



اُنْبُوْرَسِيْتِي تِيْكْنُوْلُوْجِي مَارَا  
UNIVERSITI  
TEKNOLOGI  
MARA

**FACTORS THAT INFLUENCE THE CUSTOMER'S  
ACCEPTANCE OF ISLAMIC BANK: A STUDY ON  
BANK ISLAM MALAYSIA BERHAD KOTA BHARU,  
KELANTAN**

**NIK AYESHA SYAKIRA BT. NIK MOHAMMED  
AINUL AZLAN**

**2013111981**

**BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) ISLAMIC BANKING  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
KAMPUS KOTA BHARU**

**DECEMBER 2015**

## **LETTER OF TRANSMITTAL**

Bachelor of Business Administration (Hons) Islamic Banking  
Faculty of Business Management  
Universiti Teknologi Mara Kelantan Kampus Kota  
15050 Kota Bharu  
Kelantan

Prof Mohd Saufi Ismail  
Faculty of Business Management  
Universiti Teknologi Mara Kelantan Kampus Kota  
15050 Kota Bharu  
Kelantan

Dear Sir,

### **SUBMISSION OF ISLAMIC BANKING PROJECT PAPER (ISB 672)**

Attached is the project paper entitled 'Factors that Influence the Customer's Acceptance of Islamic Bank: A Study on Bank Islam Malaysia Berhad Kota Bharu, Kelantan' to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You.

Yours Faithfully,

---

NIK AYESHA SYAKIRA BT. NIK MOHAMMED AINUL AZLAN (201311198)

Bachelor of Business Administration (Hons) Islamic Banking,

Universiti Teknologi Mara, Kampus Kota, Kelantan

## ACKNOWLEDGEMENT

Alhamdulillah, Glory to Allah S.W.T., the most Gracious and the most Merciful is upon his messenger Holy Prophet S.A.W. I am very grateful to Almighty Allah S.W.T. for giving me strength and opportunity to complete this final project paper. Without His Grace and Mercifulness, this project may not be complete on time.

First and foremost, I would like to thank respected project advisor, Prof Mohd Saufi Ismail for his continue guidance, advice, comment, and constant support at all stage of this research. An appreciation and thanks also goes to my second examiner, Dr. Affendi Ismail for his effort and contribution in preparing and completing this research.

I would like to express my special thanks to my supervisor, En. Azri Deris because give me guideline and knowledge during my practical training. Besides that, I would like to express my special thanks to all staff Bank Islam Malaysia Berhad (BIMB) for their support and cooperation in completing this research.

Besides that, I would like to take this opportunity to thank to my family and all my friends for giving support, encouragement and sacrifice regarding this project paper. Lastly, I would like to thank to those, who are not mentioned, but has contribute throughout this research whether directly or indirectly. Thank you for your generous time and cooperation.

## TABLE OF CONTENTS

	<b>Page</b>
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF TRANSMITTAL	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	v-ix
LIST OF FIGURES	x
LIST OF TABLE	xi-xii
LIST OF ABBREVIATIONS	xiii
ABSTRACT	xiv

### CHAPTER 1: INTRODUCTION

1.1	Background of the Study	1-3
1.2	Problem Statement	3-5
1.3	Research Objective	6
1.4	Research Question	6
1.5	Theoretical Framework	7
1.6	Research Hypothesis	8
1.7	Significant of Study	9
	1.7.1 Bank Islam	9
	1.7.2 Researcher	9
	1.7.3 University	9
1.8	Terms of Study	10

## **ABSTRACT**

This paper aimed to identify the vital factors that have contributed to the growth of the Islamic banking. Islamic banking was established in Malaysia since 1983. To date, Islamic banking products are available at two full pledged Islamic banks and at all commercial and merchant banks in Malaysia. At the end of 2000, total deposit at conventional banks was RM381 billion while total deposit in Islamic system was RM31 billion. This study focuses on the factors influencing the customer acceptance of Islamic Bank at Bank Islam Malaysia Berhad (BIMB), Kota Bharu. Several identifiable variables were selected concerning religious perspective, quality of services and availability of services in measuring its contribution to the acceptance of customer towards BIMB. Using questionnaire as research instrument, 90 sets of questionnaires had been distributed to the customer at BIMB, Jalan Sultan Ibrahim Branch, Kota Bharu. The sample was analysed through judgement sampling from the total number of account holders of Bank Islam customer's. The result of the investigation demonstrated that all the identifiable constructs were substantial to strong and significantly correlated with the customer acceptance towards Bank Islam, Jalan Sultan Ibrahim Branch, Kota Bharu.