FACTORS INFLUENCING CONSUMER INTENTION TOWARDS INVESTMENT ACCOUNT: POST IFSA 2013

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Abstract

This study aims to analyse the factors influencing consumer intention towards investment account post Islamic Financial Services Act 2013 (IFSA). The establishment of IFSA reclassify the deposit product to deposit and investment account. During Islamic Banking Act 1983 (IBA), all monies accepted from depositors considered as deposit product. The IFSA promote risk sharing instead of risk transfer. However, the investment account shows the depletion since the introduction of IFSA in 2013. A consumer survey comprises of 106 Muslim respondents from various ages, occupations, incomes, and education levels. Religiosity, social influence, and knowledge have been selected as factors that influence the consumer intention towards investment account. The theoretical framework constructed based on past studies. This study applied multiple regression analysis to test the hypothesis statement. The finding indicates the religiosity is the primary factor influencing the consumer intention, followed by social influence. However, the knowledge found no significant relationship with consumer intention. Following these results, the researcher suggest the Islamic bank can look into religiosity and social factor to strategize the development of products and in marketing activities. Besides, the BNM and Islamic financial agencies need to endeavor to create positive attitudes among consumer towards Islamic investment account post IFSA.

Keywords: Influencing; consumer intention; investment; IFSA 2013

Introduction

The Islamic Financial Services Act 2013 (IFSA) differentiates investment account from Islamic deposit. Investment account is demarcated by the usage of Shariah contracts (Hamza, 2013). The author further explains that the investment account has non-principal guarantee feature for investment nature deposit. According to the author, the IFSA offers adequate legal basis to upkep the further solidification of investment account process that provides proper protection to investment account holders (IAH) whilst safeguarding financial stability of the Islamic banking system. Under the IFSA, the urgency of payment for investment deposit account upon insolvency of the Islamic financial institution (IFI) is treated separately from Islamic deposit, in accordance with the rights and obligations accrued to the IAH (Hamza, 2013).
As per BNM’s Investment Account Policy, the new classification of the existing deposit products shall take effect commencing on 1 July 2015. As for profit, the investment account commensurate with the risk taken. The Islamic bank did not offer the product if they think the product did not meet the consumer demand. Furthermore, the demand of consumer will affect the performance of Islamic bank. As consumer intention represents one of the indicators that explain the performance in an organization, hence monitoring consumer intention and its related situation become more crucial (Awan & Azhar, 2014).

As these issues, problem, and information demonstrate, consumer intention towards investment account post IFSA is the important thing to look in Islamic banking industry. This study, hence, aims to gauge the consumer intention towards investment account post IFSA, which should be considered as an important contribution in filling the observed gap in the literature.

**Overview – Investment Account Post IFSA 2013**

Islamic Banking and Takaful Department, Bank Negara Malaysia issued the policy on 14 March 2014 to define the investment account distinguishes from Islamic deposit, where investment account is defined by the application of Shariah contracts with non-principal guarantee feature for the purpose of investment. Notwithstanding this, the IFSA provides adequate legal basis to support the further strengthening of investment account operation that provides appropriate protection to investment account holders (IAH) whilst ensuring financial stability of the Islamic financial system. Under the IFSA, the priority of payment for investment account upon liquidation of the Islamic financial institution (IFI) is treated separately from Islamic deposit, in accordance with the rights and obligations accrued to the IAH. Previously during IB 1983, all monies accepted considered as deposit.

Isa & Zabid (2015) explain further that the IFSA distinguish deposits made for saving - where the principal is guarantee from those made for investments - where the principal is not guarantee. It gives regulators greater oversight over Islamic scholars whose duties and functions are for advising to assure that Islamic financial products are in compliance with shariah. Bank Negara Malaysia on the website dated 17 May 2016 announces Investment Account is a new banking product offered by Islamic banking institutions. It provides the opportunity for the customer to invest and share the profits from Shariah-compliant investment account. Investment account caters for a wide range of investor risk return preferences that reflect the underlying assets performance. Investors have the option of placing the funds in investment account that match their risk appetite.

Thajudeen (2013) stated that the main difference pre and post IFSA is the clear definition of what constitutes a deposit and what goes into an investment account. The deposit account is guaranteed, while money that is put into an investment account such as wakalah or mudharabah is not guaranteed. With IFSA the Profit Equalization Ratio (PER) and PIDM insurance backing is no longer available for Mudharabah investment accounts.
Consumer Intention

Generally, the consumer is the king of the market, the one that dominates the market and the market trends. The consumer plays a very important role in the demand and supply of economic system for any industry. Md Husin & Abd Rahman (2016) explained that marketers should identify and understand the potential consumers. They suggested that the higher individual awareness, knowledge, or exposure will have positive attitude and intention towards takaful participants. They also added that the participation in takaful with ease will have a positive impact on intentions as well as behaviour.

In discussing the consumer intention, it is important to understand the reason how the intention can affect the performance of an organization. Ghosh (1990) stated that purchase intention is an effective tool use in predicting purchasing process. Once the consumers decide to purchase the product in certain store, they will be driven by their intention. Thu Ha & Gizaw (2014) further explained that the interpretation and decision making is different among individuals and also influenced by internal consumer intention (perception, attitude, motivation) and external factors (family roles, peer influence, group influence). Individuals have exposed to different window of information and varieties of products; many great deal of choices and options available in the market place impulse their purchase decision.

The consumer intention has always been discussed extensively and is being studied by many researchers even today. Previous researchers like Reni & Ahmad (2016) study the intention to use Islamic banking in Indonesia and found five factors significant relations which were attitude, subjective norm, religion, knowledge, and pricing. Alam, Janor, Zanariah, Che Wel, & Ahsan (2012) analyze the religiosity factor to undertake Islamic Home Financing in Klang Valley by using Theory Planned Behaviour (TPB) as underlying theory and discovered relationship between religion, subjective norm, attitude, and perceived behavioral control towards intention. While study by Rani (2014) conclude the identifying and understanding the factors that influence the customers, brands have the opportunity to develop a strategy, a marketing message (Unique Value Proposition) and advertising campaigns more efficient and more in line with the needs and ways of thinking of the target consumers, a real asset to better meet the needs of its customers, and increase sales.

Researchers like Ali, Raza, & Puah (2015) further discussed matters surrounding the Islamic home financing facility which relates to intention using TPB model as underlying theory. All these studies signify the importance of research on consumer intention or intention subject.

Religiosity

Ahmed & Haroon (2002) found that religion is an important factor in Islamic banking. Muslims take Islamic banking as an ethical banking theory because it is interest free banking and interest is prohibited in Islam that’s why they like Islamic banking system as compared to conventional banking. They also found that Islamic banking is not only popular in Muslims even non-Muslims having much information about the Islamic banking system.
Research on the factor influence customer to patron Islamic bank by Idris, Naziman, Januri, Asari, Muhammad, Sabri, & Jusoff (2011) found that the religious value is the most important factor in selecting Islamic bank followed by other factor. This finding is in line with the previous studies by Metawa & Almossawi (1998). Other studies with conclusion that support the religious factor are Gait & Andrew (2008) with finding the religion factor is the primary motivation for the potential use of Islamic methods of finance. Akhtart & Mehmood (2016) indicates that the religion factor has strong impact on perception of customers in Islamic banking by using regression analysis. Research by Imtiaaz, Murtaza, Abaas, & Hayat (2013) conducted in the case of Pakistan support the religion is primary and main factor of motivation to choose an Islamic banking system. However, Tara, Irshad, Khan, Yamin, & Rizwan (2014) research in Pakistan focus on adoption of Islamic banking found that the religion is not the most influential factor to switch from conventional to Islamic banking. The study found religion as the third influence factor behind financial teaching of Islam and reputation to adopt Islamic banking in Pakistan.

There are various past studies that also look at the relationship between religion and consumer intention towards Islamic banking product or services. Research by Mansor, Masduki, Zulkarmain, & Aziz (2015) on Muslim’s preferences towards takaful product in Malaysia investigates the causal relationship between consumer awareness, perception, and religiosity towards Muslim’s preferences towards takaful product. The results showed a positive significant between religion and perception towards Muslim’s preferences. According to research by Abduh, Kassim, & Dahari (2013), the variable of religion found to be statistically significant in influencing consumer switching intention due to non-sharia compliance issues.

**Social Influence**

Sethi & Chawla (2014) reveals the social factors that influence the consumer buying behavior includes reference groups, immediate family members, relatives, role in the society, and social status. According to the authors, the family has the very important role and influence in the buying behavior of the consumers that includes parents, husband, wife, and children.

With the spirit of helping the economy of the ummah, Muslim consumers tend to give their support to Muslim products. According to research by Fauzi, Mokhtar, & Yusoff (2015), the result shown that Muslim products has a significant impact on the patronage-intention of Muslim consumers. Muslim consumers have shown their social responsibility in supporting the economics of the ummah and the responsibility to buy local products (Al-Ajmi, Hussain, & Al-Salleh, 2009).

Social influence also said to have the positive relationship with consumer intention. The intention can be changes depend on the world around us and how it works. Study by Echchabi & Azouzi (2015) found that normative belief have a significant influence on subjective norm, by particular reference to the parents, siblings, peers, and colleagues as the main reference groups. The finding explains all the TPB have a significant impact on the intention to adopt Islamic banking services in Tunisia. The study supports the TPB as an underlying theory towards consumer intention.
According to Iuliana, Munthiu, & Radulescu (2012), social factors that influence consumer intention are family, social roles, and statuses. Another study by Echchabi & Olaniyi (2012) on the patronisation intention of Islamic banks’ customer in Malaysia indicated that there is a positive relationship between subjective norm and attitude on the intention to adopt Islamic banking services. The result showed the normative belief and motivation to comply have a significant positive influence on the subjective norm.

Based on Haque, Osman, & Ismail (2009) findings, social and religious factor expected to have great role for influencing customer mind. The impact on customer preferences can affect the bank performance. Social and religious factor could make Islamic banking easier and comfortable. Another study by Ali & Hong (2015), have worked on factor affecting intention to use Islamic personal financing using modified Theory Reasoned Action (TRA) model. Social influence and attitude found no relationship with the intention. The significant factors are pricing, religiosity, and government support.

Knowledge

Past studies like Loo (2010) found that Muslim respondent understanding towards Islamic banking services influence their perception and attitudes. According to Abbas & Kadir (2013), the product knowledge among academician and non-academician specifically in Higher Education Institutions in Pahang are still low. They suggest Islamic bank to put more effort in promoting the product and services. Harun, Abd Rashid, & Hamed (2015) research for the products’ knowledge among Islamic banking employees showed a significance influence relationship between understanding underlying principles and product knowledge. According to their study, the employees itself should have product knowledge to attract customer. Moreover, Islamic banking products do not just focus among the Muslim customer but non-Muslim as well. Another research done by Obeid & Kaabachi (2016) found that the amount of information as a second important factor after religiosity to adopt the Islamic banking services. The clear understanding of Islamic financial concept needed to enhance the motivation to use it.

Mehtab, Zaheer, & Ali (2015) have worked on knowledge, attitudes, and practice on Islamic banking at Pesahawar, Pakistan by using attitude as mediating variable between knowledge and practice. The study revealed that there is significant relationship existed between the knowledge and practice of Islamic banking. However, the individual must have positive attitude because if they have knowledge but with negative attitude, it would impact the intention to practice Islamic banking. Other study by Bley & Kuehn (2004), investigates the relationship between university students’ knowledge of relevant financial concepts and terms in conventional and Islamic banking, the impact of religion and language, and other individual variables on preferences for financial services. The study found that the knowledge is not the strongest factor on preference for Islamic banking services. The strongest factor is the religiosity.

According to Noonari, Memon, Mangi, Pathan, Khajjak, & Jamali (2015), consumer need to be facilitating with the understanding of Islamic products and making the comparability with similar conventional products easier will help consumers make better choices. This is to ensure the long term growth and prosperity of the Islamic finance sector. Study by Wahyuni (2012) found that with better knowledge has greater intention to use the Islamic banks. These results also indicate that the knowledge variable
must be considered in building a model of the behavior of a selection or use of products, including Islamic banks.

**Theoretical Framework**

This study looks at the relationship between consumer intention and the independent variables towards investment account post IFSA 2013. The three independent variables selected to measure the dependent variables.

Figure 1: Theoretical framework of relationship between consumer intention and the independent variables towards investment account post IFSA 2013

**Methodology**

In this study, the method of data collection is via survey distribution. The objective of this study is to examine and analyse the factors influencing consumer intention towards investment account post IFSA. The collection of data is based on primary data. The participant from IBFIM in house training selected as a target population in order to complete this research. The quality of the respondent is the reason why there are selected as a respondent. In order to participate in the survey, respondent should have at least some financial and banking knowledge. A total of 106 feedbacks were collected during IBFIM in house training using judgemental sampling.

In term of analysis, this study has conducted a Pearson correlation coefficient analysis to describe on the strength of association among variables. Subsequently, Multiple regression analysis were performed to test the hypothesized links among constructs and to validate the research model. The last question in the survey asks for respondent opinion. The researcher uses this platform to get the information from respondent. The answer given constructed to the meaningful group.

**Results**

The descriptive statistics analysis (see Table 1) on demographic of the respondents reveal that majority of the respondents in this study consists of 61.3 percent females and 38.7 percent males. The majority of the respondents are 30 and below with
41.5%, followed by range group between 31-40 with 37.7%, 41-55 with 17%, and 56 and above with 3.8%. In addition, occupation status consists of both worker and student, student, and worker. The highest frequencies are worker with 67%, followed by both worker and student with 19.8%, and student with 13.2% of the respondents.

Besides that, the highest frequency for occupation industry is banking or financial services with 47.2%. The second highest is non-banking and financial services with 39.6% of the respondents, followed by not applicable with 13.2%. As for monthly income, the highest frequency is the respondent who has income around RM 2,000 – RM 3,999 with 32.1%, followed by the respondent who has income RM 6,000 and above with 28.3%, RM 4,000 – RM 5,999 with 24.5%, and below 1,999 with 15.1%. Besides, the majorities of respondents have academic qualification in pre graduate with 49%, followed by post graduate with 38.7%, and secondary with 12.3%.

Table 1: Frequencies Distribution (Demographic Profile)

<table>
<thead>
<tr>
<th>Demographic Profile</th>
<th>Characteristic</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
<td>65</td>
<td>61.3</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>41</td>
<td>38.7</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
<tr>
<td>Age</td>
<td>30 and below</td>
<td>44</td>
<td>41.5</td>
</tr>
<tr>
<td></td>
<td>31-40</td>
<td>40</td>
<td>37.7</td>
</tr>
<tr>
<td></td>
<td>41-55</td>
<td>18</td>
<td>17.0</td>
</tr>
<tr>
<td></td>
<td>56 and above</td>
<td>4</td>
<td>3.8</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
<tr>
<td>Occupation Status</td>
<td>Both worker and student</td>
<td>21</td>
<td>19.8</td>
</tr>
<tr>
<td></td>
<td>Student</td>
<td>14</td>
<td>13.2</td>
</tr>
<tr>
<td></td>
<td>Worker</td>
<td>71</td>
<td>67.0</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
<tr>
<td>Occupation Industry</td>
<td>Banking or Financial Services</td>
<td>50</td>
<td>47.2</td>
</tr>
<tr>
<td></td>
<td>Non-Banking or Financial Services</td>
<td>42</td>
<td>39.6</td>
</tr>
<tr>
<td></td>
<td>Not Applicable</td>
<td>14</td>
<td>13.2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
<tr>
<td>Monthly Income</td>
<td>Below 1,999</td>
<td>16</td>
<td>15.1</td>
</tr>
<tr>
<td></td>
<td>2,000 - 3,999</td>
<td>34</td>
<td>32.1</td>
</tr>
<tr>
<td></td>
<td>4,000 - 5,999</td>
<td>26</td>
<td>24.5</td>
</tr>
<tr>
<td></td>
<td>Above 6,000</td>
<td>30</td>
<td>28.3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
<tr>
<td>Education Level</td>
<td>Post Graduate</td>
<td>41</td>
<td>38.7</td>
</tr>
<tr>
<td></td>
<td>Pre Graduate</td>
<td>52</td>
<td>49.0</td>
</tr>
<tr>
<td></td>
<td>Secondary</td>
<td>13</td>
<td>12.3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
</tbody>
</table>
The association among variables in this study as tabulated in the table 2 within range 0.5 – 0.7. Thus, the variables have the moderate relationship among them (Guildford’s). As for direction, all variables have positive relationship, means if one variable increase, another variable also increase. For example, if religiosity increases by 0.663, the consumer intention also increases by 0.663.

Table 2: Pearson Correlation Analysis among Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Religiosity</th>
<th>Social Influence</th>
<th>Knowledge</th>
<th>Consumer Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity</td>
<td>1</td>
<td>0.591</td>
<td>0.586</td>
<td>0.663</td>
</tr>
<tr>
<td>Social Influence</td>
<td>0.591</td>
<td>1</td>
<td>0.532</td>
<td>0.654</td>
</tr>
<tr>
<td>Knowledge</td>
<td>0.586</td>
<td>0.532</td>
<td>1</td>
<td>0.537</td>
</tr>
<tr>
<td>Consumer Intention</td>
<td>0.663</td>
<td>0.654</td>
<td>0.537</td>
<td>1</td>
</tr>
</tbody>
</table>

The next step is to assess the relationships among constructs incorporated in the hypothesis conceptual model. Multiple regression analysis is utilised to test the hypothesis relationships among the constructs as postulated in the research model. The goal of this analysis is to determine whether the hypothesis model is supported or not.

The result shows (Table 3) the R Square value is 0.555. The R Square is the proportion of variance in the dependent variable that can be explained by the independent variables. This indicates that 55.5% changes of dependent variable can be explained by these three independents variables. Meanwhile, the remaining 44.5% of changes in dependent variable come from other independent variables that are not included in this research.

As for ANOVA (Table 4), the analysis conducted to test whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable, $F(3, 102) = 42.328, p < 0.005$. Thus, the regression model is a good fit of the data and the overall model acceptable.

Next, coefficients (Table 5) indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant. Besides, the coefficients used to determine the relationship between dependent and independent variables. From the table above, only two independent variables (religiosity and social influence) have significance level less than 0.05 which is 0.000, whereas the other independent variables (knowledge) have significance level more than 0.05 which is 0.151. The results prove religiosity and social influence have relationship with consumer intention; however the knowledge did not have relationship with consumer intention. The beta show religiosity = 0.374 and social influence = 0.367, this means that 1 percent increase in religiosity and social influence; there is increase 0.374 and 0.367 in consumer intention.
Table 3: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.745&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.555</td>
<td>.541</td>
<td>.50564</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Knowledge, Social, Religiosity  
b. Dependent Variable: Consumer Intention

Table 4: ANOVA<sup>a</sup>

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>32.466</td>
<td>3</td>
<td>10.822</td>
<td>42.328</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>26.078</td>
<td>102</td>
<td>.256</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>58.544</td>
<td>105</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Knowledge, Social, Religiosity  
b. Dependent Variable: Consumer Intention

Table 5: Coefficients<sup>a</sup>

<table>
<thead>
<tr>
<th>Model</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td></td>
<td>2.243</td>
<td>.027</td>
</tr>
<tr>
<td>1</td>
<td>Religiosity</td>
<td>.374</td>
<td>4.193</td>
</tr>
<tr>
<td></td>
<td>Social</td>
<td>.367</td>
<td>4.301</td>
</tr>
<tr>
<td></td>
<td>Knowledge</td>
<td>.123</td>
<td>1.446</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Consumer Intention

The researcher manages to compile the suggestions from respondents to enhance the understanding towards Islamic deposit and investment account among public. The feedback compile to the meaningful group as table 6 below:

Table 6: Suggestion from respondent

<table>
<thead>
<tr>
<th>Strategies to enhance the understanding towards Islamic deposit and investment account among public</th>
<th>1. Awareness Campaign</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Advertisement</td>
</tr>
<tr>
<td></td>
<td>3. Seminar and Training</td>
</tr>
</tbody>
</table>
Table 7: Hypothesis Result

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
<th>Significant Level</th>
<th>Beta</th>
</tr>
</thead>
</table>
| **Hypothesis 1:**  
H₁: There is a significant relationship between religiosity and consumer intention | Supported | 0.000 | 0.374 |
| **Hypothesis 2:**  
H₂: There is a significant relationship between social influence and consumer intention | Supported. | 0.000 | 0.367 |
| **Hypothesis 3:**  
H₃: There is a significant relationship between knowledge and consumer intention | Not Supported. | 0.151 | 0.123 |

**Conclusion and Recommendation**

Religiosity and social influence are directly impacted the consumer intention and the Islamic bank tend to be more strategize since studies have proven that the two factors can affect the consumer intention. Since the objective of IFSA is to promote risk sharing instead of risk transfer, the Islamic bank should be more open to develop the new product based on *wakalah* or *mudharabah* contract.

The Islamic bank prefers to develop new product based on commodity *murabahah* contract because it can give upfront profit to depositor and PIDM guarantee. The reason may be to ensure the market share did not loss to conventional market. The researcher manages to observe the financial statement of Hong Leong Islamic Bank and Alliance Islamic Bank from 2013 to 2016, found the increase in commodity *murabahah* account and the decrease in *mudharabah* account.

It looks like the strict deposit reclassification by IFSA has made the industry jittery to Islamic banking concept and marginalized the investment account. Hence, with the finding from this study, Islamic bank can look into religiosity and social factor to strategize the development of products and in marketing activities.

The deposit reclassification has impacted the product development of investment account. This study perhaps will help to give an idea to the BNM and Islamic financial agencies such as AIBIM and IBFIM to enhance consumer awareness and therefore, some strategies or policies can be further improved.

Besides, the BNM and Islamic financial agencies need to endeavor to create positive attitudes among consumer towards Islamic investment account post IFSA. They can do this by concentrating on the motivational factors that lead to positive or negative attitudes towards Islamic banking among both Islamic and conventional bank consumers. This is important as negative attitudes can prevent individuals from opening an account with an Islamic bank even if they have knowledge of certain Islamic banking principles (Mehtab, Zaheer, and Ali, 2015). The positive attitudes can influence individuals to select Islamic products in case of some factor such as religiosity.

Besides, the researcher manages to get some information from respondent regarding their suggestion to enhance understanding towards Islamic deposit and investment account post IFSA. The researcher manages to convert suggestions to the meaningful group which are awareness campaign, advertisement, seminar, and training. The
respondents want Islamic banking industry to do the awareness campaign related with Islamic banking product and how they differ with conventional banking. For example, every year Association of Islamic Banking Institution in Malaysia (AIBIM) with cooperation from Islamic bank can organize the ‘Islamic Banking Week’ and during the week, they can conduct many activities such as quiz, information counter booth, and other activities as long it can create awareness to the public regarding Islamic banking product and activity.

Other suggestion is to create more advertisement in the media channel to introduce and familiarize the public with the Islamic banking product and activity. As regulator, Bank Negara Malaysia (BNM) can take an initiative to produce the short advertisement regarding Islamic banking industry. The advertisement must be simple and easy to understand but is full with message and information.

The third suggestion is to conduct seminar or training to enhance consumer understanding. IBFIM as one of the industry player in Islamic banking can conduct seminar or training to the government or private sector. During seminar, IBFIM can use the opportunity to share the information in Islamic banking industry and at least it will create two way communications about any dispute or less understanding in regards of Islamic banking.

This study contributes further to the literature of IFSA, Islamic investment account, consumer intention, religiosity, social influence, and knowledge factor. Furthermore, researchers may use the findings of this study as reference to continue with further research in similar area. The researcher suggests future researchers to add attitude as moderating variable between knowledge and intention as suggested by Mehtab et.al (2015) and to use the wide area of population.

References


Appendices

*Alliance Islamic Bank deposit and investment account 2013-2016

*Hong Leong Islamic Bank deposit and investment account 2013-2016