



**A STUDY ON THE FACTOR THAT INFLUENCED CUSTOMERS  
TO CHOOSE AL - IJARAH THUMMA AL BAY (AITAB) IN  
SHAH ALAM, SELANGOR**

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**ABSTRACT**

One of the latest innovative products of Islamic banks is the Islamic hire-purchase facility or *Al-Ijarah Thumma Al-Bay* (AITAB), which designed to meet the current demand of customers that focusing in motor vehicles. Therefore, this research was conducted to study the factors that influenced customers to choose *Al-Ijarah Thumma Al-Bay* (AITAB) in Shah Alam. A total of 150 customers in Shah Alam, Selangor were selected as respondents through and analyzed using 'SPSS for Window' version 17.0. The comparative result is from using *Principal Component Analysis* (PCA) in Factor Analysis and the result will delineated into three cluster namely religious obligation, level awareness, and social influence. The main objectives of this study are to determine the relationship between religious obligation, level awareness, and social influences of AITAB among peoples in Shah Alam. Overall, the finding revealed that customers have generally positive views of selection factor. One of the most important factor was religious obligation that shown as important criteria in choosing AITAB facility.

Key words: *AITAB, Shah Alam, Islamic Banking, Factor Influences*