



**A STUDY ON THE CUSTOMER'S ACCEPTANCE  
TOWARDS ISLAMIC BANKING PRODUCTS AMONG  
NON-MUSLIM IN MERSING, JOHOR**

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# TABLE OF CONTENTS

<b>CONTENTS</b>	<b>PAGES</b>
TITLE PAGE	
DECLARATION OF ORIGINAL WORK	
LETTER OF SUBMISSION	
ACKNOWLEDGEMENT	iv
TABLE OF CONTENT	v
LIST OF TABLES	vii
LIST OF FIGURES	viii
ABSTRACT	ix
<b>CHAPTERS</b>	
<b>1. INTRODUCTIONS</b>	<b>1</b>
1.1 Introduction	1
1.2 Background of the Study	1
1.2.1 History of Islamic Banking in Malaysia	3
1.3 Problem Statement	3
1.4 Research Objective	6
1.5 Research Question	6
1.6 Justification of Study	7
1.7 Scope of Study	8
1.8 Significance of Study	8
1.9 Limitation of Study	8
1.10 Conclusions	9
<b>2. LITERATURE REVIEW</b>	<b>10</b>
2.1 Introduction	10
2.2 Previous Research	10
2.3 Conclusion on Previous Research	12
2.4 Acceptance Towards Islamic Banking Products	13
2.4.1 Knowledge	14
2.4.2 Perception	16
2.4.3 Awareness	17
2.5 Conclusions of Chapter Two	19
<b>3. RESEARCH METHODOLOGY</b>	<b>20</b>
3.1 Introduction	20
3.2 Theoretical Framework	20
3.3 Research Hypotheses	22

## LIST OF TABLES

<b>Table 1.1</b>	Lists of Islamic Banks in Malaysia	2
<b>Table 4.1</b>	Reliability Statistics	26
<b>Table 4.2</b>	Gender of Respondents	27
<b>Table 4.3</b>	Religion of Respondents	27
<b>Table 4.4</b>	Age of Respondents	28
<b>Table 4.5</b>	Education Level of Respondents	28
<b>Table 4.6</b>	Profession of Respondents	29
<b>Table 4.7</b>	Correlations	29
<b>Table 4.8</b>	Dimension of Correlation Analysis	32
<b>Table 4.9</b>	Model Summary	33
<b>Table 4.10</b>	ANOVA	33
<b>Table 4.11</b>	Coefficients	33

## **ABSTRACT**

### **A STUDY ON THE CUSTOMER'S ACCEPTANCE TOWARDS ISLAMIC BANKING PRODUCTS AMONG NON-MUSLIM IN MERSING, JOHOR**

Islamic banking is gaining ground with non-Muslims worldwide due to its strict lending principles. According to Singapore's third-largest lender OCBC, reflecting industry efforts to transcend religious beliefs to gain market share. Previously, Islamic banking products just a small market catering to Muslims who wanted to avoid interest-based conventional banking. After that, Islamic finance has become popular in recent years due to cash-rich Gulf Muslims investors and rising demand for ethical investing. According to the report provided, the percentage of non-Muslims that prefer Islamic banking products is increasing every year. Therefore, this study will analyze the level of customers' acceptance towards the Islamic banking products among non-Muslims that offered by Islamic banking system and the relationship with three factors including knowledge, awareness and perception. Although they have an option to conventional banking products, but they still want to choose Islamic banking products as their choices. At the end of this study, readers could be determining the relationship between few factors that drives non-Muslims customers with their acceptance. This study have carried out some analysis on information collected from 100 non-Muslims customers who have engaged with the Islamic banking products offered by Bank Rakyat, Bank Islam, BSN, CIMB Islamic Bank and Agro Bank around Mersing Johor. The selection of samples was based on convenience and the customers were randomly picked. The data were collected through self-administered questionnaires distributed by researcher. A series of interview with bank personnel and customers were also conducted. The data was analyzed by SPSS system.