

UNIVERSITI TEKNOLOGI MARA

**FACTORS THAT INFLUENCE CUSTOMERS'
DECISION TO CHOOSE ISLAMIC HIRE
PURCHASE FACILITY (AITAB): A CASE STUDY
IN SEGAMAT, JOHOR.**

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Final Year Project Paper submitted in fulfillment
of the requirements for the degree of
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AUTHOR'S DECLARATION

I declare that the work in this thesis 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 Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

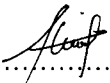
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ABSTRACT

Since Malaysia using dual financial system, it has conventional and Islamic facility in almost every aspect of financing for example home, personal and car financing. Islamic hire purchase facility has become one of the most common financing facility for car financing. Islamic hire purchase is a combination of ijarah contract, which mean to lease, hire or rent and sale and buy contract. The combination of both contract also widely known as (AITAB). The purpose of this research is to find out the factors that influence customer decision in choosing AITAB. Previous research conducted also focus in the area which either household with high-income per capita or low-income per capita. By conducting this research in developing district like Segamat, it will give new insight for Islamic banking sector to identify the factors contribute towards customer decision in choosing Islamic hire purchase. The dependent variable in this study is customer decision to choose Islamic hire purchase (AITAB). This is to identify the choices of Islamic hire purchase in Segamat. Independent variables in the study is religious obligation, pricing of product, social influence, level of awareness and service quality This research will present primary data collection from the customer of Islamic bank. 100 questionnaires will be distribute to respondent using convenient sampling method.

Keyword(s): Islamic Hire Purchase, Religious Obligation, Awareness, Service Quality, Islamic Bank, Factor of Choosing Product, AITAB.

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