# UNIVERSITI TEKNOLOGI MARA

# FACTORS THAT INFLUENCE THE CUSTOMERS TOWARDS THE SELECTION IN ISLAMIC HOME FINANCING: A CASE STUDY IN SELANGOR

# MUNIRAH SHAFIQAH BINTI MANSOR

Thesis submitted in fulfillment of the requirements for the degree of Bachelor of Business Administration (Hons)

Islamic Banking

Faculty of Business Administration

December 2017

### LETTER OF SUBMISSION

21st December 2017

Zuraidah Binti Sipon
Faculty of Business Management

Universiti Teknologi MARA, 85000 SEGAMAT, JOHOR DARUL TAKZIM.

Dear Madam,

# SUBMISSION OF PROJECT PAPER

Attached in this project paper titled "Factors that influence the customers towards the selection in Islamic home financing" to fulfil the requirement needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

MUNIRAH SHAFIQAH BINTI MANSOR

2015208806

Bachelor of Business Administration (Hons) Islamic Banking

## **AUTHOR'S DECLARATION**

I declare that the work in this project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of student

: Munirah Shafiqah Binti Mansor

Student I.D No.

: 2015208806

Programme

: BBA (Hons) (Islamic Banking)

Faculty

: Business and Management

Project Paper Title

: Factors that influence the customers towards the selection in

Islamic home financing

Signature of Student:

/11/1//

Date

December 2017

# **ABSTRACT**

The study investigates on the importance of factors that influence the selection in Islamic home financing among customers in Selangor. This study is conduct the relationship between reputation, social influence, service quality, religious belief and media advertisement and factor influence customer selection towards Islamic home financing. There are 150 questionnaire are prepare and distribute to the targeted respondents in the Selangor area. Only 136 respondents out of 150 answered the questionnaire accordingly. This employed Pearson correlation and multiple regression method to achieve the objective. Findings show that there was significant positive correlation selection of Islamic home financing with reputation, social influence, service quality, religious obligation and media advertisement. It recommend that, Islamic provider need to play an important role in order to attract customers to use Islamic home financing product. Therefore, analysis presented in this research can be used for the future researcher that related with this study.

### **ACKNOWLEDGEMENT**

Firstly, I want to express my heartfelt gratitude to the Almighty Allah for the many blessings He has showered upon me and thanks to my parents who were with me every step of the way, supporting me in every which way and praying for me. My gratitude and deepest appreciation goes to my research advisor Madam Nik Nur Shafika Binti Mustafa and co-advisor, Miss Nurulashikin Binti Romli for their valuable guidance and advice. Thank you for the support, patience and ideas in assisting me with this research. In addition, I also would like to express my gratitude to Madam Zuraidah Binti Sipon as a coordinator thesis for Islamic Banking students for providing knowledge and assistance in completing this project paper.

My appreciation goes to University of Technology MARA (UiTM) Johor for providing me with a great facility especially reading materials from the library and the staff from administration in assisting during sampling to complete this research. Furthermore, I would like to extend my appreciation and special thanks to my colleagues and friends for helping me with this research.

Finally, a special little thanks to my family for their constant and unconditional support and my deep gratitude for putting up with me throughout the completion of this dissertation.