

**UNIVERSITI TEKNOLOGI MARA**

**FACTORS AFFECTING PURCHASE  
INTENTION ON ISLAMIC  
PRE-NEED FUNERAL PLAN IN  
KUALA LUMPUR, MALAYSIA.**

**NADZIRAH IDAYU BINTI SHAHRUL NIZAM**

Thesis submitted in fulfillment  
of the requirements for the degree of  
**Master of Science**  
**(Business Management)**

**Faculty of Business and Management**

**May 2022**

## **ABSTRACT**

A pre-need funeral service is an indispensable industry in society as it facilitates bereaved families to make the necessary arrangements when death occurs in the family. Not much had been studied on Islamic pre-need funeral plan previously despite the necessity of the service. Therefore, this study examined the factors affecting purchase intention on Islamic Pre-need Funeral Plan (IPFP) using an extended Theory of Planned Behaviour (TPB) by including perceived risk and religiosity. The analysis was done using a questionnaire survey distributed using a purposive sampling conducted among Muslim workers in Kuala Lumpur. In total, 384 questionnaires were administered, and only 357 were identified as valid, thus, inferring a net response rate of 92.97%. The partial least square structural equation model (PLS-SEM) procedure was used to analyse data. The findings indicated that attitude, subjective norm, perceived behaviour control, and religiosity were significant towards purchasing intention of an Islamic Pre-Need Funeral Plan. However, results showed the hypothesis on the perceived risk was not significant. It is anticipated that these findings would have practical implications for IPFP providers and to assist them in correctly marketing their products. It is important for the IPFP providers to focus on enhancing favourable attitude towards IPFP since attitude has the most effect on intention to subscribe IPFP. Lastly, study limitation as well as prospective future research are also addressed.

## **ACKNOWLEDGEMENTS**

First of all, I wish to express my praise and gratitude to Allah SWT, The Almighty, and The Benevolent for His blessing and guidance in giving and granting me the inspiration to complete this research and blessing me with the strength to produce this thesis. Alhamdulillah for giving me the opportunity to embark on my master and for completing this challenging but interesting journey successfully.

My infinite love and thankfulness to my family especially my parents for giving me the moral and financial support to pursue my studies. I am forever indebted to them and can only pray that Allah SWT will shower them with blessings for their endless sacrifice.

Deepest thanks to both my research supervisors, Prof Madya Dr Maheran Binti Katan and Dr Nasreen Miza Hilmy Binti Nasrijal, for their patience, responsiveness, and caring guidance throughout the whole research duration. I sincerely appreciate the valuable time, attention and effort they spent on me. This research project would not be complete without them. Also, thanks to all friends who supported and kept motivating me to complete this strenuous journey.

Alhamdulillah. Thank you.

# TABLE OF CONTENTS

	<b>Page</b>
<b>CONFIRMATION BY PANEL OF EXAMINERS</b>	<b>ii</b>
<b>AUTHOR'S DECLARATION</b>	<b>iii</b>
<b>ABSTRACT</b>	<b>iv</b>
<b>ACKNOWLEDGEMENTS</b>	<b>v</b>
<b>TABLE OF CONTENTS</b>	<b>vi</b>
<b>LIST OF TABLES</b>	<b>x</b>
<b>LIST OF FIGURES</b>	<b>xi</b>
<b>CHAPTER ONE: INTRODUCTION</b>	
1.1 Introduction	1
1.2 Background of Study	1
1.3 Management of Islamic Funeral Services	9
1.4 Problem Statement	12
1.5 Research Questions	15
1.6 Research Objectives	15
1.7 Scope of Study	16
1.8 Significance of Study	16
1.9 Definition of Terms	18
1.10 Organization Thesis	18
1.11 Chapter Summary	19
<b>CHAPTER TWO: LITERATURE REVIEW</b>	
2.1 Introduction	20
2.2 Theories of Individual Behaviour and Behaviour Change	20
2.3 Theory of Reasoned Action	21
2.4 Theory of Planned Behaviour	22

2.5 Extended Model of Theory of Planned Behaviour	25
2.6 Strand of Research Related to Funeral	27
2.7 Purchase Intention	31
2.8 Attitude	35
2.8.1 Attitude and purchase intention	36
2.9 Subjective norm	37
2.9.1 Subjective norm and purchase intention	38
2.10 Perceived Behaviour Control	39
2.10.1 Perceived Behaviour Control and Purchase Intention	40
2.11 Gaps in the Literature	42
2.12 Perceived Risk	43
2.12.1 Perceived risk and Purchase Intention	44
2.13 Religiosity	45
2.13.1 Religiosity and Purchase Intention	47
2.14 Research Framework	49
2.15 Hypothesis Development	50
2.15.1 Attitude	50
2.15.2 Subjective Norm	50
2.15.3 Perceived Behavioural Control	51
2.15.4 Perceived Risk	52
2.15.5 Religiosity	52
2.14 Chapter Summary	53
<b>CHAPTER THREE: RESEARCH METHODOLOGY</b>	
3.1 Introduction	54
3.2 Research Process	54
3.3 Research Paradigm	56
3.4 Research Methodology	60
3.5 Research Design	60
3.5.1 Purpose of Study	61
3.5.2 Type of Investigation	62
3.5.3 Extent of researcher's Interferences	62