



**FACTORS AFFECTING CONSUMERS'
BEHAVIOR TOWARDS ISLAMIC HOME
FINANCING IN BANK ISLAM (M) BERHAD
KOTA KINABALU, SABAH**

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ABSTRACT

This study entitled “Factors affecting consumers’ behavior towards Islamic home financing in Bank Islam (M) Berhad Kota Kinabalu, Sabah” aims to determine consumers’ behavior towards IHF and identifying the influencing factors (awareness and knowledge, cost benefits, customer support and reputation) as well as the relationships between the research variables. This quantitative, descriptive research uses a survey method with an adapted questionnaire from past research (Mariatul Aida & Rosidah, 2013). A total of 150 respondents were selected from patrons of BIMB Kota Kinabalu, Sabah who were selected using convenience sampling method. Data was analyzed with SPSS 21.0 using descriptive and inferential statistical analyses. Findings showed that attitude towards IHF (mean = 3.9444) and intention to purchase IHF (mean = 3.9933) was high and overall consumer behavior (mean = 3.9640) was high. The influencing factors of awareness and knowledge (mean = 3.9520), customer support (mean = 3.8750) and reputation (mean = 3.9067) were perceived high by the respondents but cost benefits (mean = 3.5917) was perceived moderately. The relationships between awareness and knowledge ($r = .593$, $p = .000$) and cost benefits ($r = .517$, $p = .000$) are significant but moderate with consumer behavior. However, the relationships between customer support ($r = .675$, $p = .000$) and reputation ($r = .774$, $p = .000$) with consumer behavior are significant and strong. Based on the research findings, it is suggested that consumer behavior for different IHF products (BBA-Murabahah and Musharakah Mitantqisah) offered by multiple Islamic banks are investigated to get a better understanding of consumer behavior towards IHF.

TABLE OF CONTENTS

DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	v
LIST OF FIGURES	vi
LIST OF ABBREVIATIONS	vii
LIST OF DEFINITION OF TERMS	viii
ABSTRACT	ix
CHAPTER ONE INTRODUCTION	1
1.1 Background Of The Study	1
1.2 Problem Statement	2
1.3 Research Questions	4
1.4 Research Objectives	4
1.5 Research Hypotheses	5
1.6 Significance Of The Study	5
1.7 Definition Of Terms	6
1.7.1 Consumer Behavior	6
1.7.2 Islamic Home Financing	6
1.8 Summary	7
CHAPTER TWO LITERATURE REVIEW	8
2.1 Overview	8
2.2 The Development Of Islamic Banking In Malaysia	9
2.2.1 Development of Bank Islam (M) Berhad	9
2.2.2 Islamic Banking Concept	10
2.2.3 Islamic Home Financing	13
2.3 Conceptual Theories Of Consumer Behavior	15
2.3.1 Definition of Consumer Behavior	15
2.3.2 Underlying Theories of Consumer Behavior	16
2.4 Factors Affecting Consumer Behavior Towards Islamic Home Financing	19
2.4.1 Awareness and Knowledge	19
2.4.2 Cost Benefits	20
2.4.3 Customer Support	20
2.4.4 Reputation	20
2.5 The Proposed Research Framework	21

CHAPTER THREE RESEARCH METHODOLOGY	22
3.1 Research Design	22
3.2 Population And Sampling Method	22
3.3 Research Instrument	22
3.4 Pilot Study	23
3.5 Data Collection Procedures	23
3.6 Data Analysis Procedures	24
CHAPTER FOUR RESEARCH FINDINGS	26
4.1 Introduction	26
4.2 Demographic Profiles Of The Respondents	26
4.3 Consumers' Behavior Towards Islamic Home Financing	34
4.3.1 Attitudes towards IHF	34
4.3.2 Intention to Purchase IHF	35
4.3.3 Overall Consumer Behavior towards IHF	35
4.4 Influencing Factors Of Customer Behavior Towards Islamic Home Financing	36
4.4.1 Awareness and Knowledge	36
4.4.2 Cost Benefits	37
4.4.3 Customer Support	37
4.4.4 Reputation	38
4.5 Relationship Between Influencing Factors And Customer Behavior Towards Islamic Home Financing	39
CHAPTER FIVE DISCUSSION, RECOMMENDATION AND CONCLUSION	42
5.1 Introduction	42
5.2 Discussion Of The Research Findings	42
5.3 Implications Of The Research Findings	47
5.4 Recommendations	49
5.5 Conclusion	49
REFERENCES	50
APPENDICES	55
Appendix 1: Research Questionnaire	56
Appendix 2: SPSS Output for Descriptive Analysis	62
Appendix 3: SPSS Output for Inferential Analysis	68