



**Intention and Investment Selections in Amanah Saham Bumiputera (ASB):
Evidence from Kelantan**

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Abstract: This study investigates the impact of intrinsic, extrinsic, and religiosity factors on investment selections in Amanah Saham Bumiputera (ASB) among investors in Kelantan, focusing on the mediating role of intention. A survey was conducted with 300 ASB investors, and data analysis was performed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results reveal that extrinsic factors, such as marketing, and religiosity significantly influence ASB investment selections, with intention acting as a mediator. In contrast, intrinsic factors, such as the understanding of ASB, exhibit a weaker relationship with investment selections. The findings underscore the importance of offering Shariah-compliant investment products to meet the religious needs of investors. Additionally, enhancing financial education is vital to ensuring that investment choices align with ethical and social responsibility standards. Stakeholders are encouraged to collaborate with religious bodies to develop Shariah-aligned policies, thereby enhancing the acceptance and effectiveness of investment products in Kelantan.

Keywords: ASB investments, intrinsic factors, extrinsic factors, religiosity, Shariah compliance

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Abstrak: Penelitian ini menyelidiki dampak faktor intrinsik, ekstrinsik, dan religiositas terhadap pemilihan investasi di Amanah Saham Bumiputera (ASB) di kalangan investor di Kelantan, dengan fokus pada peran mediasi dari niat. Survei dilakukan terhadap 300 investor ASB, dan analisis data menggunakan Partial Least Squares Structural Equation Modeling (PLS-SEM). Hasilnya menunjukkan bahwa faktor ekstrinsik, seperti pemasaran, dan religiositas secara signifikan memengaruhi pemilihan investasi ASB, dengan niat berperan sebagai mediator. Sebaliknya, faktor intrinsik, seperti pemahaman tentang ASB, menunjukkan hubungan yang lebih lemah dengan pemilihan investasi. Temuan ini menegaskan pentingnya menawarkan produk investasi yang sesuai dengan prinsip syariah untuk memenuhi kebutuhan religius investor. Selain itu, meningkatkan pendidikan keuangan sangat penting untuk memastikan bahwa pilihan investasi selaras dengan standar etika dan tanggung jawab sosial. Para pemangku kepentingan didorong untuk bekerja sama dengan badan keagamaan untuk mengembangkan kebijakan yang selaras dengan syariah, sehingga meningkatkan penerimaan dan efektivitas produk investasi di Kelantan.

Kata Kunci: Investasi ASB, faktor intrinsik, faktor ekstrinsik, religiositas, kepatuhan Syariah

Introduction

The investment objective of Amanah Saham Bumiputera (ASB) is to generate competitive, consistent long-term returns while preserving capital with minimal risk. ASB's investment policy emphasizes portfolio diversification across various asset classes, including listed and unlisted securities, fixed-income securities, and money market instruments.¹ ASB can invest up to 90% of its fund value in equities, with the remainder in fixed-income securities, money market instruments, and cash assets.² Although ASB is authorized by the Securities Commission to invest overseas, foreign investments depend on market conditions, currency movements, economic policies, and the social and political stability of the respective countries.³ ASB may adopt a defensive strategy based on current market suitability.

This article argues that religiosity plays a crucial role in ASB investment selections among Muslim investors. Adherence to Shariah principles, trust in ethical management, and an emphasis on social welfare are key factors influencing the selections of religious investors. By offering Shariah-compliant and ethically managed investment products, ASB can attract and retain investors

¹Perbadanan Nasional Berhad (PNB). *Laporan Tahunan Amanah Saham Bumiputera Bagi Tahun Berakhir 31 Desember 2022*

² BH online "Suasana Muram Ekonomi, Pasaran Saham Mungkin Jejas ASB." *Berita Harian*, December 16, 2019.

³Perbadanan Nasional Berhad (PNB). *Laporan Tahunan Amanah Saham Bumiputera Bagi Tahun berakhir 31 Disember 2021*. 2021.

who prioritize religious values in their investment choices.⁴ This is particularly relevant in the context of Kelantan, where religious values likely play a significant role in investment selections. Therefore, this article analyzes the influence of intention on the relationship between intrinsic, extrinsic, and religiosity factors in ASB investment selections.

ASB was launched on January 2, 1990, and on October 21 of the same year, PAS began governing Kelantan. This transition marked a new social norm as PAS implemented a political approach to Islamic practices through the “Developing with Islam” (*Membangun Bersama Islam* - MBI) policy.⁵ After two decades of MBI, it is crucial to assess not only Kelantan's economic progress but also the factors influencing investment decisions among its people. Particularly within the Malay community in Kelantan, the Islamic initiatives under MBI have been strongly embraced, with 93.4% of respondents indicating their support.⁶

There are two key reasons why Kota Bharu district is a preferred choice for ASB investors. First, the strong saving culture among the Malay community in Kelantan, particularly in Kota Bharu, significantly influences investment decisions.⁷ This community tends to favor secure financial products like ASB, which align with their traditional and religious values. Second, financial literacy programs initiated by the government and financial institutions in Kota Bharu have enhanced local understanding of long-term investments, encouraging more individuals to invest in ASB.⁸

Intention in Investment Selections

In Islamic thought, intention or *niyyah* is pivotal as a mediator between thought and action, determining the moral and ethical value of behaviors. The Prophet Muhammad (peace be upon him) stated, “Actions are judged by intentions,” highlighting the necessity of pure intentions for actions to be spiritually and ethically valid (al-Bukhari, Hadith No. 1). This concept ensures

⁴ Zamzuri, Zamzuri, Salmy Edawati Yaacob, and Nurulashiqin Mahmud Zuhudi. “The relationship between investor behaviours with fatwa coordination of Amanah Saham Nasional (ASN) and Amanah Saham Bumiputera (ASB).” *Samarah: Jurnal Hukum Keluarga Dan Hukum Islam* 7, no. 1 (2023), p. 499-521.

⁵ Ab Ghani, Siti Ruzana, Rahilah Omar, Azlizan Mat Enh, and Russli Kamaruddin. “Cabaran dan Isu dalam Perkembangan Dakwah Gerakan Islam di Malaysia Tahun, 1957-2000.” *Jurnal Pengajian Islam* 13, no. 1 (2020), p. 98-115.

⁶ Ahmad, Wan Hasni Wan. “Penerimaan masyarakat Kelantan terhadap pelaksanaan Dasar Membangun Bersama Islam: 1990-2004.” PhD Thesis., Universiti Malaysia Kelantan, 2019.

⁷ Ahmad, Muhammad Bin. “The influence of culture on Malay business practice: a case study of Malaysia with special reference to the State of Kelantan Darul Naim.” PhD Thesis, University of Birmingham, 2010.

⁸ Abdullah, Siti Masyitah Binti. “Factors Influencing Islamic Unit Trust Investment Decision Making Among Low Income Households in Kota Bharu, Kelantan.” Master Dissertation, Universiti Utara Malaysia, 2020.

that actions align with Islamic ethical and spiritual goals, particularly in financial and economic domains.⁹

Intention plays a crucial role in guiding transactions to comply with Shariah principles in the realm of Islamic finance.¹⁰ It promotes social justice and economic equity, transforming economic activities into acts of worship when performed with sincere intentions.¹¹ This demonstrates that all aspects of life should reflect divine guidance.¹²

In the context of Islamic mutual funds, intention influences investment selections by ensuring adherence to Shariah laws, such as avoiding *riba* (interest) and *gharar* (uncertainty).¹³ The aim is to achieve financial growth while contributing to societal welfare, thereby aligning secular financial goals with spiritual aspirations. Intention, therefore, acts as a bridge, integrating ethical considerations with economic pursuits within an Islamic framework.¹⁴

Factors Influencing Islamic Unit Trust Funds Selections

Empirical research underscores the pivotal roles of fund size and Shari'ah compliance in shaping Malaysian retail investors' preferences for Islamic Unit Trust Funds (IUTF).¹⁵ Further investigations correlate Islamic financial literacy, information accessibility, religiosity, investment risk, and product knowledge

⁹ Samad, Sarminah, Muhammad Kashif, Shanika Wijeneyake, and Michela Mingione. "Islamic religiosity and ethical intentions of Islamic Bank managers: rethinking theory of planned behaviour." *Journal of Islamic Marketing* 13, no. 11 (2022), p. 2421-2436.

¹⁰ Yusoff, Amir Fazlim, Mat Noor Mat Zain, Salmi Edawati Yaacob, Hanira Hanafi, Nik Abdul Rahim Nik Abdul Ghani, Abdul Mu'min Mohammad Idrus & Muhammad Shahir Ridzuan Md Radzi. "Islamic personal financing instruments in the Malaysian banking industries: issues and alternatives." *Journal of Contemporary Islamic Law* 1, no. 1 (2016), p. 24-38.

¹¹ Kamali, Mohammad Hashim. *Islamic Commercial Law: An Analysis of Futures and Options*. Kuala Lumpur: Ilmiah Publishers, 2000.

¹² Usmani, Muhammad Taqi. *An Introduction to Islamic Finance*. The Hague: Kluwer Law International, 2002.

¹³ Siddiqi, M. Nejatullah. *Riba, Bank Interest and the Rationale of Its Prohibition*. Jeddah: Islamic Research and Training Institute, Islamic Development Bank, 2004; Zulkifli, Aida Rasyiqah Binti, and Zamzuri Bin Zakaria. "Analisis Perubahan Konsep Kontrak dalam Prosedur Pelaksanaan Produk Ar-Rahnu dan Kesannya." *Journal of Contemporary Islamic Law* 6, no. 2 (2021), p. 146-154; Mohammed, Mustafa Omar, Mohamed Cherif El Amri, and Ayman Mohammad Bakr. "Guiding Fiqh Analysis of Crypto Assets: A Proposed Framework." *AHKAM: Jurnal Ilmu Syariah* 24, no. 2 (2024), p. 277-295.

¹⁴ Yahya, Azhari, Yusri Yusri, Adwani Adwani, M. Adli, dan M. Jafar. "Legal Study of Building Sharia-based Investment in Aceh: The Challenges After the Enactment of the Qanun of Sharia Financial Institution." *Samarah: Jurnal Hukum Keluarga dan Hukum Islam* 7, no. 2 (2023), p. 959-977.

¹⁵ Mohammed Kamil, Naail, Muthaloo Subramaniam, Halane Elmi Ali, Mohammed Borhandden Musah, and Acheampong Alex. "Factors influencing the selection of unit trust funds among Malaysian retail investors." *Journal of Islamic Accounting and Business Research* 9, no. 2 (2018), p. 155-170.

with enhanced decision-making processes for IUTF investments.¹⁶ Synthesizing these findings, it is evident that investors consider a spectrum of intrinsic, extrinsic, and religiosity factors, collectively enriching the understanding of investment dynamics within the Malaysian context.¹⁷

Intrinsic factors include internal characteristics like perception, understanding, and awareness of mutual funds, as well as size and resilience, which significantly affect stock market performance.¹⁸ Perceptions of fund size and Shariah compliance influence investor confidence.¹⁹ Larger funds with a strong track record and greater stability are more likely to attract investor interest. Additionally, a low management cost ratio and high returns are crucial, as they enhance the investor's net profit.²⁰ The skill of fund managers, particularly in stock selection, plays a vital role in achieving better returns.²¹ Extrinsic factors involve external influences such as marketing, product features and services, the qualities of fund managers, social influences, and the availability of information.²² Macroeconomic conditions, including inflation, exchange rates, and economic indicators like the composite index, greatly affect investor behavior.²³ Moreover, effective marketing strategies and the availability of accurate information significantly impact investors' choices.²⁴

¹⁶ Noraini, Yusuff. "Islamic unit trust investment decision making: An empirical study of Muslim investors in Malaysia." PhD Thesis, University of Malaya, 2018.

¹⁷ Zahri, Mohd. 'Adli. *Penentu pemilihan pelaburan dana amanah Islam: Teori dan praktis*. Seri Bagawan: UNISSA Press, 2021; Zahri, Mohd'Adli, Fatin'Alia Zahri, and Nurul Ilyana Muhd Adnan. "Persepsi Pelajar Muslim Universiti Sultan Zainal Abidin (UniSZA) Terhadap Faktor Pemilihan Pelaburan Dana Unit Amanah Islam (DUAI)." *Journal of Contemporary Islamic Law* 8, no. 1 (2023), p. 19-28.

¹⁸ Akhmadi, Akhmadi, Fauji Sanusi, and Dony Dony. "Equity mutual fund performance Risk factors." *Jurnal Riset Akuntansi Terpadu* 16, no. 2 (2023), p. 201-217.

¹⁹ Mohammed Kamil, Naail, Muthaloo Subramaniam, Halane Elmi Ali, Mohammed Borhandden Musah, and Acheampong Alex. "Factors influencing the selection of unit trust funds among Malaysian retail investors." *Journal of Islamic Accounting and Business Research* 9, no. 2 (2018), p. 155-170.

²⁰ Huang, Jennifer, Kelsey D. Wei, and Hong Yan. "Investor learning and mutual fund flows." *Financial Management* 51, no. 3 (2022), p. 739-765. <https://doi.org/10.1111/fima.12346>

²¹ Julendra, Alif Khuwarazmi Maulana, Dwi Marlina Wijayanti, and Slamet Haryono. "Determinant Performance of Islamic Equity Funds in Indonesia." *Global Review of Islamic Economics and Business* 11, no. 1 (2023), p. 064-083.

²² Amin, Hanudin, Hamid Rizal, and Rostinah Supinah. "What makes Investors invest in Islamic mutual funds?." *Labuan Bulletin of International Business and Finance (LBIBF)* 13 (2015).

²³ Belhoula, Mohamed Malek, Walid Mensi, and Kamel Naoui. "Impacts of investor's sentiment, uncertainty indexes, and macroeconomic factors on the dynamic efficiency of G7 stock markets." *Quality & Quantity* 58, no. 3 (2024), p. 2855-2886.

²⁴ Ghimire, Dinesh Mani, and Madhav Adhikari. "Impact assessment of investment motivation toward mutual funds." *Journal of Emerging Management Studies* 1, no. 1 (2023), p. 37-51.

Religiosity is also a key consideration, particularly in the context of IUTF. Adherence to Islamic principles and compliance with Shariah heavily influence investment selections. Awareness of Islamic financial products and the influence of social media shape investor attitudes in Saudi Arabia.²⁵ Assurance of Shariah compliance and adherence to ethical investment practices are fundamental criteria in fund selection.²⁶ Compatibility with Islamic teachings ensures that investors seek both financial returns and spiritual and ethical fulfillment.

In Malaysia, ASB is one of the most significant IUTF. Reviews of past studies in Malaysia also indicate that the factors influencing investment selections in IUTF can be divided into three categories: intrinsic factors, extrinsic factors, and religiosity factors. Zahri's findings categorize intrinsic factors as perception, understanding, and awareness; extrinsic factors as marketing, product features, and services; and religiosity factors as benevolence toward God, kindness to parents and the community, and compassion toward the environment and animals.²⁷

Intrinsic Factors

This study explores three intrinsic factors: perception, understanding, and awareness. Perception refers to the process of forming meaningful impressions that guide actions.²⁸ Understanding involves comprehending investments to make optimal selections.²⁹ Awareness relates to knowledge of one's thoughts, feelings, and actions, which enhances investor confidence.³⁰

Gender has a significant influence on investment perceptions. Men often possess greater financial knowledge and confidence, primarily due to higher

²⁵ Aljaed, Saiyer, Maizaitulaidawati MdHusin, Wan Khairuzzaman Wan Ismail, and Samiah Aljaud. "Factors Influencing Saudis Investors' Attitude to Invest in Islamic Mutual Funds." *Research Journal of Finance and Accounting* 10, no. 8 (2019), p. 16-23.

²⁶ Mohammed Kamil, Naail, Muthaloo Subramaniam, Halane Elmi Ali, Mohammed Borhandden Musah, and Acheampong Alex. "Factors influencing the selection of unit trust funds among Malaysian retail investors." *Journal of Islamic Accounting and Business Research* 9, no. 2 (2018), p. 155-170.

²⁷ Zahri, Mohd. 'Adli. *Penentu pemilihan pelaburan dana amanah Islam: Teori dan praktis*. Seri Bagawan: UNISSA Press, 2021.

²⁸ Kotler, Philip, Kevin Lane Keller, and Swee Hoon Ang. *Marketing management: an Asian perspective*. Pearson, 2018.

²⁹ Shafee, Nur Baiti, Shadia Suhaimi, Zuraina Sal Salbila Mohamed, and Dasilah Nawang. "Investment Decision on Mutual Fund in Malaysia." *Global Business and Management Research* 10, no. 3 (2018), p. 381.

³⁰ Ali, Murad, Imran Ali, Saeed Badghish, and Yasir A. Soomro. "Determinants of financial empowerment among women in Saudi Arabia." *Frontiers in psychology* 12 (2021), p. 747255.

levels of financial education and exposure to risk.³¹ Cultural norms may lead women to be less involved in financial selections.³² Age shows no significant impact on risk perception, suggesting equal perceptions across different age groups, likely due to widespread access to financial education and technology.³³ Education enhances financial literacy, enabling individuals to make better investment selections.³⁴ Income influences risk tolerance, with higher-income individuals often preferring riskier investments.³⁵

In terms of understanding, men generally have a better grasp of investments, attributed to more robust financial education.³⁶ They are also more prone to taking risks in investments.³⁷ Age does not significantly affect the understanding of mutual funds, as financial education is broadly accessible.³⁸ Higher education often leads to improved financial knowledge and decision-making capabilities.³⁹ Additionally, income and knowledge of Islamic finance impact investment choices, as individuals with an understanding of Islamic finance may prefer Shariah-compliant products.⁴⁰

Awareness of investments varies by gender and age. Younger generations, who typically have better access to financial education, prefer growth-oriented

³¹ Lusardi, Annamaria, and Olivia S. Mitchell. "The economic importance of financial literacy: Theory and evidence." *American Economic Journal: Journal of Economic Literature* 52, no. 1 (2014), p. 5-44.

³² Priya, Ms M. Krishna, and N. Periyasami. "Gender As a Moderator in Behavioral Biases Affecting Investment Decision Accuracy and Performance." *Revista Electronica de Veterinaria* 25, no. 1S (2024), p. 276-280.

³³ Nolte, Julia, and Yaniv Hanoch. "Adult age differences in risk perception and risk taking." *Current opinion in psychology* (2023), p. 101746.

³⁴ Mahendrasingh, Chouhan Purnima, and Mahammadrafique U. Meman. "To Examine the Impact of Investors Personality Traits on Investment Decision in Mutual Fund: A Study from South Gujarat Region." PhD diss., Institute of Business Management, 2018.

³⁵ Campbell, John Y. "Household finance." *The journal of finance* 61, no. 4 (2006), p. 1553-1604.

³⁶ Lusardi, Annamaria, and Olivia S. Mitchell. "The economic importance of financial literacy: Theory and evidence." *American Economic Journal: Journal of Economic Literature* 52, no. 1 (2014), p. 5-44.

³⁷ Barber, Brad M., and Terrance Odean. "Boys will be boys: Gender, overconfidence, and common stock investment." *The quarterly journal of economics* 116, no. 1 (2001), p. 261-292.

³⁸ Lusardi, Annamaria, and Olivia S. Mitchell. "The economic importance of financial literacy: Theory and evidence." *American Economic Journal: Journal of Economic Literature* 52, no. 1 (2014), p. 5-44.

³⁹ Clark, Robert, Annamaria Lusardi, and Olivia S. Mitchell. "Financial knowledge and 401 (k) investment performance: a case study." *Journal of Pension Economics & Finance* 16, no. 3 (2017), p. 324-347.

⁴⁰ Chong, Beng Soon, and Ming-Hua Liu. "Islamic banking: interest-free or interest-based?" *Pacific-Basin finance journal* 17, no. 1 (2009), p. 125-144.

investments, whereas older individuals tend to seek stability.⁴¹ Education enhances financial awareness, leading to more informed investment choices.⁴² Awareness of Shariah-compliant products also correlate with education level.⁴³ Lower-income groups often perceive mutual funds as low-risk, while higher-income individuals prefer more diverse portfolios.

Extrinsic Factors

This study examines extrinsic factors in three areas: marketing, product features, and services. Marketing introduces products to potential investors, while product features attract consumers, particularly Muslim investors seeking Islamic banking products. Services provide expertise that benefits others, attracting potential investors through efficiency.

Demographics such as gender, age, education, and income significantly influence investment selections. Men typically have a higher risk tolerance, suggesting a need for gender-specific marketing strategies.⁴⁴ While technology provides equal access to information, perceptions differ.⁴⁵ Age often increases risk aversion,⁴⁶ whereas education enhances financial literacy.⁴⁷ Higher income boosts investment confidence and willingness to take risks.⁴⁸ Understanding these factors helps financial institutions create effective, targeted marketing strategies using digital technology.⁴⁹

⁴¹ Md. Sapir@ Md. Shafik, Ana Shakirah, and Wan Marhaini Wan Ahmad. "Financial literacy among Malaysian Muslim undergraduates." *Journal of Islamic Accounting and Business Research* 11, no. 8 (2020), p. 1515-1529.

⁴² Lusardi, Annamaria, and Olivia S. Mitchell. "The economic importance of financial literacy: Theory and evidence." *American Economic Journal: Journal of Economic Literature* 52, no. 1 (2014), p. 5-44.

⁴³ AlQassar, Abdulrahman B., and Habib Ahmed. "Regulatory Regimes for Shari'ah Governance: A Framework of Assessment and Analysis." *Journal of Banking Regulation* 23, no. 1 (2022), p. 139-154.

⁴⁴ Jianakoplos, Nancy Ammon, and Alexandra Bernasek. "Are women more risk averse?." *Economic inquiry* 36, no. 4 (1998), p. 620-630.

⁴⁵ Rainie, Harrison, and Barry Wellman. *Networked: The new social operating system*. Vol. 10. Cambridge, MA: MIT Press, 2012.

⁴⁶ Schooley, Diane K., and Debra Drecnik Worden. "Risk aversion measures: Comparing attitudes and asset allocation." *Financial services review* 5, no. 2 (1996), p. 87-99.

⁴⁷ Lusardi, Annamaria, and Olivia S. Mitchell. "The economic importance of financial literacy: Theory and evidence." *American Economic Journal: Journal of Economic Literature* 52, no. 1 (2014), p. 5-44.

⁴⁸ Agnew, Julie R., and Lisa R. Szykman. "Asset allocation and information overload: The influence of information display, asset choice, and investor experience." *The Journal of Behavioral Finance* 6, no. 2 (2005), p. 57-70.

⁴⁹ Campbell, John Y. "Household finance." *The journal of finance* 61, no. 4 (2006), p. 1553-1604.

Gender does not have a significant impact on mutual fund investment preferences.⁵⁰ Both genders seek similar features, such as stability and returns. Younger investors pursue higher returns, while older ones prioritize stability.⁵¹ Education enhances the ability to analyze product features.⁵² Income influences investment choices: higher-income investors may seek complex features like financial consulting, while lower-income investors prefer straightforward products.⁵³ Extrinsic factors such as economic stability and social influence also affect investment choices.⁵⁴ In Malaysia, economic stability and social networks increase the attractiveness of mutual funds and influence selections.

In Islamic banking and finance, service aspects play a significant role in consumer selections. Gender, age, education, and income affect preferences. Women may prioritize customer service, while men focus on technical aspects like fees.⁵⁵ Different age groups have varying expectations, with younger generations valuing digital access and older ones preferring personal relationships.⁵⁶ Higher education correlates with a deeper understanding of financial products, leading to a greater emphasis on transparency and performance.⁵⁷ Income influences sensitivity to costs, with higher-income individuals being less concerned about service charges.⁵⁸

Religiosity Factors

Religiosity plays a pivotal role in shaping human life, exerting a profound influence on behavior, personality, emotional stability, self-confidence, and

⁵⁰ Armstrong, Gary, Stewart Adam, Sara Denize, and Philip Kotler. *Principles of marketing*. Pearson Australia, 2014.

⁵¹ Bodie, Zvi, Alex Kane, and Alan J. Marcus. *Investments*. McGraw-hill, 2011.

⁵² Putnam, Robert D. *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon & Schuster. 2000.

⁵³ Atmaningrum, Siska, Dwi Sunu Kanto, and Zainul Kisman. "Investment decisions: The results of knowledge, income, and self-control." *Journal of Economics and Business* 4, no. 1 (2021).

⁵⁴ Fama, Eugene F., Kenneth R. French, F. Fama, J. H. Cochrane, and T. J. Moskowitz. "Common risk factors in the returns on stocks and bonds." *The Fama Portfolio: Selected Papers of Eugene F. Fama* (2021), p. 392-449.

⁵⁵ Abdullah, Abdul Aziz, Rokiah Sidek, and Ahmad Azrin Adnan. "Perception of non-Muslims customers towards Islamic banks in Malaysia." *International Journal of Business and Social Science* 3, no. 11 (2012).

⁵⁶ Metawa, Saad A., and Mohammed Almossawi. "Banking behavior of Islamic bank customers: perspectives and implications." *International journal of bank marketing* 16, no. 7 (1998), p. 299-313.

⁵⁷ Kishada, Z. M. E., and Norailis Ab Wahab. "Factors affecting customer loyalty in Islamic banking: Evidence from Malaysian banks." *International journal of business and social science* 4, no. 7 (2013), p. 264-273.

⁵⁸ Jiang, Jinglin, Li Liao, Zhengwei Wang, and Hongyu Xiang. "Financial literacy and retail investors' financial welfare: Evidence from mutual fund investment outcomes in China." *Pacific-Basin Finance Journal* 59 (2020), p. 101242.

overall well-being.⁵⁹ The assessment of religiosity, however, presents complexities due to its multifaceted nature. Researchers have consequently adopted a multidimensional approach to capture its essence.⁶⁰ Dali, Yousafzai, and Hamid articulate that religiosity in Islam is measured through two principal components: belief and commitment or practice. Belief encompasses the foundational tenets of Islamic creed, while commitment or practice refers to the execution of religious doctrines in daily life.⁶¹

Levy, Gilat, and Ronny Razin provide empirical evidence that religiosity can be quantified through the frequency of participation in religious activities. This study analyzes the relationship between religious beliefs, participation, and social cooperation, providing empirical evidence on how religious participation can be quantified and its significance in understanding religiosity.⁶²

In Islamic banking, Ahmad Azrin identifies four key dimensions of religiosity: discerning halal, haram, and *syubhah* (doubtful matters); emphasizing quality consumption; pursuing beneficial returns; and prioritizing consumption based on necessity.⁶³ These dimensions highlight that Islamic religiosity extends beyond belief to encompass ethical actions and financial selections in daily life.

Islamic religiosity, through the dimensions of Islam, Iman, and Ihsan, significantly influences Islamic fund investment. The dimension of Islam, defined by its five pillars Shahadah (declaration of faith), salah (prayer), zakat (almsgiving), sawm (fasting during Ramadan), and Hajj (pilgrimage to the House of Allah) provides a framework for ethical investing. These principles emphasize integrity, accountability, and social responsibility, steering investors away from industries such as alcohol, gambling, and interest-based financial services.⁶⁴ The emphasis on zakat highlights wealth distribution and social welfare, encouraging investments that benefit society and promote economic justice.⁶⁵

The dimension of Iman, which includes belief in Allah, His angels, His books, His messengers, the Day of Judgment, and divine decree, shapes risk

⁵⁹ Sholihin, Muhammad, Hardivizon Hardivizon, Deri Wanto, and Hasep Saputra. "The effect of religiosity on life satisfaction: A meta-analysis." *HTS Teologiese Studies/Theological Studies* 78, no. 4 (2022), p. 7172.

⁶⁰ Perniagaan, Zakat, K. M. Idris, Z. Bidin, A. Ram, and J. Saad. "Islamic religiosity measurement and its relationship with business income zakat compliance behavior." *Jurnal Pengurusan* 34 (2012), p. 3-10.

⁶¹ Mohd Dali, Nuradli Ridzwan Shah, Shumaila Yousafzai, and Hanifah Abdul Hamid. "Religiosity scale development." *Journal of Islamic Marketing* 10, no. 1 (2019), p. 227-248.

⁶² Levy, Gilat, and Ronny Razin. "Religious beliefs, religious participation, and cooperation." *American economic journal: microeconomics* 4, no. 3 (2012), p. 121-151.

⁶³ Adnan, Ahmad Azrin. "Penentu pemilihan institusi perbankan Islam dalam kalangan Muslim di Terengganu." *Unpublished Ph. D Thesis*. Universiti Sains Malaysia (2010).

⁶⁴ Usmani, Muhammad Taqi. *An Introduction to Islamic Finance*. The Hague: Kluwer Law International, 2002.

⁶⁵ Chapra, M. Umer. *Islam and the Economic Challenge*. Leicester: Islamic Foundation, 1992.

assessment and ethical considerations in Islamic finance. The belief in divine decree (qada' and qadar) fosters trust in divine wisdom, guiding investors to balance risk and return.⁶⁶ This foundation promotes ethical risk management and discourages speculative behavior, aligning investments with Islamic ethical standards.⁶⁷

The dimension of Ihsan, involving relationships with Allah (*habl min Allah*), fellow humans (*habl min al-Nas*), and the environment (*habl min alam*), enriches the ethical framework for Islamic fund investment. Ihsan encourages excellence and benevolence in financial activities, ensuring investments contribute to societal welfare and environmental preservation.⁶⁸ *Habl min al-Nas* emphasizes social justice, prompting socially responsible investing in areas like poverty alleviation, education, and healthcare,⁶⁹ while *habl min alam* supports sustainable, eco-friendly projects.⁷⁰

In summary, the dimensions of Islamic religiosity deeply influence Islamic fund investment by integrating Islam, Iman, and Ihsan into strategies that promote ethical, responsible, and socially conscious financial activities. These investments aim to balance profitability with moral integrity, social welfare, and environmental sustainability, aligning with the broader objectives of social justice and ethical stewardship.⁷¹

The study involved 300 respondents, comprising ASB investors in Kelantan. The sample consisted of 51.6% male investors, outnumbering the 48.4% female investors, likely due to men's greater financial literacy and risk tolerance. Most investors were under 39 years old (55%), benefiting from enhanced financial education and digital access. Those with Diplomas or Bachelor's degrees (55.7%) demonstrated higher financial stability and investment acumen. The investors were evenly divided between public and private sectors (50% each), reflecting diverse risk profiles. A majority earned below RM3,000 (45.7%), attracted by ASB's low barriers to entry and government incentives for low-income Bumiputera communities.

⁶⁶ Osman, Shahriza, Zahiruddin Ghazali, and Syed Mohd Na'im Syed Salim. *Islamic Finance Fundamentals With Applications in Malaysia*. UUM Press, 2016.

⁶⁷ Hassan, M. Kabir, and Mervyn K. Lewis, eds. *Islamic finance*. Cheltenham, Glos, UK: Edward Elgar, 2007.

⁶⁸ Siddiqi, Muhammad Nejatullah. Riba, *Bank Interest and the Rationale of Its Prohibition*. Jeddah: Islamic Research and Training Institute, 2004.

⁶⁹ Ul-Haq, Aizaz, and Nouman Bashir. "An Overview of Islamic banking in Pakistan: Modern Economic Perspectives." *Journal of Religious and Social Studies* 3, no. 1 Jan-Jun (2023), p. 27-49.

⁷⁰ Obaidullah, Mohammed. *Islamic Financial Services*. Jeddah: Islamic Economics Research Centre, King Abdulaziz University, 2005.

⁷¹ Zahri, Mohd. 'Adli. *Penentu pemilihan pelaburan dana amanah Islam: Teori dan praktis*. Seri Bagawan: UNISSA Press, 2021.

The statistical analysis method used in this study is Partial Least Squares Structural Equation Modeling (PLS-SEM). Generally, PLS-SEM can be applied to small sample sizes, with a minimum of 30, while a sample size of 300 is considered sufficient for robust analysis. The data were analyzed using multivariate analysis through Structural Equation Modeling (SEM), specifically PLS-SEM, with the aid of SMART-PLS 3.2.9 software.

Intention as a Mediator in ASB Investment Selections

The findings of this study reveal that intention mediates the influence of extrinsic factors and religiosity on ASB investment selections.⁷² However, intention does not mediate the relationship between intrinsic factors and ASB investment selections in Kelantan. The study’s findings begin with the first hypothesis, which pertains to intrinsic factors such as perception, understanding, and awareness. The results of the path analysis are presented in Table 1.

Table 1: Path Analysis

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Value	Result
Intrinsic Factors → ASB	0.160	0.162	0.065	2.484	0.014	Supports H ₁
Intrinsic Factors → Intention	-0.077	-0.071	0.062	1.237	0.217	-
Extrinsic Factors → ASB	0.404	0.405	0.056	7.216	0.000	Supports H ₂
Extrinsic Factors → Intention	0.286	0.285	0.062	4.616	0.000	-
Religiosity → ASB	0.161	0.159	0.063	2.563	0.011	Supports H ₃
Religiosity → Intention	0.462	0.468	0.048	9.544	0.000	-
Intention	0.210	0.212	0.053	3.952	0.000	-

⁷² Omar, Ahmad Haziq Hazim. “Modelling E-Zakat Acceptance Among Amanah Saham Bumiputera (ASB) Muslim Investors: A Theory Acceptance Model and Critical Success Factors.” *Labuan e-Journal of Muamalat and Society (LJMS)* 16 (2022), p. 61-79.

→ ASB

Table 1 presents an analysis of the relationships between intrinsic factors, extrinsic factors, religiosity, intention, and ASB, using various statistical measures. The dataset provides a comprehensive evaluation of each variable’s impact on ASB and intention. The T statistic, calculated as the ratio of the original sample value to its standard deviation (O/STDEV), is used to assess the significance of each relationship. A p-value less than 0.05 indicates a statistically significant relationship, providing evidence to support the hypothesis (H₁, H₂, or H₃) that each factor significantly affects ASB or intention.

Intrinsic factors show a nuanced influence, where the relationship with ASB is statistically significant (T = 2.484, p = 0.014), supporting H₁. However, the relationship between intrinsic factors and intention is not significant (T = 1.237, p = 0.217), suggesting that intrinsic motivations alone do not significantly impact intention. This distinction highlights the complexity of how personal beliefs and motivations affect financial selections, with intrinsic factors more directly influencing preference for ASB than investment intention.

Extrinsic factors and religiosity show robust positive relationships with both ASB and intention, underscoring their critical roles. Extrinsic factors significantly affect ASB (T = 7.216, p = 0.000) and intention (T = 4.616, p = 0.000), supporting H₂. Religiosity also significantly influences ASB (T = 2.563, p = 0.011) and intention (T = 9.544, p = 0.000), supporting H₃. Additionally, intention significantly impacts ASB (T = 3.952, p = 0.000), indicating that individuals’ intention to invest is a crucial mediator between extrinsic factors, religiosity, and actual investment selections in ASB. These findings highlight the importance of external motivations and religious beliefs in shaping investment behavior and intentions.

Table 2: Specific Indirect Effects

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Value
Extrinsic Factors	0.060	0.060	0.019	3.191	0.002
Intrinsic Factors	-0.016	-0.014	0.014	1.183	0.238
Religiosity	0.097	0.099	0.027	3.591	0.000

Table 2 provides an analysis of the specific effects of extrinsic factors, intrinsic factors, and religiosity on investment selections in ASB. The indirect effect of extrinsic factors is statistically significant, with an original sample value of 0.060 and a T statistic of 3.191 (p = 0.002), indicating that these factors positively influence investment selections indirectly, potentially through mediating variables such as intention. Conversely, intrinsic factors exhibit an insignificant indirect effect, as reflected by a negative original sample value of -0.016 and a T statistic of 1.183 (p = 0.238), suggesting that intrinsic motivations

do not substantially impact investment indirectly. Religiosity demonstrates a strong and significant indirect effect, with an original sample value of 0.097 and a T statistic of 3.591 ($p = 0.000$), highlighting its substantial role in shaping investment behavior through mediating influences. These findings underscore the differential impact of these factors, emphasizing the pivotal role of extrinsic and religious motivations in indirectly guiding investment choices.

Table 3: Comparison of Direct and Indirect Effects

No	Path Analysis	Original Sample (O)	T Statistics	Description	Result
H ₁	Intrinsic Factors → ASB Selection	0.316	4.807	Significant	No Mediation
	Intrinsic Factors → Intention → ASB Selections	-0.016	0.238	Not Significant	
H ₂	Extrinsic Factors → ASB Selection	0.404	7.216	Significant	Partial Mediation
	Extrinsic Factors → Intention → ASB Selections	0.060	3.191	Significant	
H ₃	Religiosity → ASB Selections	0.161	2.563	Significant	Partial Mediation
	Religiosity → Intention → ASB Selections	0.097	3.343	Significant	

The subsequent discussion addresses the first, second, and third hypotheses as follows:

- H₁: Intention as a mediator positively influences the relationship between intrinsic factors and ASB investment selections.
- H₂: Intention as a mediator positively influences the relationship between extrinsic factors and ASB investment selections.
- H₃: Intention as a mediator positively influences the relationship between religiosity and ASB investment selections.

The study’s findings will first address the first hypothesis, examining the influence of intention on the relationship between intrinsic factors and ASB investment selections. This will be followed by an analysis of the impact of intention on the relationship between extrinsic factors and ASB investment selections, and finally, the influence of intention on the relationship between religiosity and ASB investment selections.

Influence of Intention on the Intrinsic Factors and ASB Investment Selections

Table 3 presents the relationships among intrinsic factors, intention, and ASB investment decision. First, the correlation between intrinsic factors and intention is -0.016, indicating a very weak and nearly insignificant relationship between these two factors. Second, the correlation between intention and ASB investment decision is 0.238, suggesting a stronger positive relationship between intention and ASB investment decision.

The first hypothesis (H_1), which predicted that intention as a mediator would have a positive effect on the relationship between intrinsic factors and ASB investment decision, is rejected. The analysis results demonstrate that the relationship between intrinsic factors and ASB investment decision is not significant, and intention does not act as a mediator in this relationship. In this context, these findings reflect the strength and significance of the relationships between these factors. Several factors explain why the relationship between intrinsic factors, intention, and ASB investment decision is not significant and why intention does not serve as a mediator in this relationship.

Firstly, the correlation value between intrinsic factors and ASB investment decision is -0.016, which is nearly zero. This indicates that the linear relationship between intrinsic factors and ASB investment decision is very weak. This result may be due to the significant variation in ASB investment decision among ASB investors. Some investors may have strong intrinsic factors that influence their selections, while others may not be significantly influenced by these factors.⁷³

Secondly, although intention is considered a potential mediator in the relationship between intrinsic factors and ASB investment decision, variations in the measurement of intention may have affected the results. An unclear definition of intention or inaccurate measurement could obscure its role in this relationship. Variability in how intention is measured in this study may prevent an accurate assessment of how intention influences ASB investment decision.⁷⁴

Thirdly, external factors such as interest rates, market conditions, and other macroeconomic factors may affect ASB investment decision. These factors may not have been included or controlled for in the analysis, potentially disrupting the relationship between intrinsic factors and ASB investment decision. If these external factors have a stronger influence on investment decision, intrinsic factors may no longer be significant.⁷⁵

⁷³ Hirshleifer, David. "Behavioral finance." *Annual Review of Financial Economics* 7, no. 1 (2015), p. 133-159.

⁷⁴ Hayes, Andrew F. *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. Guilford publications, 2017.

⁷⁵ Gujarati, Damodar, and Dawn Porter. "Multicollinearity: What happens if the regressors are correlated." *Basic econometrics* 363 (2003).

Therefore, it can be concluded that the insignificance of the relationship between intrinsic factors, intention, and ASB investment decision in this study can be attributed to several factors, including a lack of strong statistical correlation, variation in the measurement of intention, and the absence of control over external factors. All these aspects must be considered to fully understand the relationship between these factors in the context of ASB investment decision in this study.

Influence of Intention on the Extrinsic Factors and ASB Investment Selections

Table 3 shows a correlation of 0.060 between extrinsic factors, intention, and ASB investment decision, with a t-statistic of 3.191 and a p-value of less than 0.05. This significant t-value indicates that extrinsic factors positively and significantly influence an individual's intention to choose ASB. The second hypothesis (H₂), suggesting that intention mediates the relationship between extrinsic factors and ASB investment decision, is supported.

The results further demonstrate that intention acts as a partial mediator in the relationship between extrinsic factors and ASB decision. This means that the influence of extrinsic factors on ASB investment is largely explained by their impact on an individual's intention to invest in ASB. Therefore, when considering extrinsic factors, individuals are likely to also consider their intention to invest in ASB as a mediator in the decision-making process.

This is attributed to marketing campaigns shaping public perceptions of ASB investments.⁷⁶ Intention acts as a mediator by transforming these perceptions into actual investment actions, illustrating the effectiveness of marketing strategies in driving the desire to invest in ASB. Advice from acquaintances and family is often considered an extrinsic factor in investment selections.⁷⁷ Intention mediates by translating social encouragement into more concrete investment selections, highlighting its strength in responding to social pressure.

Investors tend to trust financial advisors' opinions.⁷⁸ In this context, intention mediates by turning these beliefs into active investment actions, serving as a bridge between belief and action. Macroeconomic factors such as economic growth or inflation rates also influence investment intentions.⁷⁹ Intention acts as an intermediary that adjusts investment selections based on interpretations of

⁷⁶ Keller, Kevin Lane. "Conceptualizing, measuring, and managing customer-based brand equity." *Journal of marketing* 57, no. 1 (1993), p. 1-22.

⁷⁷ Granovetter, Mark S. "The strength of weak ties." *American journal of sociology* 78, no. 6 (1973), p. 1360-1380.

⁷⁸ Iyengar, Sheen <https://doi.org/10.1086/225469a> S., and Mark R. Lepper. "When choice is demotivating: Can one desire too much of a good thing?" *Journal of personality and social psychology* 79, no. 6 (2000), p. 995.

⁷⁹ Fama, Eugene F. "Efficient capital markets." *Journal of finance* 25, no. 2 (1970), p. 383-417.

current economic conditions, demonstrating its flexibility and sensitivity to economic situations.

In Kelantan, the intention to pay zakat reinforces selections to invest in ASB, alongside factors such as marketing campaigns, product features, and social recommendations. Intention serves as a crucial intermediary that stimulates these external factors, ultimately affecting investment selections. In conclusion, understanding the role of intention is a critical aspect of analyzing investment selections, particularly among the community in Kelantan.

Influence of Intention on the Religiosity and ASB Investment Selections

Table 3 illustrates the relationships among religiosity, intention, and ASB investment decision. The correlation between religiosity and intention is 0.097, with a t-statistic of 3.343 and a p-value of less than 0.05, indicating that religiosity positively and significantly influences an individual's intention to choose ASB.

Intention also acts as a partial mediator in the relationship between religiosity and ASB investment decision. This suggests that the influence of religiosity on ASB investment selections is largely explained by its effect on individuals' intention to invest in ASB. The third hypothesis (H₃), which predicts that intention mediates the positive relationship between religiosity and ASB investment decision, is supported.

These findings highlight the importance of religiosity in shaping individuals' intention to invest in ASB, which in turn influences their investment selections. In the context of ASB investments, religiosity serves as a strong motivator in forming individuals' investment intentions and actions.

Compliance with Shariah principles is crucial for religious individuals in their investments. Intention serves as a mediator between religious beliefs and investment selections, ensuring alignment with religious values. With a strong intention for halal investments, individuals ensure their investments are consistent with their religious beliefs, reflecting a commitment to applying religious principles in financial matters.⁸⁰

In Islam, the obligation to pay zakat influences investment intentions.⁸¹ Religious individuals tend to select investment instruments that facilitate the fulfillment of zakat obligations, with intention mediating these selections. The concept of justice in religion also affects economic selections.⁸² The intention to promote justice and social welfare through investments is another mediating

⁸⁰ Ul-Haq, A., & Bashir, N. (2023). An Overview of Islamic banking in Pakistan: Modern Economic Perspectives. *Journal of Religious and Social Studies*, 3(1 Jan-Jun), 27-49.

⁸¹ Iqbal, Munawar, and Philip Molyneux. *Thirty years of Islamic banking: History, performance and prospects*. Springer, 2016.

⁸² Zarrouk, Hajer, Teheni El Ghak, and Elias Abu Al Haija. "Financial development, Islamic finance and economic growth: evidence of the UAE." *Journal of Islamic Accounting and Business Research* 8, no. 1 (2017), p. 2-22.

factor between religiosity and investment selections. For religious individuals, investments aligned with their beliefs provide a sense of security and peace.⁸³ The intention to achieve this peace mediates the influence of religiosity on investment selections.

In summary, intention significantly influences ASB investment selections based on religiosity. Through intention, individuals demonstrate adherence to Shariah principles, consider their zakat obligations, aspire to contribute to social justice, and seek peace and confidence in their investments. Therefore, intention plays a critical role in the ASB investment decision-making process.

Intrinsic Factors, Intention, and ASB Investment Selections

The study's finding that intrinsic factors, such as perception, understanding, and awareness, did not significantly influence intention towards ASB investment selections requires deeper reflection. Despite prior research highlighting the importance of financial literacy and internal motivation in guiding investment decisions.⁸⁴ This study reveals that intrinsic factors alone are insufficient in the Kelantan context. This suggests that while investors may possess basic knowledge of ASB, their decisions are more strongly shaped by external influences and religious adherence.

This finding aligns with previous work emphasizing that external cues such as marketing, community influence, and religious guidance often outweigh personal understanding, especially in closely-knit, religiously inclined communities.⁸⁵ It reinforces the argument that trust in communal and religious endorsements remains paramount, particularly in Kelantan, where Islamic values and social norms strongly shape economic behavior.⁸⁶

Practically, this indicates a need for policymakers and financial institutions to integrate religious and community-based narratives into their financial literacy efforts. Educational campaigns should go beyond general awareness and actively

⁸³ Beekun, Rafik I., and Jamal A. Badawi. "Balancing ethical responsibility among multiple organizational stakeholders: The Islamic perspective." *Journal of business ethics* 60 (2005), p. 131-145.

⁸⁴ Clark, Robert, Annamaria Lusardi, and Olivia S. Mitchell. "Financial knowledge and 401 (k) investment performance: a case study." *Journal of Pension Economics & Finance* 16, no. 3 (2017), p. 324-347; Lusardi, Annamaria, and Olivia S. Mitchell. "The Economic Importance of Financial Literacy: Theory and Evidence." *American Economic Journal: Economic Literature* 52, no. 1 (2014), p. 5-44.

⁸⁵ Aljaed, Saiyer, Maizaitulaidawati MdHusin, Wan Khairuzzaman Wan Ismail, and Samiah Aljaud. "Factors Influencing Saudis Investors' Attitude to Invest in Islamic Mutual Funds." *Research Journal of Finance and Accounting* 10, no. 8 (2019), p. 16-23; Levy, Gilat, and Ronny Razin. "Religious Beliefs, Religious Participation, and Cooperation." *American Economic Journal: Microeconomics* 4, no. 3 (2012), p. 121-151.

⁸⁶ Ahmad, Wan Hasni Wan. "Penerimaan masyarakat Kelantan terhadap pelaksanaan Dasar Membangun Bersama Islam: 1990-2004." PhD Thesis., Universiti Malaysia Kelantan, 2019.

involve community leaders and religious authorities to enhance credibility and resonance.⁸⁷ Merely improving investor knowledge without addressing these social and religious dimensions may have limited impact on actual investment behavior.

Furthermore, while intrinsic factors were weak predictors, enhancing product transparency and ethical positioning could still indirectly strengthen investor confidence.⁸⁸ Financial institutions should therefore maintain efforts to educate but complement this with strategies that reinforce external validation and religious compliance to better align with investor priorities in Kelantan.

Conclusion

Investment selections in ASB in Kelantan are influenced by intrinsic, extrinsic, and religiosity factors. While intrinsic factors, such as understanding of ASB, are relevant, extrinsic factors like marketing and religiosity, including social responsibility, have a more substantial impact. Hypothesis testing confirms that these factors positively influence ASB investment selections, with intention serving as a mediator between extrinsic factors and religiosity, underlining their crucial roles. The strong role of religiosity underscores the necessity for investment products that not only comply with Shariah principles but also meet ethical and social responsibility standards. Although intrinsic factors exert less influence, strengthening financial education remains essential, particularly when designed to align with community values and ethical considerations. Building on these findings, the study offers several practical recommendations for stakeholders. Developing and promoting Shariah-compliant investment products is critical to meeting the religious and ethical expectations of investors in Kelantan, which requires close collaboration with religious authorities. Enhancing financial education through community-embedded programs can improve investor understanding while respecting local values. Furthermore, implementing targeted marketing strategies that utilize digital platforms and trusted community influencers can increase awareness and engagement. Financial advisors and community networks should also be empowered to strengthen their role in shaping investor confidence and guiding decision-making. Collectively, these approaches will enable policymakers and financial institutions to design

⁸⁷ Mohd Dali, Nuradli Ridzwan Shah, Shumaila Yousafzai, and Hanifah Abdul Hamid. "Religiosity Scale Development." *Journal of Islamic Marketing* 10, no. 1 (2019), p. 227-248; Osman, Shahriza, Zahiruddin Ghazali, and Syed Mohd Na'im Syed Salim. *Islamic Finance Fundamentals with Applications in Malaysia*. UUM Press, 2016.

⁸⁸ Metawa, Saad A., and Mohammed Almosawi. "Banking Behavior of Islamic Bank Customers: Perspectives and Implications." *International Journal of Bank Marketing* 16, no. 7 (1998), p. 299-313.

precise, effective, and culturally attuned investment strategies, ensuring the suitability and acceptance of ASB products within the Kelantan market.

Limitations and Future Research Directions.

This study acknowledges several limitations that present opportunities for future research. Firstly, the geographical focus on Kelantan constrains the generalizability of the findings, as its specific religious and cultural context may not adequately represent the diverse investor behaviors across Malaysia. Future investigations should encompass additional states to better capture regional variations in investment behavior and the influence of religiosity. Secondly, the measurement of intrinsic factors and intentions requires enhancement. The inconclusive findings regarding intrinsic factors suggest potential issues with construct clarity. Future research should prioritize the refinement of measurement tools or the employment of qualitative methods to explore investor motivations more comprehensively. Lastly, this study did not directly examine macroeconomic variables such as inflation, interest rates, and policy developments. These external factors likely exert a significant influence on investment decisions and should be incorporated into future models. Addressing these limitations will enhance the applicability of subsequent research, providing clearer guidance for policymakers, financial institutions, and scholars interested in Islamic investment behavior.

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