



UNIVERSITI TEKNOLOGI MARA

**A STUDY ON COMPARISONS OF CUSTOMER
PREFERENCEN'S TOWARDS ISLAMIC AND CONVENTIONAL
PERSONAL LOAN**

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“DECLARATION OF ORIGINAL WORK”

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Hereby, declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas and not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature:

Date: April 2011

ACKNOWLEDGEMENT

“In the Name of Allah the Almighty, the Merciful and the Beneficent”

Glory to Allah S.W.T, Most Gracious, the Most Merciful and peaceful upon his messenger Holy Prophet Muhammad S.A.W. All the worship belongs to only Allah. I seek refuge to Allah from the wickedness within and from the evil deeds. I also praised to Allah S.W.T for giving us courage, time, strength and knowledge to complete this project paper properly.

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ABSTRACT

This paper reports study on the customer preferences towards the Islamic and conventional personal loan. The objective of the study is to determine the comparisons of customer preferences towards for both banking sector in the personal loan product. For this study, the primary data are used and the researcher had distributed the questionnaire among 95 employees at UMK from the different department. The data collected was tested by using reliability, descriptive and cross tabulation testing. The finding also illustrates which preferences will be acts as the factor to choose the Islamic and conventional banking. This indicates that most of the respondents having the different preferences towards Islamic and conventional personal loan. It is important to investigate this because it will help the banking sector for make some of