



FACTORS THAT INFLUENCE CUSTOMER PREFERENCES TOWARD
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ABSTRACT

Malaysian government initiated the first Islamic pawn shop in 1992 which was set up by the Terengganu Islamic Religious and Malay Customs Council namely as the Muassasah Gadaian Islam Terengganu, which has experienced an overwhelming success in terms of expanding in the informal economy. Given this background, the research aim is to investigate the level of preference towards Ar-Rahnu MAIDAM, to examine the relationship between selected variables (storage charge, service quality, locality, and management) and customer level preferences and to investigate the most important factor that influence people to pawn at Ar-Rahnu MAIDAM. In an attempt to fulfill the aims of the research study, the questionnaire surveys were convenience sampling approach was applied. Furthermore, the populations focus on the customer in Ar-Rahnu MAIDAM MARANG. The records in the last three months by Ar-Rahnu MAIDAM MARANG were 900 customers. So, 300 people becoming a sample size for this study. The findings from the survey analysis demonstrate that the majority of the lower incomes between RM1001-2000 areas MARANG have awareness about Ar-Rahnu MAIDAM. On the other hand, the results revealed that all the four independent variables (storage charge, service quality, locality, and management) have a significant relationship with level of preference people to pawn at Ar-Rahnu MAIDAM. Importantly, while the finding of the study renders the dominant factor that influences people to pawn at Ar-Rahnu MAIDAM is management factor.