focus groups.	Amin, Hanudin and Abdul-Rahman, Abdul-Rahim and Abdul-Razak, Dzuljastri (2009): Is the Theory of Planned Behaviour Valid for Islamic home financing?	The Researcher make quantitative analysias by using TPB theory planned behavior to examine their attitude towards TPB on Islamic home financing
The use of Islamic financial products	It can be measured on qualitative data.	Lajuni, N., Jati Kasuma, Yacob, Y., Noor Hafizah Azali, Emang, W., & Ismail, M. (2020). Islamic Financial Products/Services and the Intention toUse.	With the using TPB theory it can be accurate and make

			surrounding conditions to use on Islamic products

3.4   Draft Questionnaire

Data will be gathered and analyzed by the researchers in order to establish the statistical inference test for each variable on the scale. The nominal and ordinal measurement scales were employed in this online questionnaire (Likert scale). The Likert scale was one of the most utilized scales in this study. The 5-point Likert scale of strongly disagree (1), disagree (2), neutral (3), agree (4), and strongly agree (5) is used to determine how strongly the assertions agree or disagree of the respondent through the questionnaires. The questionnaire consists of three (4) sections: section A for the demographic profile of respondents, section B questions for respondents related to the dependent variable, and Section C, questions for respondents related to independent variables.

Section	Content of Questionnaire
A	Demographic Respondents Personal Data: 1) Gender 2) Age Range 3) Marital status 4) Race 5) The Highest Education Level 6) Occupation 7) Organizational Structure 8) Income level 9) What kind of Islamic bank that have been used? 10) What kind of Islamic products that have been used?

B	Linkert Scale (Independent Variable) The Determinants to Use of Islamic Financial Products **Attitudes towards Islamic financial products:** 1) I find that using Islamic financial products an important strategy for managing cost of living 2) I have positive attitude toward Islamic financial institutions 3) I feel happy about Islamic financial products (e.g., Takaful) for managing my finances daily 4) I observe that Islamic financial products as a viable alternative to conventional financial tools for cost reduction 5) I observe viable Islamic financial products that make one's life stable and efficient in spending 6) I truly care about the attitude towards the prohibition of interest (riba) in Islamic finance 7) I believe that using Islamic financial products is a good idea for reducing my cost of living. **Subjective norms:** 1) I find or receive support or encouragement from my family and friends to use Islamic financial products to manage expenses.

2) I feel pressure from people important to me to use Islamic financial products for managing the cost of living

3) I have experienced situations where I felt pressured to transition from conventional to Islamic financial products because of the influence of others' opinions

4) I observe the view that individuals who utilize Islamic financial products are held in higher regard or receive more admiration within my community

5) I receive support or encouragement from my family and friends to use Islamic financial products to manage expenses

6) I experience societal pressure from my religious community to incorporate Islamic financial products into my daily life

7) I find that the use of Islamic financial products aligns with the values and norms of my society

Perceived Behaviour Control:

1) I intend to use Islamic financial products to reduce my cost of living in the future

2) I am likely to adopt Islamic financial products for managing my expenses

3) I plan to incorporate Islamic financial products into my financial strategies to reduce costs

4) I believe that using Islamic financial products will lead to better financial outcomes personally

5) I have a very high and efficient intention to use Islamic financial products compared to conventional financial products

6) I consult with a financial advisor before using Islamic financial products to know the benefits of each plan

7) I would like to share my experience with Islamic financial products with my social networks

C	Linkert Scale (Dependent Variable)
	The use of Islamic financial products
	1) I often do dine out at restaurants or order takeout each week
	2) I actively seek discounts or use coupons when making purchases
	3) I frequently turn off lights, appliances, and electronics when not in use.
	4) I made efforts to reduce energy consumption, such as adjusting thermostat settings or insulating my home
	5) I create and follow a monthly budget to manage my expenses
	6) I actively worked on paying off high-interest debts, such as credit card balances
	7) I often use public transportation or carpool to save on transportation costs

3.5 Conclusion

In order to fulfill the study objectives through responding to the researcher's questions, this chapter outlines how to employ the research process. By framing the sampling data technique with the Union Model method, the researcher can create a better organized methodology. To sum up, the researcher has developed a few sample interview questions that will be posed to members of the public in order to collect data samples.

CHAPTER 4

RESULTS AND DISCUSSIONS

4.0   INTRODUCTION

In this chapter, the findings of the questionnaires that were administered to gather information on the target respondent's data were examined. The researcher administered a pilot test to the participants before distributing the results to the final respondents. It was decided to gather responses from a total of 384 respondents since they would make up most of this chapter and would cover the goals of the research as well as be utilized for the final analysis. The surveys were divided into three parts, each of which contained information on the respondent's demographics, dependent variables, and independent variables, among other things. The surveys were delivered to Melaka Tengah in Peninsular Malaysia who had used Islamic banks and Islamic financial products from various banks such as Bank Islam, etc. To compute and analyze the data from the descriptive analysis, the Pearson correlation coefficient, and the multiple regression analysis, the Statistical Package for Social Science (SPSS) version 26 was used as the software.

4.1   PILOT TEST

A pilot test was undertaken by the researcher to guarantee that the respondents would grasp the questionnaires. The purpose of the pilot test was to demonstrate the validity of the researcher's question design. Consequently, the risk of mistakes and misinterpretation may be reduced in this pilot, which may have an impact on the reliability and validity of the data collected.

Therefore, the goal of this pre-test was to eliminate respondents' misunderstanding about how to react to the survey, which might result in inaccurate research findings. As a result of the completion of the pre-test, various changes were made. For the pilot test, the researcher selected 30 respondents at random from 384 respondents to complete the survey questionnaire. It has been verified that all the items in the table below are valid and reliable.

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.957	.961	28

Table 4.1: Reliability Test for 30 Respondents

[Sources: Data Analysis of SPSS]

The Cronbach's alpha for the 384 respondents who participated in the data collection is shown in Table 4.1. It can be inferred from the table that all the independent and dependent variables were connected to Peninsular Malaysia and that the set of questionnaires was proven to be valid since the values of Cronbach's Alpha were more than 0.7 which was equal to 0.989.

4.2 Descriptive Analysis

Data sets that reflect the complete population, or a sample, are gathered using descriptive analysis. There was an overview of the data and outcomes. This was in addition to the sample graphic analysis of each data sample.

Descriptive analysis is a sort of preliminary analysis that comprises the collection of data via a questionnaire. An explanation of what data is shown and how sample data works is provided in this study. Tables, diagrams, and summaries were used to exhibit, describe, and explain a collection of data in the descriptive analysis technique. During the COVID-19 pandemic, the researcher used the Google form approach to distribute the questionnaires.

The first component, Section A, has questions about 'gender', 'age', 'Martial Status', 'Race', 'The highest education level' ,'occupation', 'organizational structure', 'Income level', 'Islamic banks that have been used' and 'Islamic products that have been used'. Followed by Section B, a dependent variable that focuses on 'the determinant to use Islamic Products.' Furthermore, Section C as the last section, which was an independent variable that consists of the 'Behaviour that use Islamic financial products.

4.2.1   Respondent Demographic Analysis

The researchers performed a demographic analysis to find out who uses the messaging systems in online shopping platforms. 384 respondents completed the questionnaires and their basic demographic information was analyzed.

Demographic	Dropdown	Frequency	Percent (%)
Gender	Male	199	51.8
	Female	185	48.2
Age	18-20	31	8.1
	21-25	101	26.3
	26-30	117	30.5
	31-35	105	27.3
	36-40	30	7.8
Martial Status	Single	257	66.9
	Married	126	32.8
	Divorced	1	0.3
Race	Malay	380	99.0
	Chinese	2	0.5
	India	2	0.5
The Highest Education Level	Sijil Pelajaran Malaysia (SPM)	4	1.0
		113	29.4
	Diploma	200	52.1
	Bachelor Degree	67	17.4
	Bachelor Master	0	0
	PhD		
Occupation	Government	153	39.8
	Private Sector	153	39.8
	NGO	0	0
	Self-Work	54	14.1

	Other	24	6.3	
Organizational Structure	Corporation	210	54.7	
	Individual	174	45.3	
Income Level	RM2,500 below	52	13.5	
	RM2,501-RM3,170	56	14.6	
	RM3,171-RM3,970	134	34.9	
	RM3,971-RM4,850	126	32.8	
	RM4,851-RM5,880	16	4.2	
Islamic banks that have been used	Bank Islam	31	8.1	
	Maybank Islamic	44	11.5	
	Hong Leong Islamic Bank	32	8.3	
	Public Islamic Bank	1	0.3	
	RHB Islamic Bank	57	14.8	
	Alliance Islamic Bank	44	11.5	
	AmBank Islamic	63	16.4	
	CIMB Islamic	66	17.2	
	Bank Muamalat	46	12.0	
Islamic products that have been used	Murabaha	137	35.7	
	Mudharabah	78	20.3	
	Takaful	133	34.6	
	Sukuk	35	9.1	
	Other	1	0.3	

Table 4.2: Summary of Total Demographic Information

4.2.1.1 Gender

@1.Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	199	51.8	51.8	51.8
	Female	185	48.2	48.2	100.0
	Total	384	100.0	100.0	

Table 4.3: Gender of Respondents

[Source: Data Analysis of SPSS]
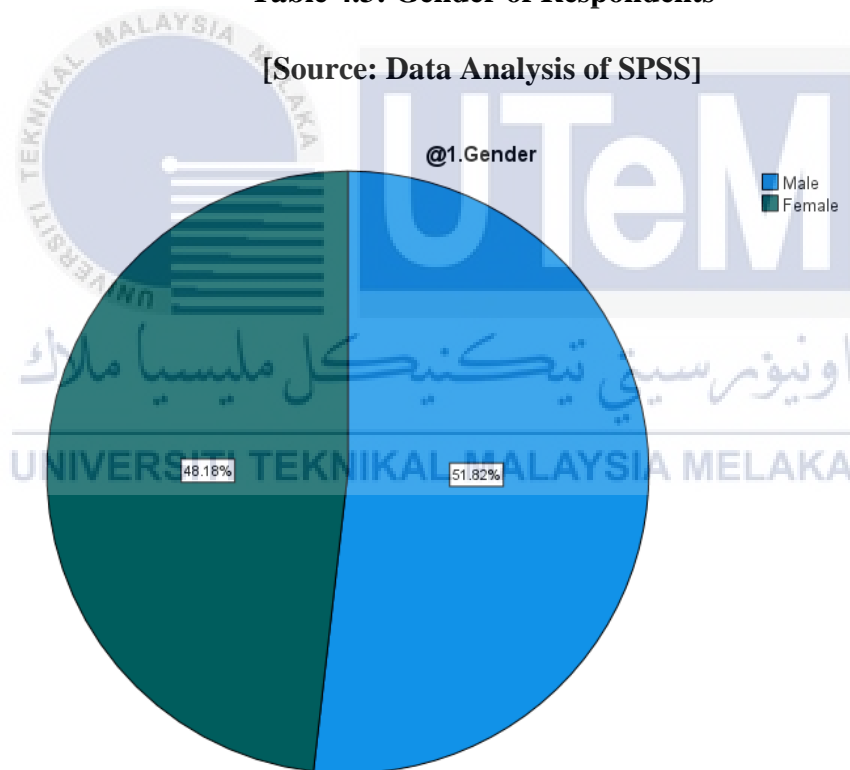
Figure 1.4: Gender

The gender of respondents is shown in Table 4.1 and Figure 4.1. According to the table and figure, males constituted the vast majority of the sample, accounting for 199 out of 384 respondents which is 51.82%. The next category was female, which had 185 responses out of 384 total responses, representing 48.18%.

4.2.1.2 Age Range

@2.AgeRange

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-20	31	8.1	8.1	8.1
	21-25	101	26.3	26.3	34.4
	26-30	117	30.5	30.5	64.8
	31-35	105	27.3	27.3	92.2
	36-40	30	7.8	7.8	100.0
	Total	384	100.0	100.0	

Table 4.4: Age of Respondents
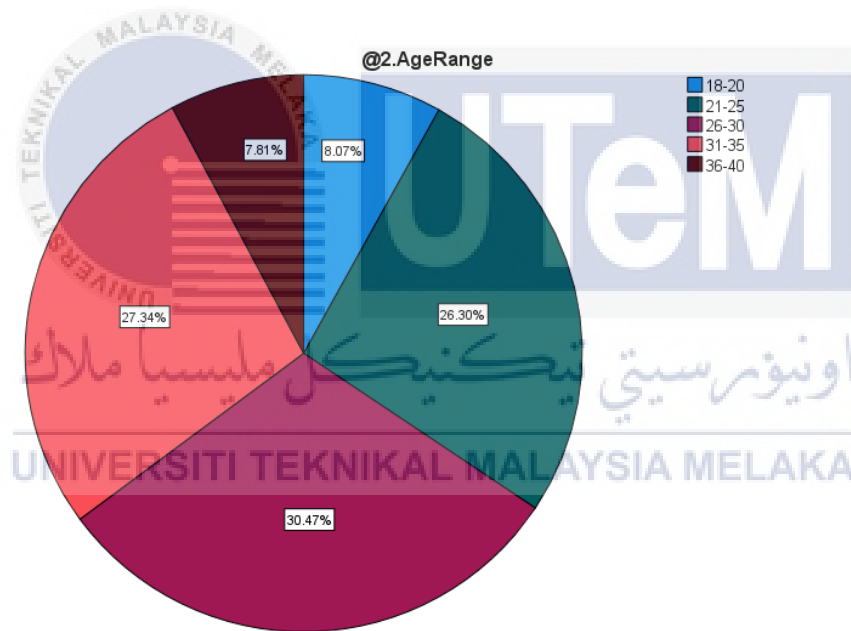
Figure 1.5: Age Range

According to data, the average respondent group consists of 31 respondents, with 8.07% of respondents aged 18 years old until 20. Next, 101 respondents aged 21-25 years old contribute 26.3 percent of the total, while 117 respondents aged 26-30 years old represent 30.5%. Following that, 105 respondents are between the ages of 31-35 years old, representing 27.34%, and 30 respondents are between the ages of 36 years old and above,

representing 7.81%. Based on the findings, researchers concluded that respondents between the ages of 26 to 30 years old are the most committed in this research.

4.2.1.3 Martial Status

@3.MartialStatus

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	257	66.9	66.9	66.9
	Married	126	32.8	32.8	99.7
	Divorced	1	.3	.3	100.0
	Total	384	100.0	100.0	

Table 4.5: Martial Status of Respondents

[Source: Data Analysis of SPSS]
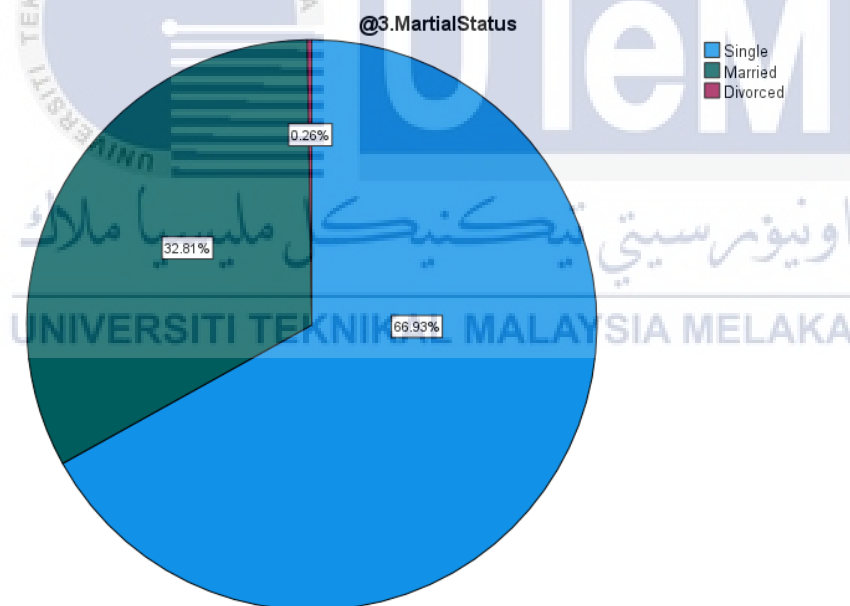
Figure 1.6: Martial Status

According to the statistics in table 4.3 and figure 1.6, there were three various types of marital status, which are single, married, and divorced. According to the results above, the greatest number of responses were received from single, with 257 responses (66.9%).

Following that are the married respondents, who accounted for 126 out of 384 responses, or 32.8% of the total. Finally, there was just one respondent with a divorced status, accounting for 0.3% of all respondents.

4.2.1.4 Race

@4.Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	380	99.0	99.0	99.0
	Chinese	2	.5	.5	99.5
	India	2	.5	.5	100.0
	Total	384	100.0	100.0	

Table 4.6: Race of Respondents

[Source: Data Analysis of SPSS]
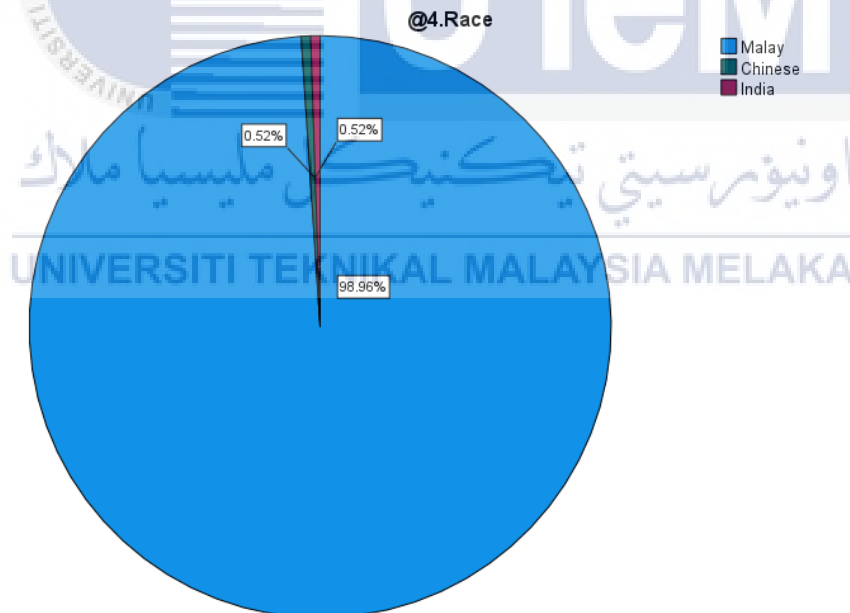
Figure 1.7: Race

According to the statistics in table 4.3 and figure 1.7, there were three various types of races, which are from Malay, Chinese, and Indian. According to the results above, the

greatest number of responses were received from Malay, with 380 responses (99%). Following that are the Chinese respondents, who accounted a total of 2 out of 384 responses, or 0.5% of the total. Finally, there were just two respondents in the Indian race, accounting for 0.5% of all respondents.

4.2.1.5 The Highest Education Level

@5.TheHighestEducationLevel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sijil Pelajaran Malaysia (SPM)	4	1.0	1.0	1.0
	Diploma	113	29.4	29.4	30.5
	Bachelor Degree	200	52.1	52.1	82.6
	Bachelor Master	67	17.4	17.4	100.0
	Total	384	100.0	100.0	

Table 4.7: The Highest Education Level of Respondents

[Source: Data Analysis of SPSS]
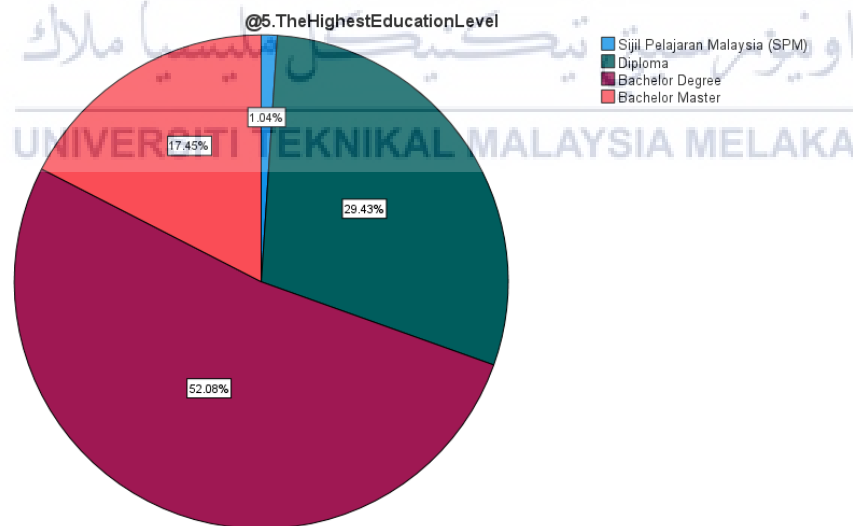
Figure 1.8: The Highest Education Level

According to the statistics in table 4.3 and figure 1.8, there were three various types of education levels, which are Sijil Pelajaran Malaysia (SPM), Diploma, Bachelor Degree, Bachelor Master and PhD. According to the results above, the greatest number of responses were received from bachelor degree with 200 responses (52.1%). Following that are the diploma respondents, who accounted for 113 out of 384 responses, or 29.4% of the total. Following that, 67 respondents representing 17.4% from bachelor master. Finally, there were just four respondents in a PhD respondent, accounting for 1.0% of all respondents.

4.2.1.6 Occupation

@6.Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Government	153	39.8	39.8	39.8
	Private Sector	153	39.8	39.8	79.7
	Self Work	54	14.1	14.1	93.8
	Other	24	6.3	6.3	100.0
	Total	384	100.0	100.0	

Table 4.8: Occupation of Respondents

[Source: Data Analysis of SPSS]
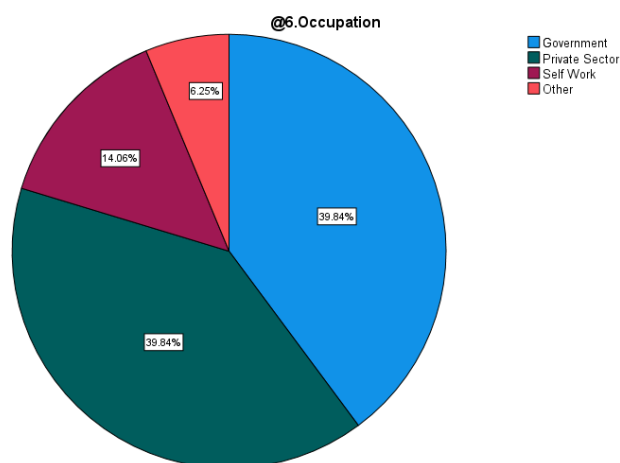
Figure 1.9: Occupation

According to the statistics in the table 4.5 and figure 1.9, there were five various types of occupation, which are government, private sector, self-work, or others. According to the results above, the greatest number of responses were received from the government, with 153 responses (39.8%). Following that are the private sector respondents, who accounted for 153 out of 384 responses, or 39.8% of the total. The next category, which was self-work had a different number of responses as, which is 54 respondents, or 6.3% of the total. Finally, there were just 24 respondents in the other group, accounting for 6.3% of all respondents.

4.2.1.7 Organizational Structure

@7.Organizationalstructure

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Corporational	210	54.7	54.7	54.7
	Individual	174	45.3	45.3	100.0
	Total	384	100.0	100.0	

Table 4.9: Organizational Structure of Respondents

[Source: Data Analysis of SPSS]
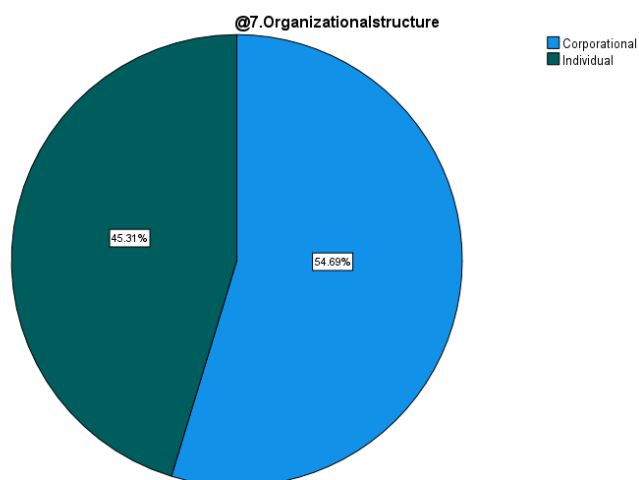
Figure 1.10: : Organizational Structure

The gender of respondents is shown in Table 4.9 and Figure 1.10. According to the table and figure, corporations constituted most of the sample, accounting for 210 out of 384 respondents which is 54.7%. The next category was individual, which had 174 responses out of 384 total responses, representing 45.3 respondents.

4.2.1.8 Income Level

@8.IncomeLevel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	RM2,500 below	52	13.5	13.5	13.5
	RM2,501-RM3,170	56	14.6	14.6	28.1
	RM3,171-RM3,970	134	34.9	34.9	63.0
	RM3,971-RM4,850	126	32.8	32.8	95.8
	RM4,851-RM5,880	16	4.2	4.2	100.0
	Total	384	100.0	100.0	

Table 4.10: Income Level of Respondents

[Source: Data Analysis of SPSS]
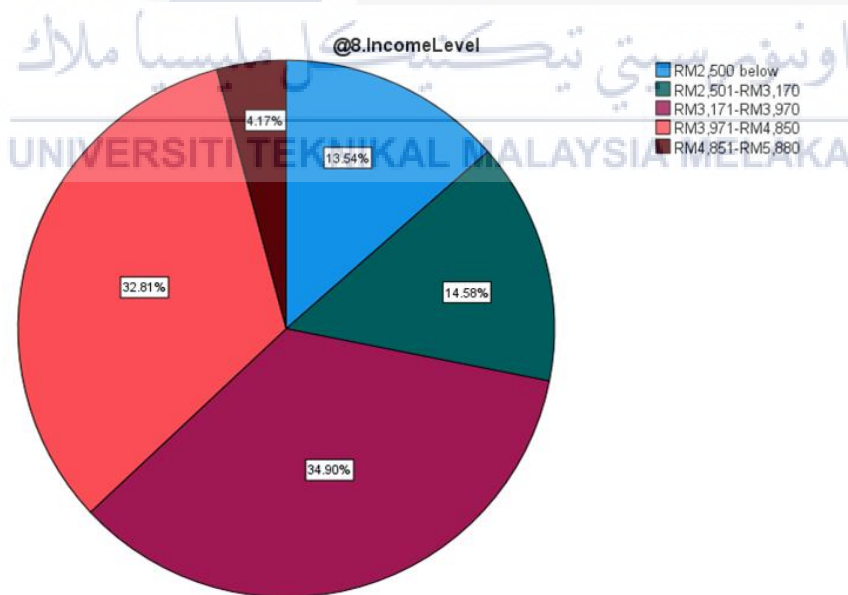
Figure 1.11: Income Level

In table 4.10 and figure 1.11, it is shown that there were income levels of respondents, were RM2,500 below, RM2,501-RM3,170, RM3171-RM3,970, RM3,971-RM4,850, and RM4,851-RM5,880. According to the results above, the income level for respondents that salary RM3171-RM3,970 had the biggest number of respondents, with 134 respondents out of 384 respondents, or 34.9% of all respondents. Following that, there were responses from salary of RM3,971-RM4,850 (32.8%). Salary has RM2,501-RM3,170 had the third greatest number of responders, with 56 respondents who account for 14.6% of the total. The salary of RM2,500 below had the third lowest number of respondents, with a total of 52 out of 384 respondents (13.5%). Finally, the smallest number of responses was income level from RM4,851-RM5,880, with just 16 people responding, representing 4.2% of the total.

4.2.1.9 What kind of Islamic bank that been used

@9.WhatkindofIslamicbankthathavebeenused

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bank Islam	31	8.1	8.1	8.1
	Maybank Islamic	44	11.5	11.5	19.5
	Hong Leong Islamic Bank	32	8.3	8.3	27.9
	Public Islamic Bank	1	.3	.3	28.1
	RHB Islamic Bank	57	14.8	14.8	43.0
	Alliance Islamic Bank	44	11.5	11.5	54.4
	AmBank Islamic	63	16.4	16.4	70.8
	CIMB Islamic	66	17.2	17.2	88.0
	Bank Muamalat	46	12.0	12.0	100.0
	Total	384	100.0	100.0	

Table 4.11: What kind of Islamic banks have been used?

[Source: Data Analysis of SPSS]
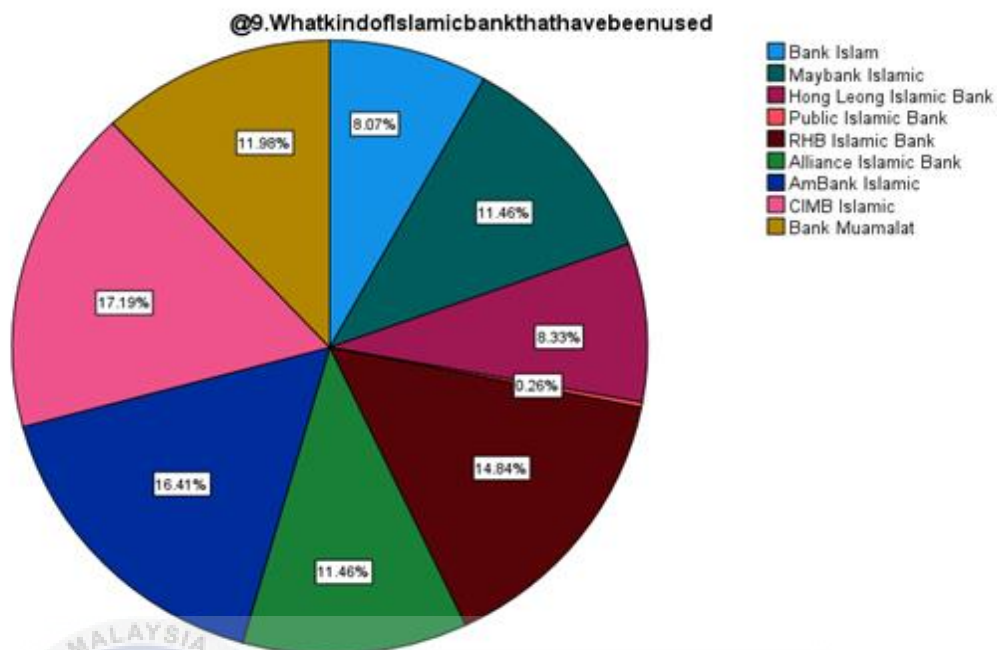
Figure 1.12: Islamic Bank that been used

In the table 4.11 and figure 1.12, it is shown that there were kinds of Islamic banks that were used, which was Bank Islam, Maybank Islamic, Hong Leong Islamic Bank, Public Islamic Bank, RHB Islamic Bank, Alliance Bank, AmBank Islamic, CIMB Islamic, Bank Muamalat and Conventional. According to the results above, CIMB Islamic had the biggest number of respondents, with 66 respondents out of 384 respondents, or 17.2% of all respondents. Following that, there AmBank Islamic had 63 responses from (16.4%). RHB Islamic Banks had the third greatest number of responders, with 57 respondents who account for 14.8% of the total. There are two banks, namely Alliance and Maybank Islamic, that have the same number of respondents, that is out of 384 respondents, which reflected the same percentage (11.5%).

Furthermore, responders from Bank Muamalat, representing 12.0%, and Hong Leong Bank, on the other hand, account for 32 out of 384 responders (8.3%). The Bank Islam had the second lowest number of respondents, with a total of 31 out of 384 respondents (8.1%). Finally, the smallest number of responses that using Islamic bank used, with just 1 people responding, representing 0.3% of the total.

4.2.1.10 What kind of Islamic products that have been used

@10.WhatkindofIslamicproductsthathavebeenused

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Murabaha	137	35.7	35.7	35.7
	Mudharabah	78	20.3	20.3	56.0
	Takaful	133	34.6	34.6	90.6
	Sukuk	35	9.1	9.1	99.7
	Other	1	.3	.3	100.0
	Total	384	100.0	100.0	

Table 4.12: What kind of Islamic products have been used?

[Source: Data Analysis of SPSS]
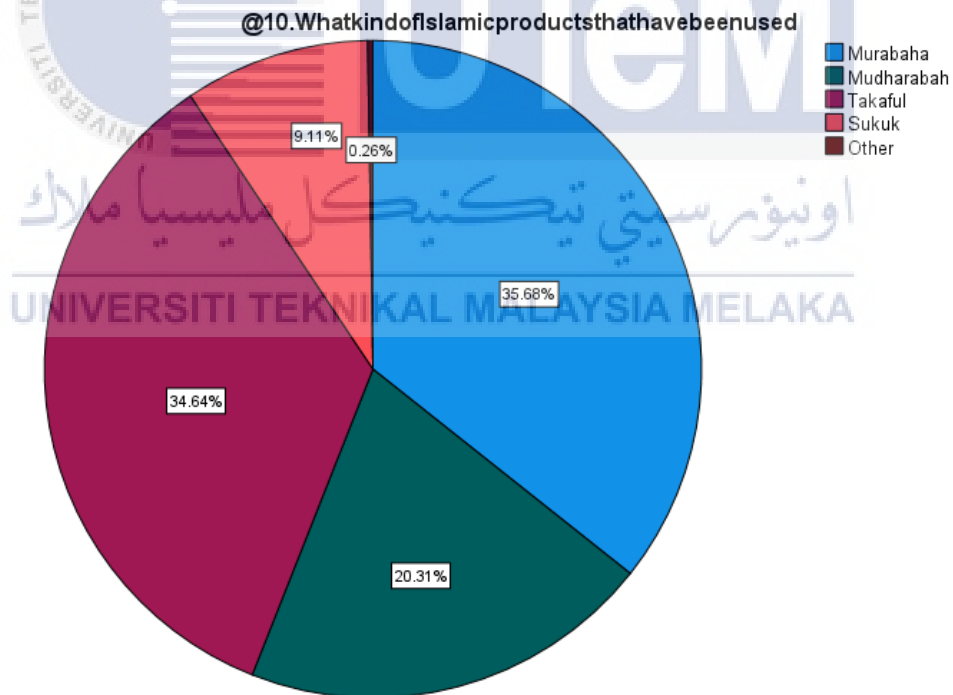
Figure 1.13: Islamic Products that been used

In the table 4.12 and figure 1.13, it is shown that there were five various types of Islamic products, which was Murabaha, Mudharabah, Takaful, Sukuk, and Others. According to the results above, Murabaha had the biggest number of respondents, with 137 respondents out of 384 respondents, or 35.7% of all respondents. Following that, there were 133 responses from Takaful (34.6%). Mudharabah products had the third greatest number of responders, with 78 respondents who account for 20.3% of the total. The Islamic product named as Sukuk had the second lowest number of respondents, with a total of 35 out of 384 respondents (9.1%). Finally, the smallest number of responses came from Other, with just 1 person responding, representing 0.3% of the total.

4.2.2 Mean Score Analysis

Table 5. Interpretation of the mean score.

Mean Score	Interpretation
1.00–1.80	Very low
1.81–2.60	Low
2.61–3.20	Medium
3.21–4.20	High
4.21–5.00	Very high

As an outcome, every variable data, such as the use of Islamic financial products be shown as a dependent variable. The independent variables for the study were attitude (A), subjective norm (SN), and perceived behavior control (PBC). This variable data will be shown using the minimum, maximum, mean, and standard deviation. The researcher used a five-point Likert Scale to assess the 24 items derived from the questionnaire. The mean and score values are interpreted a

4.2.2.1 Independent Variable: Attitude (A)

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
A1	384	2	5	4.49	.642
A2	384	3	5	4.37	.625
A3	384	3	5	4.28	.646
A4	384	2	5	4.33	.652
A5	384	2	5	4.55	.558
A6	384	2	5	4.34	.651
A7	384	1	5	4.39	.665
Valid N (listwise)	384				

Table 4.13: Attitude (A)

[Source: Data Analysis of SPSS]

Based on the responses of 384 respondents, the independent variable of attitude on determinants to use Islamic financial products was shown in Table 4.9 above. With a mean of 4.49 and a standard deviation of 0.642, public people agree that 'I find that using Islamic financial products an important strategy for managing cost of living'. With a mean of 4.37 and standard deviation of 0.625, 'they have positive attitudes toward Islamic financial institutions'.

As a result, believe 'that using Islamic financial products is a good idea for reducing my cost of living', with a mean of 4.39 and a standard deviation of 0.665. Furthermore, they believe 'that truly care about the attitude towards the prohibition of interest (riba) in Islamic finance', with a mean of 4.34 and a standard deviation of 0.615. Finally, public people in Melaka Tengah believe 'that they observe Islamic financial products as a viable alternative to conventional financial tools for cost reduction', with a mean of 4.33 and a standard deviation of 0.652.

Thus " they observe viable Islamic financial products that make one's life stable and efficient in spending " has the greatest mean value of 4.55, and the lowest mean value

of 4.28 is for the statement "they feel happy about Islamic financial products (e.g., Takaful) for managing my finances daily."

4.2.2.2 Independent Variable: Subjective Norms(SN)

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SN1	384	3	5	4.52	.545
SN2	384	1	5	4.15	.948
SN3	384	1	5	4.27	.670
SN4	384	1	5	4.01	.883
SN5	384	2	5	4.02	.844
SN6	384	1	5	4.45	.691
SN7	384	3	5	4.51	.526
Valid N (listwise)	384				

Table 4.14: Subjective Norms (SN)

[Source: Data Analysis of SPSS]

Based on the responses of 384 respondents, the independent variable of subjective norm on determinants to use Islamic financial products in reducing cost of living was shown in Table 4.9 above. With a mean of 4.51 and a standard deviation of 0.526, public people agree that 'I find that the use of Islamic financial products aligns with the values and norms of my society'. With a mean of 4.37 and a standard deviation of 0.625, 'they experience societal pressure from their religious community to incorporate Islamic financial products into their daily life'. With a mean of 4.27 and a standard deviation of 0.670, public people agree that 'they experienced situations where they felt pressured to transition from conventional to Islamic financial products because of the influence of others' opinions.

As a result, believe that 'I feel pressure from people important to me to use Islamic financial products for managing the cost of living', with a mean of 4.15 and a standard deviation of 0.948. Finally, public residents believe that '(they receive support or

encouragement from their family and friends to use Islamic financial products to manage expenses), with a mean of 4.16 and a standard deviation of 0.883.

Thus " I find or receive support or encouragement from my family and friends to use Islamic financial products to manage expenses " has the greatest mean value of 4.52, and the lowest mean value of 4.01 is for the statement " I observe the view that individuals who utilize Islamic financial products are held in higher regard or receive more admiration within my community."

4.2.2.3 Independent Variable: Perceived Behaviour Control (PBC)

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
PBC1	384	2	5	4.16	.883
PBC2	384	2	5	4.45	.538
PBC3	384	3	5	4.04	.426
PBC4	383	2	5	4.35	.665
PBC5	384	2	5	4.58	.545
PBC6	384	2	5	4.48	.573
PBC7	384	2	5	4.20	.469
Valid N (listwise)	383				

Table 4.15: Perceived Behaviour Control (PBC)

[Source: Data Analysis of SPSS]

Based on the responses of 384 respondents, the independent variable of perceived behaviour control on determinants to use Islamic financial products in reducing cost of living was shown in Table 4.9 above. With a mean of 4.48 and a standard deviation of 0.573, public residents agree that 'consult with a financial advisor before using Islamic financial products to know the benefits of each plan'. With a mean of 4.45 and a standard deviation of 0.538, 'I am likely to adopt Islamic financial products for managing my expenses.'

As a result, 'I believe that using Islamic financial products will lead to better financial outcomes personally', with a mean of 4.35 and a standard deviation of 0.665. Furthermore, they believe 'and to share my experience with Islamic financial products with my social networks, with a mean of 4.20 and a standard deviation of 0.469. Finally, residents believe 'that intend to use Islamic financial products to reduce my cost of living in the future, with a mean of 4.16 and a standard deviation of 0.883.

Thus " I have a very high and efficient intention to use Islamic financial products compared to conventional financial products" has the greatest mean value of 4.58, and the lowest mean value of 4.04 is for the statement " I plan to incorporate Islamic financial products into my financial strategies to reduce costs ".

4.2.2.4 Dependent Variable: Behaviour (BH)

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
BH1	384	2	5	4.27	.636
BH2	384	1	5	4.54	.616
BH3	384	2	5	4.35	.665
BH4	384	2	5	4.20	.626
BH5	384	2	5	3.93	.870
BH6	384	1	5	4.42	.692
BH7	384	1	5	4.26	.740
Valid N (listwise)	384				

Table 4.16: Intention Behaviour (BH)

[Source: Data Analysis of SPSS]

Based on the responses of 384 respondents, the dependent variable of perceived behavior control on determinants to use Islamic financial products was shown in Table 4.9 above. With a mean of 4.48 and a standard deviation of 0.573, public residents agree that 'an actively worked on paying off high-interest debts, such as credit card balances.'. With a mean of 4.45 and a standard deviation of 0.538, 'I frequently turn off lights, appliances, and electronics when not in use.'.

As a result, 'I often do dine out at restaurants or order takeout each week.', with a mean of 4.35 and a standard deviation of 0.665. Furthermore, they believe 'as often use public transportation or carpool to save on transportation costs, with a mean of 4.20 and a standard deviation of 0.469. Finally, residents believe 'that made efforts to reduce energy consumption, such as adjusting thermostat settings or insulating my home', with a mean of 4.16 and a standard deviation of 0.883.

Thus " I actively seek discounts or use coupons when making purchases. " has the greatest mean value of 4.54, and the lowest mean value of 4.04 is for the statement " I create and follow a monthly budget to manage my expenses. ".

4.3 RELIABILITY ANALYSIS

When it came to questionnaire consistency, observation, and testing, the reliability test was similar to any other technique of measurement. There should be no bias in the analysis, which may lead respondents to pick any of the possible responses. Cronbach's Alpha may be used to determine the reliability of a test instrument. This indicates that the instrument has a high degree of reliability if its Cronbach's Alpha value is the following:

- If Cronbach's Alpha > 0.90 = Very High Reliability

- If Cronbach's Alpha 0.70 to 0.90 = High Reliability

- If Cronbach's Alpha 0.50 to 0.70 = Reliability is Quite High

- If Cronbach's Alpha < 0.50 = Low Reliability

Table 4.17 shows the Cronbach's Alpha of this research.

Case Processing Summary

		N	%
Cases	Valid	383	99.7
	Excluded^a	1	.3
	Total	384	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.777	28

[Source: Data Analysis of SPSS]

According to the data in the above table, the alpha value of the pilot test is 0.777. The amount of alpha value that is acceptable is 0.70 and above. According to Sekaran (2000), developing to demonstrate reliable data obtained if the alpha value is more than 0.7 is considered highly reliable. As a result, given that Cronbach's Alpha was more than 0.70, it is possible to assume that all items in the questionnaire had very good reliability. Furthermore, verifying the validity and reliability of a questionnaire's results is proof that the information included in the questionnaire is valid and reliable.

4.4   PEARSON CORRELATION ANALYSIS

According to Weihan Liu in 2021, in statistical analysis, the Pearson correlation coefficient is extensively used to determine the degree of relationship between two variables. Pearson correlation coefficient (PCC) is a statistical technique for identifying and quantifying the relationship between independent and dependent variables. A PCC of indicates value of 1 is a perfect positive correlation, while a PCC of value -1 is a perfect negative correlation. Table 4.16 below shows the correlation coefficient's strength.

Strength of Correlation	Range Absolute Correlation Coefficient, (r)
Very Strong	0.8-1
Strong	0.6-0.79
Moderate	0.4-0.59
Weak	0.2-0.39
Very Weak	0-0.19

Table 4.18: The Correlation Coefficient's Strength

Correlations

		Attitude	SocialNorms	Perceivedbehaviour	Behaviour
Attitude	Pearson Correlation	1	.419**	.587**	.482**
	Sig. (2-tailed)		<.001	<.001	<.001
	N	384	384	384	384
SocialNorms	Pearson Correlation	.419**	1	.383**	.499**
	Sig. (2-tailed)	<.001		<.001	<.001
	N	384	384	384	384
Perceivedbehaviour	Pearson Correlation	.587**	.383**	1	.643**
	Sig. (2-tailed)	<.001	<.001		<.001
	N	384	384	384	384
Behaviour	Pearson Correlation	.482**	.499**	.643**	1
	Sig. (2-tailed)	<.001	<.001	<.001	
	N	384	384	384	384

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

[A: Attitude, SN: Social Norms, PBC: Perceived Behaviour Control, BH: Behaviour]

Table 4.19: Pearson Correlation Coefficient Analysis

[Source: Data Analysis of SPSS]
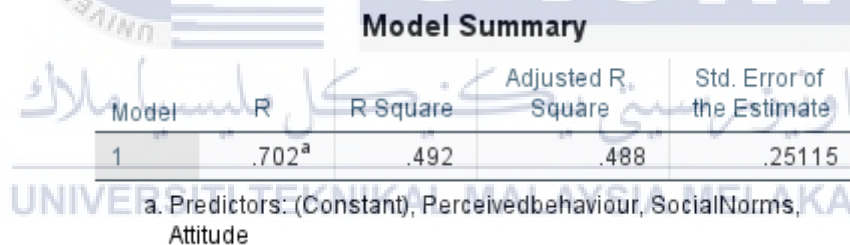
First and foremost, Table 4.19 displayed the results of the correlation between independent variables such as attitude, social norms, and perceived behaviour control, and the dependent variable, which was the use of Islamic financial products. Following the results, it can be concluded that all the independent variables are positively correlated with the dependent variable. Furthermore, findings from the research revealed that the correlation between perceived behaviour control and the use of Islamic financial products had a very strong positive correlation with a r value 0.643, n=384, p<0.01. Next, the relationship between behaviour and the use of Islamic financial products was a strong positive relationship with the r-value of 0.643, n=384, p<0.01. Then, the relationship between social norms and the use of Islamic financial products was a moderate positive relationship with the r-value of 0.499, n=384, p<0.01. Lastly, the relationship between

attitude and the use of Islamic financial products was a moderate positive relationship with the r value of 0.780, n=384, p<0.01.

In a nutshell, the independent variables had a statistically significant level of significance, while the dependent variables were in the strong positive and moderate positive ranges. All the correlation coefficients at the level of 0.01 (2-tailed) allowed the researchers to determine the correlation between the independent and dependent variables.

4.5   MULTILINEAR REGRESSION

Multiple regression analysis is a method for estimating a value based on two or more independent and dependent variables. Using multiple regression analysis, the researchers investigated the relationship between the independent variables which are perceived usefulness, perceived ease of use, confidentiality, and non-repudiation, and the dependent variable which is securing message systems among online shoppers. As a result, the results of the multiple regression analysis are shown in the table below.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.702ᵃ	.492	.488	.25115

a. Predictors: (Constant), Perceivedbehaviour, SocialNorms, Attitude

Table 4.20: **Model Summary**

[Source: Data Analysis of SPSS]

Results of the model summary of multiple regression analysis generated by the SPSS program are shown in Table 4.20. According to the table, the multiple correlation coefficient (R) was 0.702, showing that there was a correlation between the independent and dependent variables in the research. The R square value was 0.492, suggesting that only 50% of the variation in perceived behavior, social norm, and attitude could be explained by the variable in the use of Islamic financial products. Furthermore, when utilizing regression prediction variables, the adjusted R square values positive 0.488

explained around 48.8% of the variance in the use of Islamic financial products, according to the results.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.260	3	7.753	122.919	<.001[b]
	Residual	23.969	380	.063		
	Total	47.230	383			

a. Dependent Variable: Behaviour

b. Predictors: (Constant), Perceivedbehaviour, SocialNorms, Attitude

Table 4.21: ANOVA

[Source: Data Analysis of SPSS]

According to Table 4.21, the F-test result from this multiple regression analysis is 122.919, and the level of significance is less than 0.000 for this analysis. The p-value of 0.000 was less than the maximum of 0.05 (p<0.05), indicating a significant variance. Because of this, a variety of regression models are used to predict the determinants of to use of Islamic financial products. As a result, variables like attitude, social norms, and perceived behavior control had a significant effect on the use of Islamic financial products.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.229	.232		.986	.325
	Attitude	.102	.062	.076	1.634	.103
	SocialNorms	.271	.040	.279	6.806	<.001
	Perceivedbehaviour	.565	.053	.492	10.702	<.001

a. Dependent Variable: Behaviour

Table 4.22: Coefficients

[Source : Data Analysis of SPSS]

According to Table 4.22, the beta value for attitude was 0.102, the beta value for subjective norms was 0.271, and the beta value for perceived behavior was 0.565. Perceived behaviour had the highest beta, whereas attitude had the lowest beta, according to this statistic. The value of the constant is 0.229. Thus, the researcher formed the following equation: $Y = A + Bx1 + Bx$

Where:

Y = Dependent Variable

A = Constant form coefficients table

x = Beta, B value

$Bx1$ = Attitude

$Bx2$ = Social Norms

$Bx3$ = Perceived Behaviour Control

The Use of Islamic Financial Products = 0.229 + 0.102 (Attitude) + 0.271 (Social Norms) + 0.565 (Perceived Behaviour Control)

According to the mentioned linear equation, there is a positive correlation between all the variables, which are attitude, social norms, perceived behaviour control, and use of Islamic financial products. However, three independent variables had significant values

more than 0.05. According to Table 4.18, attitude had a no significant value of 0.103, social norms had a significant value of 0.001 and perceived behaviour control had a significant value of 0.001. This suggested that social norms and perceived behaviour control had a significant relationship with the use of Islamic financial products toward residents in Melaka Tengah.

4.6   HYPOTHESIS TESTING

Hypothesis 1 (Attitude):

H0: Attitude has a negative effect on the intention to use Islamic financial products toward residents in Melaka Tengah

 H1: Attitude has a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah

Reject H1, if p is higher than 0.05

Based on Table 4.18, the relevant value of attitude was 0.103, which was a higher p-value of 0.05. H0 is thus accepted, Attitude has a major negative impact on the intention to use Islamic financial products toward residents in Melaka Tengah.

Hypothesis 2 (Perceived Behaviour Control)

H0: Perceived behaviour controls have a negative effect on the intention to use Islamic financial products toward residents in Melaka Tengah

H2: Perceived behaviour controls have a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah

Reject H0, if p is lower than 0.05

Based on Table 4.18, the relevant value of perceived behaviour control was less than 0.001, which was below the p-value of 0.05. H2 is thus accepted, that perceived behaviour control has a major positive impact on the intention to use Islamic financial products toward residents in Melaka Tengah.

Hypothesis 3 (Subjective Norms)

H0: Subjective norms have a negative effect on the intention to use Islamic financial products toward residents in Melaka Tengah

H3: Subjective norms have a positive effect on the intention to use Islamic financial products toward residents in Melaka Tengah.

Reject H0, if p is lower than 0.05

Based on Table 4.18, the relevant value of social norms was less than 0.001, which was below p-value of 0.05. H3 is thus accepted, confidentiality has a major positive impact on the intention to use Islamic financial products toward residents in Melaka Tengah.

Hypothesis	Result
Hypothesis 1	Not Accepted
Hypothesis 2	Accepted
Hypothesis 3	Accepted

Table 4.23: Hypothesis Results

4.7   SUMMARY

This chapter covered the results of a study. There are four sorts of tests that have been analysed in this section which are descriptive analysis, reliability analysis, Pearson correlation, and multiple regression tests. SPSS version 26 was used to analyze the whole dataset. Using SPSS data, the researchers made a correlation between the independent and dependent variables and evaluated the validity of the hypothesis made in Chapter 2. In addition, the conclusion and suggestions were covered in Chapter 5.

CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

5.0   INTRODUCTION

The conclusions of this research were summarised in Chapter 5 based on the analysis of the data in Chapter 4 about the determinants of to use Islamic financial products. In this chapter, the researcher determined whether the research questions fulfill the research objectives. This chapter also reflected on the hypothesis of whether to accept or reject the hypotheses in this research. Next, the researcher outlined the limitations of the study and presented them in the study. Lastly, the researcher discussed significant implications and made recommendations based on the findings.

5.1   Summary of Descriptive Analysis

Demographic	Frequency with Highest Value	Frequency	Percent (%)
Gender	Male	199	51.8
Age	26-30	117	30.5
Marital Status	Single	257	66.9
Race	Malay	380	99.0
The Highest Education Level	Bachelor Degree	200	52.1

Occupation	Government	153	39.8
	Private Sector	153	39.8
Organizational Structure	Corporation	210	54.7
Income Level	RM3,171-RM3,970	134	34.9
Islamic Banks that have been used	CIMB Islamic	66	17.2
Islamic products that have been used	Murabaha	137	35.7

Table 5.1: Summary of Descriptive Analysis of Respondent's Demographic

As shown in the following table 5.1, the highest number of residents in Melaka Tengah were aged between 26-30 years old. The sample consists entirely of male respondents,30.5% more than women. This reflects the gender-specific nature of our study. Most respondents fall within the 26 to 30 age brackets. Their youthfulness and energy contribute to the vibrancy of our dataset. All respondents are single. The frequency for this marital status is 257 from 384 respondents. Their marital status suggests a certain independence and freedom in decision-making. The Malay ethnicity dominates our sample. Their cultural heritage and shared experiences shape their perspectives. Bachelor's degrees are the common thread among our respondents. Their educational background equips them with foundational knowledge and critical thinking skills. Furthermore, a subset of these respondents works in government roles. They navigate bureaucracy, policy-making, and public service. Their commitment to the nation is evident. Moreover, the private sector employs another segment of our sample. Here, they engage in profit-driven endeavours, innovation, and corporate dynamics. For organizational structure also it within corporations, our respondents occupy various positions. From entry-level analysts to mid-level managers, they form the intricate web of organizational hierarchies. In this income level, the income range of RM3,171 to RM3,970 places our respondents in the middle-income bracket. They balance financial stability with aspirations for growth. Islamic Banking has been used which is the CIMB Islamic Bank emerged as the preferred financial institution. Its commitment to Sharia-compliant practices resonates with our respondents' values. Lastly, Murabaha had been chosen from

residents in Melaka Tengah because it is a cost-plus financing arrangement, and finds favour among our respondents. Whether for car purchases or home improvements, they seek ethical financial solutions.

5.2   SUMMARY OF THE STUDY

The purpose of this study was to determine whether to use Islamic financial products by residents in Melaka Tengah. Attitude (A), Perceived behavior control (PBC), and subjective norms (SN), the independent variables derived from prior research, was used to identify a to find out how the determinants of using Islamic financial products in Malaysia generally find the solution to the research problem that was described in this study.

1. RO1: To investigate the determinants of using Islamic financial products by residents in Melaka Tengah.

2. RO2: To analyze the impact of determinants of using Islamic financial products by residents in Melaka Tengah.

3. RO3: To examine the most significant factor that determinants of using Islamic financial products by residents in Melaka Tengah.

To study the relationship between the independent and dependent variables, a hypothesis was also developed. Based on the hypothesis, researchers were able to determine the relationship between Attitude (A), Perceived behaviour control (PBC), and subjective norms (SN) with the use of Islamic financial products.

5.3   DISCUSSION OF OBJECTIVES AND HYPOTHESIS DISCUSSION

In this part, the researcher's hypothesis was tested to analyze the connection between the independent and dependent variables in order to meet the research goals of this study. As a result, the outcomes were examined in order to determine whether or not the study was successful in achieving the goal.

5.3.1 Objective 1: To identify the determinants to use of Islamic financial products by residents in Melaka Tengah.

@10.WhatkindofIslamicproductsthathavebeenused

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Murabaha	137	35.7	35.7	35.7
	Mudharabah	78	20.3	20.3	56.0
	Takaful	133	34.6	34.6	90.6
	Sukuk	35	9.1	9.1	99.7
	Other	1	.3	.3	100.0
	Total	384	100.0	100.0	

Table 5.2: Descriptive Statistics

[Source: Data Analysis of SPSS]

The questionnaire data was utilized to determine the first objective, which was achieved by using descriptive statistics. Data are often averaged to determine central tendency (NCSS Statistic, 2016; Manikandan, 2015). Therefore, the researchers applied a Nominal scale which was 'What kind of Islamic products that been used 'described as Islamic products that have been used in their daily life with answers of types of Islamic products as answers to the question that the residents replied.

The result of the descriptive statistics shown in table 5.2 above was the description of the use of Islamic financial products. By answering 'Murabaha', 137 respondents (35.7%) agreed that they know about Islamic financial products especially on Murabaha because it is related to a cost-plus financing arrangement that lets males use it daily for their financing product in a safe way and follow the Shariah compliance.

According to or, A. M., Ibrahim, S. N., & Daud, S. in 2020, Murabahah was a trading activity rather than a means of funding. The fundamental is the mark-up cost plus

action, wherein one individual purchase an item at a certain price and then sells it to a third party at a profit, with the buyer disclosing and agreeing to the cost and profit share. This involves a certain level of confidence in two ways between the buyer and the vendor. First, the buyer placed an order to acquire a specific asset, putting their faith in the seller to buy it at a fair price. Secondly, the seller sold the asset to the buyer at a profit that was disclosed to the buyer. In this case, the data respondent that using Murabahah as their Islamic products because they understand and use it for finance management in business or personnel users. Murabahah is an Islamic financing structure where the seller and buyer agree to the cost and markup of an asset that allows male residents comprehend to use Islamic financial products in a protected way.

5.3.2 Objective 2: To analyze the impact of determinants on to use of Islamic financial products by residents in Melak Tengah.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Attitude	384	2.71	5.00	4.3929	.26319
SocialNorms	384	2.29	5.00	4.2742	.36120
Perceivedbehaviour	384	2.57	5.00	4.3226	.30546
Valid N (listwise)	384				

Table 5.3: Mean Score Analysis
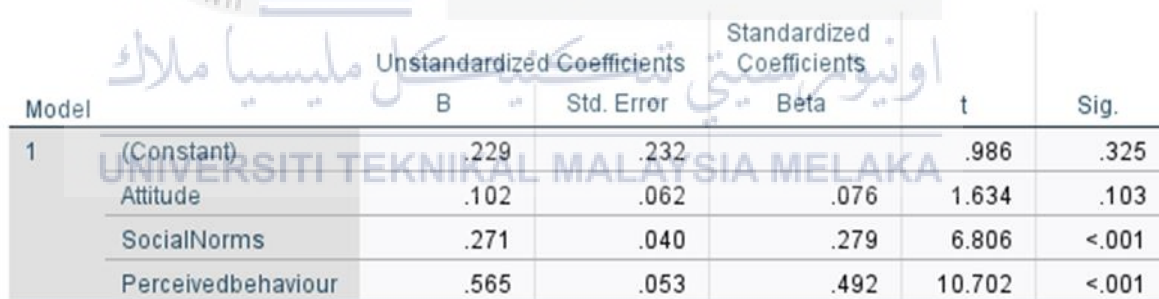
[Source: Data Analysis of SPSS]

The second objective, based on the survey results, was achieved using mean score analysis. The researcher summarised the mean of the question that the consumer responded that was connected to the dependent variable on a Likert scale from 1 to 5, with the responses being strongly disagree (1), disagree (2), neutral (3), agree (4), and strongly agree (5). The variable that studies the determinants to use of Islamic financial products is shown in Table 5.3 above as the outcome of the mean score analysis.

Attitude had a mean score of 4.39, perceived behaviour control had a mean score value of 4.32, and lastly, social norms had a mean value of 4.27. Respondents agree that

all three factors are of the determinants to use Islamic financial products by residents in Melaka Tengah. Attitude is the factor that related more compared to other factors since it has the highest mean value which was 4.32. According to previous research, attitude is more intention to use for Islamic financial products. Furthermore, according to Nelson Lajuni in 2020, perceived behavioural control as a factor considers that a user has a favorable relationship between to use and intention behavioral. Besides that, based on research done by Amin et al., in 2013, another study found that social norms are connected to desire in the relationship between the use of Islamic financial products and banking. Apart from that, many articles were identical in content and the outcomes of attitude, perceived behaviour control, and social norms are significant since it assist resident to use the Islamic financial products in Melaka Tengah.

5.3.3 Objective 3: To investigate the most significant factor that determinants to use of Islamic financial products by residents in Melaka Tengah.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.229	.232		.986	.325
	Attitude	.102	.062	.076	1.634	.103
	SocialNorms	.271	.040	.279	6.806	<.001
	Perceivedbehaviour	.565	.053	.492	10.702	<.001

a. Dependent Variable: Behaviour

Table 5.4: Coefficients of dependent and independent variables

[Source: Data Analysis of SPSS]

Hypothesis 1: There is no significant relationship between attitude in the determinants to use Islamic financial products by residents in Melaka Tengah. According to the findings of coefficient table 5.4, attitude no had a statistically significant value of 0.103, which was much higher than 0.05. This study's findings revealed that no correlation

between the independent variable (A) and the dependent variable the use of Islamic financial products.

Based on the previous study conducted by Jati Kesuma in 2020, it is discovered that attitude has a significant impact on intention, suggesting that learned predispositions primarily explain and predict consumers' behavioral intention to use Islamic banking products. However, for this research, it is not significant because they argued that Islamic financial products help in developing a positive financial attitude, whereby the latter is subject to change in the case of one's improved knowledge of the use of Islamic financial products. This will be supported by previous study John Bargh and his colleagues (Bargh, Chaiken, Raymond, & Hymes, 1996) found that people could express attitudes toward nonsense words such as juvalamu (which people liked) and chakaka (which they did not like). The researchers also found that these attitudes were very weak. It because they allow the social situation to influence their behaviors, the relationship between attitudes and behavior will be weaker for high self-monitors than it is for low self-monitors (Kraus, 1995).

Hypothesis 2: There is a significant relationship between perceived behavior control in in the determinants to use Islamic financial products by residents in Melaka Tengah.

Based on the results of coefficient table 5.4, it showed the perceived behaviour control had less than 0.000 significant value which value is lower than 0.05. According to these results, there was a relationship between the independent variables, PBC, and the dependent variable, the use of Islamic financial products.

Based on research by Mariatul and Rosidah (2016) has demonstrated that the more significant effect of intention is the predictor of intention, sometimes referred to as "perceived behavioral control." Given that most decisions made by the respondents are made by them as business owners, the firmly held control views about their capacity to implement Islamic finance are considered pertinent. This demonstrated that perceived

behaviour control was the most important factor influencing the usage of Islamic financial instruments.

Hypothesis 3: There is a significant relationship between social norms in in the determinants to use Islamic financial products by residents in Melaka Tengah. Based on the results of coefficient table 5.4, it showed that social norms had less than 0.001 significant value which the value is lower than 0.05. According to these results, there was a relationship between independent variables, social norms, and dependent variables, the use of Islamic financial products.

The research connected to the desire to use Islamic banking products generally focuses at the effect of subjective norms or social influence (Amin et al., 2013). Even if they may not agree with the desired conduct, people will comply when they are under strong social pressure or influence (Venkatesh & Davis, 2000). Thus, prior research lends credence to the study's assumptions, which state that social value and desire to utilize Islamic goods and services are significantly correlated. Therefore, it means social norms are the most significant factor that has a relationship to the use of Islamic financial products.

5.4 Implication of Study

As a result, the researcher was able to determine the factor that to use of Islamic financial products by residents in Melaka Tengah. All data collection was done through majority of male respondent in Peninsular Malaysia who live in Melaka Tengah and use the Islamic banking for their transaction. Consequently, the study's goal is to investigate the most significant factor that determines to use of Islamic financial products. Male respondents may learn more about the use of Islamic financial products and the implementation of the benefit of these products in daily use with Shariah compliance. The research relies on surveys and other questionnaire sources. These results may help researchers learn about the factors that the use of Islamic financial products.

5.4.1 Theoretical Implication

Using the TPB theory model, researchers were able to better comprehend the relationship between the determinants to use of Islamic financial products and the use of Islamic financial products. It contributed to the research model which was TPB model that based on social norms (SN) and perceived behavior control (PBC) as the independent variable and the dependent variable is the use of Islamic financial products. For this study, subjective norms (SN) and perceived behavior control (PBC) are the independent variables that determine to use of Islamic financial products which contributes to the research model (TPB model).

Subjective norms (SN) and perceived behavior control (PBC) are the independent variables of the determinants of to use of Islamic financial products by residents in Melaka Tengah based on the previous research. The relationship between perceived behavior and social norms in the use of Islamic financial products is shown in this way. Furthermore, Noor Hafizah Azali, in 2020 provides information that will assist researchers in understanding how significant positives and explains the independent variables, which are perceived behavior control (PBC) and social norms (SN).

There was a lack of attitude toward research in the factor of determinants to use Islamic financial products. Furthermore, the study thus far has mostly focused on the theoretical knowledge and progress of factors that determine the use of Islamic financial products. TPB can be applied to understand and influence behavior in various contexts, such as Islamic finance campaigns, Financing structure campaigns, and Facilitating SDGs with Islamic Finance programs. For example, in an Islamic finance campaign, the TPB can be used to identify the attitudes, subjective norms, and perceived behavioral control related to a specific behavior, such as adopting evidence-based instructional practices (EBIPs). By understanding these factors, the campaign can be designed to address the attitudes and subjective norms that influence behavioral intentions, ultimately leading to the desired behavior. Because the TPB does not account for other variables that factor into behavioral intention and motivation, such as fear, threat, mood, or experience.

5.4.2   Managerial Implication

The managerial implications of this research study included businesses who desire to use Islamic financial products in Malaysia such as Mudarabah, and that may use of Islamic financial products in their daily financing management in order to know the benefit provided by each of Islamic bank. Not only that, but they also benefited from this study since it will give them the most knowledge on the use of Islamic financial products. By utilizing the findings, public residents in Melaka Tengah are required to learn how to function with the Islamic financial products in their daily finance data within their personal or businesses, with social norms (SN) and perceived behavior control (PBC) being the two most important contributors.

5.5   Limitation of Study

To complete this study, researchers were confronted with a limitation. Data gathering was highly restricted. This is because the world today is experiencing a pandemic which is COVID-19, at the time researchers begin to disseminate the questionnaire. This pandemic was generally accompanied by movement restriction orders asking individuals to remain at home. As a result, the researcher solely used Google Forms to distribute the questionnaires. It is difficult to get 384 respondents with just a Google form.

As a result, the researcher confronted a new obstacle in gathering data on the pandemic COVID-19 movement control order (MCO). Besides that, the total sample size for this study is 384 respondents, using non-probability purposive sampling. Since it was challenging to obtain 384 respondents using just a Google form, the number of respondents may not be adequate to describe. However, the researcher was still able to gather data from 384 respondents and finish this research. Thus, the study's stated conclusion may not accurately represent the use of Islamic financial products.

Lastly, as a result, the respondents come from a variety of backgrounds, probably some of whom are unable to read and write in English. Researchers' language and sentence style may be confusing to some respondents. Due to poor responses to the survey from this minority are unavoidable. Because of this issue, the data acquired may be inaccurate

and fall short of the researcher's objectives. Most respondents know Islamic financial products but are unable to explain what it means or provide specific examples of how it works in their everyday lives.

5.6   Recommendation for future research

First and foremost, researchers recommend that future research findings may use the key factors o and broaden independent variable factors other than attitude, perceived behavioral control, and social norms to study the factors of the determinants to use Islamic financial products by residents in Melaka Tengah, particularly during Covid-19.

Furthermore, researchers in the future should focus on acquiring accurate data from all states of Malaysia to get better findings in future demographic studies. Male respondents should be educated and presented with the importance of the system by providing additional significance and knowledge.

Apart from that, for future research, the researcher suggests surveying a face-to-face technique. According to the researcher, this is because internet distribution leads to difficulties in verifying the actual sample size. The researcher cannot verify whether respondents really read the questionnaire or if they just marked random boxes without understanding what they were intended to accomplish. As a result of this situation, incorrect data may be generated. To ensure that the sample size is not affected, researchers may benefit from employing a mechanism that directly distributes survey questionnaires.

Besides that, the future researcher can also conduct research on Islamic financial products especially for Islamic Fintech in companies or businesses to identify how many employers and employees that acknowledge and implement all the applications. They can also study which Islamic products are the most suitable for companies and daily transactions for personnel use.

Finally, future researchers also could include interviews in the survey. They can interview people who know how to comprehend how Islamic financial products work and how good it is to gain more in-depth details about the usage of Islamic financial products.

By conducting interviews, the researcher could get most of the answers for his/her questions that related to Islamic financial products because it is from a trustworthy source.

5.7   Conclusion

In a nutshell, this study focused on how the use of Islamic financial products by residents in Melaka Tengah. The results revealed that all of the research objectives were met using SPSS analysis. In terms of hypothesis testing and study objectives, this chapter also addressed to finish the findings of the results that were analyzed in Chapter 4. Furthermore, this chapter explored the implications of this research study in order to clarify what the research contributes to future research. Finally, it identified the study's limitations and made recommendations for future researchers who want to research a topic comparable to this one. In the context of Melaka Tengah, Malaysia, the study's findings effectively provided a deeper knowledge of the intention to utilise Islamic financial goods and services. Even though Muslims make up the majority of the population in Malaysia, not all users of the traditional financial system will necessarily be as knowledgeable about Islamic financial goods and services. Thus, this study indicated that attitude, perceived behavioural control, and societal norms will all have an impact on the desire to utilise Islamic financial goods and services.

Additionally, the findings demonstrated that Islamic financial products acted as a mediating factor between attitude and the desire to utilize Islamic financial goods and services. While each of the three factors showed a substantial link with intention, there was a discernible difference in terms of substantive effect.

REFERENCES

Abdelrahman, A.Y.(2013), Fundamental Issues in Islamic Economics, Verlag.

Admin. (2022, November 17). Islamic Financial Instruments - Shariah Contacts | AIMS UK. AIMS. https://aims.education/study-online/islamic-financial-instruments/

Admin. (2022a, November 14). Mudarabah Contract? Mudaraba Types & Examples - AIMS UK. AIMS. https://aims.education/study-online/mudarabah-contract-in-islamic-banking/

Al-Jarhi, M. (2017). An economic theory of Islamic finance. ISRA International Journal of Islamic Finance, 9(2), 117–132. https://doi.org/10.1108/ijif-07-2017-0007

Araminta, D. V., Qudziyah, Q., & Timur, Y. P. (2022). THE ROLE OF GREEN SUKUK IN REALIZING THE SUSTAINABLE DEVELOPMENT GOALS 2030 AGENDA. Jurnal Ekonomi Dan Bisnis Islam (Journal of Islamic Economics and Business) 8(2):251-266, 8(2), 251–266. https://doi.org/10.20473/jebis.v8i2.37531

Arip. (2015). Factors Affecting Mudaraba Deposits on Islamic Commercial Bank in Indonesia. Social Science Research Network. https://doi.org/10.2139/ssrn.2662912

At What Price? (2002). In National Academies Press eBooks. https://doi.org/10.17226/10131

Bargh, J. A., Chaiken, S., Raymond, P., & Hymes, C. (1996). The automatic evaluation effect: Unconditional automatic attitude activation with a pronunciation task. Journal of Experimental Social Psychology, 32(1), 104–128.

Due. (2023, June 13). Takaful - Due. https://due.com/terms/takaful/

EY (2013), "Global takaful insights 2013: finding growth markets", available at: www.mifc.com/index. php?ch=28&pg=72&ac=59&bb=uploadpdf

February 13, S. M. / theedgemarkets com, & Am +08, 2023 11:19. (2023, February 13). Malaysia's Islamic financing to continue outperforming conventional banks — Fitch Ratings. The Edge Markets. https://www.theedgemarkets.com/node/654949

Financing: Murabahah. (2017, October 15). Islamic Bankers Resource Centre. https://islamicbankers.me/islamic-banking-islamic-contracts/in-focus-murabahah-contract/

Ganti, A. (2022). What Is a Sukuk? Sharia-Compliant Bond-Like Financial Instruments. Investopedia. https://www.investopedia.com/terms/s/sukuk.asp

Haji, B. (2015). Mudarabah and Poverty Alleviation in Somalia. www.academia.edu. https://www.academia.edu/15016995/Mudarabah_and_Poverty_Alleviation_in_Somalia

Home »DergiPark. (n.d.). https://dergipark.org.tr/en

International Living. (2023, April 19). Cost of Living in Malaysia in 2023 (Incl. Sample Monthly Budget). https://internationalliving.com/countries/malaysia/cost-of-living-in-malaysia/

Kagan, J. (2021). What Is Takaful Insurance and How Does It Work? Investopedia. https://www.investopedia.com/terms/t/takaful.asp

Kagan, J. (2021b). What Is Takaful Insurance and How Does It Work? Investopedia. https://www.investopedia.com/terms/t/takaful.asp

Kagan, J. (2021c). What Is Takaful Insurance and How Does It Work? Investopedia. https://www.investopedia.com/terms/t/takaful.asp

Kahf, M. (2005). ISLAMIC BANKING AND DEVELOPMENT: AN ALTERNATIVE BANKING CONCEPT? http://monzer.kahf.com/papers/english/ISLAMIC_BANKING_AND_DEVELOPMENT_March_2005_IN_HASSAN_AND_LEWIS_HANDBOOK.pdf

Kraus, S. J. (1995). Attitudes and the prediction of behavior: A meta-analysis of the empirical literature. Personality and Social Psychology Bulletin, 21(1), 58–75.

Krejcie, R.V., & Morgan, D.W., (1970). Determining Sample Size for Research Activities. Educational and Psychological Measurement.

Lajuni, N., Jati Kasuma, Yacob, Y., Noor Hafizah Azali, Emang, W., & Ismail, M. (2020). *Islamic Financial Products/Services and the Intention toUse.*

May 03, H. C. / theedgemarkets com, & Pm +08, 2023 15:00. (2023, May 3). BNM makes surprise 25bps hike in OPR to 3%. The Edge Markets. https://www.theedgemarkets.com/node/665478

Mudarabah | islamic-banking.com. (n.d.-b). https://www.islamic-banking.com/explore/islamic-finance/shariah-rulings/question-answers-shariah-rulings/mudarabah

Murabaha | islamic-banking.com. (n.d.). https://www.islamic-banking.com/explore/islamic-finance/shariah-rulings/question-answers-shariah-rulings/murabaha

Nickerson, C. (2023). Theory of Reasoned Action (Fishbein and Ajzen, 1975). Simply Psychology. https://www.simplypsychology.org/theory-of-reasoned-action.html

Nidaussalam, M. (2016). Mudaraba as a Model of Islamic Finance. https://www.researchgate.net/journal/Shirkah-Journal-of-Economics-and-Business-2503-4235, 1(1), 73. https://doi.org/10.22515/shirkah.v1i1.11

Peratello, G. (2022, February 21). Cost of living in Malaysia (2022 guide). Wise. https://wise.com/us/blog/cost-of-living-in-malaysia

Pesan by Qoala. (2022). MRTA vs MLTA vs MRTT vs MLTT: Let's Learn the Differences - Pesan By Qoala. Pesan by Qoala. https://qoala.my/en/blog/personal-protection/mrta-vs-mlta/

Porter, T. (2022). Cost of living: What it is, how to calculate it and how to compare. Bankrate. https://www.bankrate.com/real-estate/what-is-cost-of-living/#calculated

Rabbani, M. R., Ali, M., Rahiman, H. U., Atif, M., Zulfikar, Z., & Naseem, Y. (2021). The Response of Islamic Financial Service to the COVID-19 Pandemic: The Open Social Innovation of the Financial System. Journal of Open Innovation, 7(1), 85. https://doi.org/10.3390/joitmc7010085

Rawson, C. (2021, November 13). How To Lower Your Cost of Living. The Balance. https://www.thebalancemoney.com/ways-to-lower-your-cost-of-living-5114258

S, S. (2019, April 30). Difference Between Cost of Living and Standard of Living (with Comparison Chart) - Key Differences. Key Differences. https://keydifferences.com/difference-between-cost-of-living-and-standard-of-living.html

Siddiqui, A. A., & Tariq, M. (2022, September 6). The rise of Sukuk. DAWN.COM. https://www.dawn.com/news/1708430

Small-Sample Techniques (1960). The NEA Research Bulletin, Vol. 38.

Takaful (Islamic Insurance). (2015, November 24). Islamic Bankers Resource Centre. https://islamicbankers.me/focus/in-focus-takaful-islamic-insurance/

Takaful Act (1984), Malaysia , available at https://Islamicbankers.files.wordpress.com/2013/12/takafulact-1984.pdf

Travelsafe-Abroad. (2023, January 28). Cost of Living in Malaysia. (2023 Updated). Travel Safe - Abroad. https://www.travelsafe-abroad.com/cost-of-living/malaysia/

Usmani. , M.A. (2002), Meezan Bank: Guide to Islamic Banking ,Darul Ifta.

Wikipedia contributors. (2023). Profit and loss sharing. Wikipedia. https://en.wikipedia.org/wiki/Profit_and_loss_sharing

Wikipedia contributors. (2023a). Sukuk. Wikipedia. https://en.wikipedia.org/wiki/Sukuk

World Bank Group. (2017). Islamic Finance. In World Bank. https://www.worldbank.org/en/topic/financialsector/brief/islamic-finance

World Bank Group. (2018). The Story of Takaful and Karama Cash Transfer Program. World Bank. https://www.worldbank.org/en/news/feature/2018/11/15/the-story-of-takaful-and-karama-cash-transfer-program

Young, J. (2020). Murabaha: Definition, Example, and Financing Under Islamic Law. Investopedia. https://www.investopedia.com/terms/m/murabaha.asp

Young, J. (2020b). Murabaha: Definition, Example, and Financing Under Islamic Law. Investopedia. https://www.investopedia.com/terms/m/murabaha.asp

APPENDIX 1

GANTT CHART PSM 1

FYP 1	WEEK													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
FYP Talk	■													
Discuss the title research with supervisor and confirming the title research		■												
Research objectives and research questions construction			■											
Meeting with supervisor				■										
Minor change on topic				■										
Studying and finding the sources for secondary data					■			MIDTERM BREAK						
Chapter 1						■								
Chapter 2							■							
Chapter 3									■					
Do corrections Chapter 1-3											■			
PSM Presentation													■	
Submission final report														■

APPENDIX 2

GANTT CHART PSM 2

FYP 2	WEEK													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Completion of Questionnaire construction	■													
Correction of Questionnaire		■												
Distribute of Questionnaire			■											
Completion of data collection & pilot test				■										
Data analysis					■									
Completion of data analysis						■								
Write up Chapter 4: Discussion & Analysis					■	■								
Completion of Chapter 4: Discussion & Analysis							■	MIDTERM BREAK						
Write up Chapter 5: Conclusion									■					
Completion of Chapter 5: Conclusion											■			
Final draft submission											■			
Format adjustment and document compilation											■	■		
Slide Presentation											■	■		
PSM Presentation													■	
Turnitin and report amendment													■	
Submission final report														■

APPENDIX 3

Bachelor of Technopreneurship (Hons.)

Faculty of Technology Management and Technopreneurship

Universiti Teknikal Malaysia Melaka (UTeM)

Research Project Survey Questionnaire:

THE DETERMINANTS TO USE ISLAMIC FINANCIAL PRODUCTS BY RESIDENTS IN MELAKA TENGAH

The main purpose of this study is to determines to use Islamic financial products by residents in Melaka Tengah. Result from this study will be used to build and improve intention behaviour on use Islamic financial products.

This questionnaire is consisted of 3 sections: Section A, Section B and Section C. You are kindly required to answer all. Your time and responses are highly appreciated. Thank You

Statement of Confidentiality:

All of the information is confidential and only will be using for research purposes.

References:

Muhammad Aliff Bin Abu Bakar

Bachelor of Technology Management (High Technology Marketing) (Hons.) Faculty of Technology Management and Technopreneurship

muhammadaliffa9@gmail.com

+6011-69649970

Dr Nor Azah Binti Abdul Aziz
Supervisor
Faculty of Technology Management and Technopreneurship

azahaziz@utem.edu.my

+6016-7115504

SECTION A: DEMOGRAPHIC PROFILE

This section is to survey the demographic of the

respondents.

Please tick the appropriate column.

1. **Gender**

	Male
	Female

2. **Age Range**

	18 - 20
	21 – 25
	26 – 30
	31 - 35
	36 - 40

3. **Marital Status**

	Single
	Married
	Divorced

4. **Race**

	Malay
	Chinese
	India
	Other

5. **The Highest Education Level**

	Sijil Pelajaran Malaysia (SPM)
	Diploma
	Bachelor Degree
	Bachelor Master
	PhD
	Other

6. Occupation

	Government
	Private Sector
	NGO
	Self Work (Kerja Sendiri)
	Other

7. Organizational Structure

	Corporational
	Individual

8. Income Level

	RM2,500 below
	RM2,501 -RM3,170
	RM3,171 – RM3,970
	RM3,971 – RM4,850
	RM4,851 – RM5,880

9. What kind of Islamic bank that have been used?

	Bank Islam
	Maybank Islamic
	Hong Leong Islamic Bank
	Public Islamic Bank
	RHB Islamic Bank
	Alliance Islamic Bank
	AmBank Islamic
	CIMB Islamic
	Bank Muamalat
	Conventional Bank
	Other

10. What kind of Islamic products that have been used?

	Murabaha
	Mudharabah
	Takaful
	Sukuk

	Other

Based on the questions below, please answer the questions briefly by using the 5 Likert scale that consist of Strongly Disagree until Strongly Agree. This section has questions related determinants to use of Islamic Financial Product by residents in Melaka Tengah.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Label	Determinants to use of Islamic Financial Product by residents in Melaka Tengah	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
A1	I find that using Islamic financial products an important strategy for managing the cost of living					
A2	I have a positive attitude toward Islamic financial institutions					
A3	I feel happy about Islamic financial products (e.g., Takaful) for managing my finances daily					
A4	I observe that Islamic financial products as a viable alternative to conventional financial tools for cost reduction.					
A5	I observe viable Islamic financial products that make one's life stable and efficient in spending					

A6	I truly care about the attitude towards the prohibition of interest (riba) in Islamic finance					
A7	I believe that using Islamic financial products is a good idea for reducing my cost of living					
SN1	I find or receive support or encouragement from my family and friends to use Islamic financial products to manage expenses					
SN2	I feel pressure from people important to me to use Islamic financial products for managing the cost of living					
SN3	I have experienced situations where I felt pressured to transition from conventional to Islamic financial products because of the influence of others' opinions					
SN4	I observe the view that individuals who utilize Islamic financial products are held in higher regard or receive more admiration within my community					
SN5	I receive support or encouragement from my family and friends to use Islamic financial products to manage expenses					
SN6	I experience societal pressure from my religious community to incorporate Islamic financial products into my daily life.					

SN7	I find that the use of Islamic financial products aligns with the values and norms of my society					
PBC1	I intend to use Islamic financial products to reduce my cost of living in the future.					
PBC2	I am likely to adopt Islamic financial products for managing my expenses					
PBC3	I plan to incorporate Islamic financial products into my financial strategies to reduce costs					
PBC4	I believe that using Islamic financial products will lead to better financial outcomes personally					
PBC5	I have a very high and efficient intention to use Islamic financial products compared to conventional financial products					
PBC6	I consult with a financial advisor before using Islamic financial products to know the benefits of each plan					
PBC7	I would like to share my experience with Islamic financial products with my social networks					

SECTION C : THE USAGE OF ISLAMIC FINANCIAL PRODUCTS BY RESIDENT IN
MELAKA TENGAH

Based on the questions below, please answer the questions briefly by using the 5 Likert scale that consists of Strongly Disagree until Strongly Agree. This section has questions related to the usage of Islamic financial products by residents in Melaka Tengah.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Label	Intention Behaviour (BH)	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
BH1	I often do dine out at restaurants or order takeout each week.					
BH2	I actively seek discounts or use coupons when making purchases.					
BH3	I frequently turn off lights, appliances, and electronics when not in use.					

BH4	I made efforts to reduce energy consumption, such as adjusting thermostat settings or insulating my home.					
BH5	I create and follow a monthly budget to manage my expenses.					
BH6	I actively worked on paying off high-interest debts, such as credit card balances.					
BH7	I often use public transportation or carpool to save on transportation.					

APPENDICES 4