

MALAYSIAN PERCEPTIONS OF *SHARIAH* GOLD INVESTMENT IN THE DIGITAL ERA

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ABSTRACT

Malaysian perceptions are significantly influencing the proliferation of *Shariah* gold investments (SGI) in today's digital era. This study aims to assess the level of public exposure, engagement and perception of Islamic gold products. A descriptive quantitative approach was used through the distribution of questionnaire to 101 respondents who demonstrated investment propensity in gold. The study instrument consisted of three (3) sections including Section A on the respondents' exposure and involvement, Section B on the Malaysian perceptions of SGI characteristics and followed by demographic profile of respondents in Section C. The data were analysed using Statistical Package for Social Sciences (SPSS) version 30 to produce frequencies, percentages and mean scores to identify general patterns in investment behaviour. Derived from the findings, *Shariah*-compliance assurances and user-friendliness of digital platforms were the key drivers of investor adoption. However, despite growing awareness, actual engagement remains low. As a result, investor financial education, *Shariah* branding and operational transparency of investment platforms are needed to bolster SGI. Furthermore, this study is limited to descriptive analysis, non-probability purposive sampling and draws upon self-reported responses. Hence, it provides an important initial contribution to understanding investor preferences towards SGI and offers preliminary basis for further exploratory and explanatory studies in the future.

KEYWORDS: *DESCRIPTIVE STUDY; DIGITAL PLATFORMS; INVESTOR PERCEPTION; ISLAMIC FINANCE*

ABSTRAK

Persepsi rakyat Malaysia memainkan peranan penting dalam mempengaruhi percambahan pelaburan emas Syariah dalam era digital pada hari ini. Kajian ini bertujuan untuk menilai tahap pendedahan awam, penglibatan dan persepsi terhadap produk emas Islam. Pendekatan kuantitatif deskriptif telah digunakan melalui pengedaran soal selidik kepada 101 responden yang menunjukkan kecenderungan pelaburan dalam emas. Instrumen bagi kajian ini mengandungi tiga (3) bahagian iaitu Bahagian A adalah berkaitan dengan pendedahan dan penglibatan responden, Bahagian B menjelaskan persepsi rakyat Malaysia terhadap ciri-ciri pelaburan emas Syariah dan diikuti dengan maklumat demografi responden di Bahagian C. Data telah dianalisis menggunakan Pakej Statistik untuk Sains Sosial

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(SPSS) versi 30 bagi menghasilkan frekuensi, peratusan dan skor min untuk mengenal pasti corak umum dalam tingkah laku pelaburan. Berdasarkan dapatan kajian, jaminan pematuhan Syariah dan platform digital yang mesra pengguna merupakan pemacu utama penerimaan pelabur. Walau bagaimanapun, walaupun kesedaran terhadap pelaburan emas Syariah semakin meningkat, penglibatan sebenar masih rendah. Maka, pendidikan kewangan kepada pelabur, penjenamaan Syariah dan ketelusan operasi platform pelaburan adalah perlu untuk memperkukuh pelaburan emas Syariah. Selain itu, kajian ini terhad kepada analisis deskriptif, persampelan bertujuan bukan kebarangkalian dan menggunakan respons yang dilaporkan sendiri. Oleh itu, kajian ini memberikan sumbangan awal yang penting untuk memahami keutamaan pelabur terhadap pelaburan emas Syariah serta menawarkan asas awal untuk kajian penerokaan dan penjelasan lanjut pada masa hadapan.

KATA KUNCI: KAJIAN DESKRIPTIF; PLATFORM DIGITAL; PERSEPSI PELABUR; KEWANGAN ISLAM

1. INTRODUCTION

The convergence of Islamic finance and financial technology (FinTech) has promoted the emergence of innovative investment products including *Shariah* gold investment (SGI). Long ago, possessing gold typically involved a traditional approach where the individual buying it in physical form (e.g., jewellery, gold coin, gold bar) from physical gold shops, pawnshops or individual sellers. In simple terms, the gold buyers can pay in cash, instalment or gold savings circle; in local context known as “*kutu*” where a groups, often women participate the money-pooling group to afford gold. Upon payment, the gold buyers received their gold as exchange immediately (i.e., *bay’ al-sarf* in the context of *Shariah*) depending on their preference and financial goals. Later in 2001, Bank Negara Malaysia introduced of Kijang Emas Gold Bullion as an initiative to foster Malaysians' investment in domestic gold products. Thereafter, Kelantan Gold Dinar was introduced in 2006 followed by Public Fine Gold International Sdn Bhd (Public Gold) in 2008. Remarkably, in 2010, Kuwait Finance House Malaysia launched the first *Shariah*-based gold investment account which portrays the evolution of innovation features for gold investment platforms. Owing to this, the methods of buying gold have shifted significantly with the emergence of digital technology.

In today’s digital era, gold investment remains relevant in physical form, but is increasingly shifting towards digital platforms provided by financial institutions and private companies. For banking institutions, gold account commonly known as gold savings account (GSA) or gold investment account (GIA). Maybank Investment Gold Account (MIGA-i), Bank Rakyat eGold Account-i and Bank Muamalat EasiGold are among Banks in Malaysia that provides gold account avenue. The investment landscape continued to change, driven by technological advancement and the growing popularity of mobile apps and online platforms which ultimately bringing SGI into the age of digital convenience. Effortlessly, executing gold investments in FinTech practices means no longer visiting into a physical branch since its only require three things. First, tech gadgets (e.g., smartphone, tablet or laptop). Second, internet access for cashless transaction. Third, sufficient amount of capital. Going beyond, Figure 1 portrays eight steps investing in SGI. The potential investors may begin with gathering information, exploring platforms and its features through official websites, products disclosure sheet, social media and word of mouth for awareness and understanding.

Given the existing interest, comparing and verifying various SGI platforms is needed before deciding the chosen platform. When comparing, it including of product features, fees, ease of use and customer review. On the other hand, verifying the chosen platform involves checking their valid certification, transparency and compliance to *Shariah* rulings. Subsequently, potential investor can sign up and register online via apps or websites to complete a Know Your Customer (KYC) process. Once registered, the initial amount of money is transferred online to the gold service provider, usually via online fund transfer, Financial Process Exchange (FPX), instant transfer (e.g., DuitNow), Interbank GIRO (IBG) and E-wallet transfers. In Malaysia, most of gold service provider offer initial investment as low as RM10 to cater wider audience, making SGI highly accessible. Furthermore, through digital nature platform, investors are accessible monitoring their portfolio performance in real time including gold prices, buy, sell or redeem the gold anytime and anywhere with digital devices. Finally, the gold

platforms often provide frequently ask questions (FAQ), learning tools or educational resources to help investors strengthen their investment knowledge and build long-term financial confidence in gold investment.



FIGURE 1: 8 STEPS INVESTING IN SHARIAH GOLD INVESTMENT (SGI)

Source: Figure by Author

Although SGI has gained awareness among Malaysians, actual involvement remains low. Obviously, this shows that greater awareness does not lead to action (Wan Jusoh & Harun, 2024). Given the limited empirical research on the actual adoption and public engagement with SGI, the present study conducting a preliminary descriptive study gathering 101 respondents from East Malaysia, Labuan. The preliminary study allows researchers to identify key patterns, investor behaviours and contextual variables before applying more complex analytical models (Saunders *et al.*, 2016). Additionally, through preliminary studies, it contributes to discover knowledge gaps and serve as a foundation for theory-building (Bryman, 2012). Particularly, in studies relating to religious or investment decision-making that offer authentic viewpoints behaviour beyond theoretical assumptions. In the context of this study, this approach provides valuable perception into how investors perceive and interact with Islamic digital gold platforms nowadays. Hence, the research objectives of this study consist of three folds:

- To explore Malaysians' exposure and involvement in SGI;
- To examine Malaysians' perceptions towards SGI; and
- To explore the demographic characteristics of Malaysian investors.

2. LITERATURE REVIEW

Shariah compliance constitutes the cornerstone of *muamalat* in Islam that underpinning for fairness, transparency, accountability and ethical investment decision-making in financial dealings. Obviously, adherence to *Shariah* principles is embedded in robust *Shariah* governance frameworks and transparent reporting mechanisms in Islamic financial. In more details, the prohibition of *riba* (interest), *maysir* (gambling) and *gharar* (uncertainty) on SGI framework serves as an essential tenet in upholding *Shariah* requirement to be executed with utmost transparency, equal and ethical practices. According to Ghazali *et al.* (2015), *taqābudh* (immediate ownership and mutual delivery), valid evidence or certificates of entitlement are significant criteria to look for when investing in SGI. These criteria necessitate that investors secure possession of the physical gold that avoid *gharar* (uncertainty) in transactions. Ultimately, the evolving of SGI in Malaysia from physical gold holdings to innovative mechanisms of digital platforms allowing investors involve with gold investment conveniently and accessible through online systems. Besides, a study by Agha *et al.*, (2015) asserted that various gold investment modalities (e.g., physical gold, gold account,

blockchain-based and gold ETFs) within an Islamic framework, emphasizing the necessity of *Shariah* compliance alongside its diversification benefits.

Amin (2016) was earlier research on behavioural studies of gold investment employed behavioural models of Theory of Reasoned Action (TRA). In his study, attitude and subjective norm are significantly affect the willingness of Muslim male in East Malaysia, Labuan to open Islamic gold investment. Furthermore, this study extends three independent variables namely perceived financial benefit, consumer religiosity and consumer information. Additionally, a study in Penang, Malaysia was conducted using Islamic Theory of Consumer Behaviour (ITCB) (Juisin *et al.*, 2023). Their study accentuates the components of faith, Islamic altruism and *Maqasid al-Shariah* when investing in gold. This indicate Malaysian perceptions of SGI are influenced by a mix of rational, cultural and emotional considerations. Moreover, Hamdan *et al.* (2025) examine Malaysian consumers' intention to use digital gold platforms extended the UTAUT model. The variables of performance expectancy, effort expectancy, trust and *Shariah* compliance results depicted as significant predictors, while facilitating conditions and social influence were less impactful.

On top of that, investors' actual participation on SGI has a limited empirical data that has been investigated, beyond their beliefs or theoretical assumptions. According to Wan Jusoh and Harun (2024) findings, awareness on SGI among young Muslim depicted a greater result revealing generational variances in financial literacy in Terengganu, Malaysia. Besides, many Muslim professionals are eager to participate in gold investment; however, they are often unaware of the SGI products that are available in the market. This highlights a scarce factor between investment interest and product awareness (Nadhirah *et al.*, 2015). Conversely, Abas *et al.* (2023) study is not based on individual attitudes and perceptions. Their study has thoroughly deliberated the current SGI models specifically *bai' sarf*, *musawamah*, *qard*, *tawarruq*, *ujrah*, *wa'd*, *wadiah* and *wakalah* provided comprehensive documentation of contract types and analysing the structural design of related gold investment products. Correspondingly, Ezahar *et al.*, (2020) research has analysed a digital gold platform from a *Shariah* contract perspective that emphasising the four pillars of the contract encompasses of price, offer and acceptance, subject matter and involved parties.

Nevertheless, this study is based on descriptive analysis. Several behavioural theories such as Theory of Planned Behaviour (TPB), Innovation Diffusion Theory (IDT), Technology Acceptance Model (TAM) can provide wider context of actual behaviour and intentions towards SGI. The extended predictors for instance *Maqasid al-Shariah* can be included in future research emphasizing the factors on welfare, fairness and security in SGI transactions. Undenied, theories provide a framework for comparison. In contrast, current study excluded the use of inferential models and structural equation modelling (SEM). As a result, the current study conducted preliminary descriptive studies that quantitatively assess general consumer perceptions, compare awareness with actual investment intentions, test perceptions based on demographics and provide initial data as the basis for further models. This study filling these gaps and adding important data to the literature of SGI in Malaysia setting. Furthermore, this study underlines *Shariah* compliance through contracts, digital systems or behavioural theory. Hence, this preliminary finding provides a foundation for future research employed exploratory and explanatory study in the context of SGI.

3. METHODOLOGY

A preliminary survey was conducted in East Malaysia, Labuan involving of 130 respondents. An online and offline self-administered questionnaire is used for the purpose of data collection. The use of both online and offline approaches enabled flexible participation to complete the questionnaire. Furthermore, non-probability purposive sampling technique is employed, targeting individuals who met three (3) specific criteria to be included as respondents: First, Malaysian citizen. Second, an individual who are 18 years old or above. Third, currently invest or intend to invest in gold. Following, the data collection was complete within three (3) weeks period. Upon completion of data collection, a total of 101 respondents were validated and deemed suitable for descriptive statistical analysis. Statistical Package for Social Sciences (SPSS) software version 30 was used in conducting

the analysis including data cleaning, computation of frequencies, percentages, means and standard deviations. These data are used to summarize of the findings and provide preliminary insights. Thus, all respondents participated in this study voluntarily and their responses were kept strictly confidential throughout the study.

TABLE 1: DEMOGRAPHIC PROFILE OF RESPONDENTS

Profile	Description	Frequency (n)	Percentage (%)
Gender	Male	43	42.6
	Female	58	57.4
Age	18 – 28 years	27	26.7
	29 – 44 years	60	59.4
	45 – 60 years	13	12.9
	61 – 79 years	1	1
Marital status	Single	47	46.5
	Married	54	53.5
Level of education	SPM	28	27.7
	Diploma / STPM / STAM	30	29.7
	Bachelor's Degree	32	31.7
	Master Degree	10	9.9
	PhD	1	1
Employment status	Government sector employee	75	74.3
	Private sector employee	11	10.9
	Self-employed	2	2
	Student	6	5.9
	Retired	1	1
	Others	6	5.9
Monthly income	Below RM1,000	13	12.9
	RM1,000 – RM2,999	35	34.7
	RM3,000 – RM4,999	41	40.6
	RM5,000 – RM6,999	8	7.9
	RM7,000 – RM10,999	4	4
Religion	Muslim	92	91.1
	Non-muslim	9	8.9
Ethnicity	Malay	39	38.6
	Chinese	3	3
	India	1	1
	Bumiputera Sabah	56	55.4
	Bumiputera Sarawak	2	2

Source: Table by Author

Besides, the questionnaire comprised of three (3) sections; Section A: exposure and involvement that best reflects their level of exposure and involvement related to SGI. Section B: perception on gold investment based on respondents' level of agreement. For this part, perception items measured using a 5-point Likert scale where the indicators as such 1- strongly disagree, 2-disagree, 3-slightly agree, 4-agree and 5-strongly agree. Section C of the questionnaire capturing the demographic profile of respondents. As depicts in Table 1, the data representing a diverse demographic profile in terms of age, education, employment status, monthly income and ethnicity. From the total of 101 respondents, most of them were female which is 57.4% (n = 58) and 42.6% (n = 43) were male. The respondent's age was classified into four categories: 26.7% (n = 27) have an age 18 – 28 years old. Respondents aged 29 – 44 years constituted the largest age group, representing 59.4% (n = 60) of the total sample. Following, 12.9% (n = 13) aged 45 – 60 years old and 1% (n = 1) have an age 61 – 79. Furthermore, the respondents' marital status profile shows that 46.5% (n = 47) were single, while 53.5% (n = 54) were married.

Next, the respondents were grouped into five tiers of educational attainment. The highest proportion held a Bachelor's degree (31.7%, n = 32), followed by Diploma/Sijil Tinggi Pelajaran Malaysia (STPM)/Sijil Tinggi Agama Malaysia (STAM) holders (29.7%, n = 30), Sijil Pelajaran Malaysia

(SPM) holders (27.7%, n = 28), Master's degree holders (9.9%, n = 10) and Doctor of Philosophy (PhD) holders (1.0%, n = 1). In terms of employment status, the highest number of respondents were government sector employees at 74.3% (n = 75), followed by private sector employees at 10.9% (n = 11), students and others at 5.9% (n = 6), self-employed at 2% (n = 2) and retired at 1% (n = 1). Subsequently, the respondents' monthly income depicted that the majority of respondents (40.6%, n = 41) earned between RM3,000 and RM4,999, while respondents who earning between RM1,000 and RM2,999 shows 34.7% (n = 35). Respondents who earnings below RM1,000 (12.9%, n = 13) reported as a smaller proportion. On the other hand, the higher income brackets of RM5,000 to RM6,999 and RM7,000 to RM10,999 were represented by 7.9% (n = 8) and 4.0% (n = 4) respectively. Obviously, Muslim respondents were the majority at 91.1% (n = 92), while non-Muslims made up 8.9% (n = 9). With regard to ethnicity, most respondents were Bumiputera Sabah (55.4%, n = 56), followed by Malays (38.6%, n = 39), while smaller groups included Chinese (3.0%, n = 3), Bumiputera Sarawak (2.0%, n = 2) and Indian (1.0%, n = 1).

4. FINDINGS AND DISCUSSION

This preliminary study reveals the findings derived from Section A and Section B of the questionnaire. In Section A, the study explores the extent of respondents' exposure and involvement on gold investment designed with six (6) questions. Began with first question: *Do you invest or intend to invest in Shariah-compliant gold?* Based on the responses, 63 respondents indicated a positive inclination to engage in SGI both current and in the future endeavours. Unlike, 28 respondents were uncertain and 10 expressed no intention to invest in SGI. The responses discovered a mixed level of engagement, with a notable portion of them indicating that they are already investing or plan to invest in the near future. As a result, it shows a positive sentiment and awareness on SGI as an investment option among retail investors. Conversely, respondents who expressed ambivalence may indicated low financial awareness, limited exposure to Islamic financial instruments or apprehension the gold security as an investment vehicle. Thus, awareness efforts and education initiatives are needed to support turn interest into actual investment action.

TABLE 2: RESPONDENTS' PREFERRED FORM OF GOLD INVESTMENT

No	Gold investment platform	Frequency (n)	Percentage (%)
1	Physical gold (bars/coins)	46	38
2	Gold investment account at the bank	34	28.1
3	Digital gold / e-wallet	41	33.9
Total		121	100

Source: Table by Author

Building on this interest, the findings in second question are essential in exploring the preferred forms through which investors choose to engage with gold investment. According to Table 2, expose the respondents' preferred forms of gold investment where; physical gold such as gold bars and coins was selected as the most preferred form of gold investment with 38%. For Malaysian investor, physical gold remains critically important, it is preferred due to its tangible nature, high liquidity, cultural significance and the emotional trust it evokes. Following this, digital gold or e-wallet platforms was the second most preferred by the respondents (34%) which is slightly lower from the physical gold. Subsequently, 28% of them choose gold investment accounts at banks. The engagement in digital technology and institutional gold investment channels continues to grow, reflecting investors' evolving preferences toward convenience, accessibility and technological integration. Furthermore, in question two, each of the respondent was allowed to select more than one choice of preferred forms of gold investment. The selection of multiple options shows a multi-channel investment behaviour where individuals diversify their gold holdings based on factors such as trust, platform accessibility and perceived *Shariah* compliance.

The presence of intention alone is insufficient; investors also require accessible and reliable platforms to act upon it. The third question highlights the top choice of several gold investment platforms selected by the respondents. As shown in Table 3, With 27.1% of the responses, physical gold shops

were identified as the leading platform of choice. The outcomes are slightly difference from Public Gold (26.4%) as one of the well-established gold investment platforms in Malaysia. Evidently, Maybank Investment Gold Account (MIGA-i) (10.7%), Bank Rakyat eGold Account-i (6.4%), Bank Muamalat EasiGold App (5.7%) and Bank Islam Gold Account (BIGA-i) (5.7%) received significant mention, reflecting the broadening range of institutional offerings. These signifying a strong presence of both non-bank institutions and Islamic financial institutions in gold market segment in Malaysia. Owing to these patterns imply trust in Islamic branding and financial reputation in platform selection, while lesser-known platforms may struggle with visibility and consumer trust.

TABLE 3: RESPONDENTS' SELECTION OF GOLD INVESTMENT PLATFORM(S)

No	Gold investment platform	Frequency (n)	Percentage (%)
1	Physical Gold Shop	38	27.1
2	Public Gold (GAP)	37	26.4
3	Maybank Investment Gold Account (MIGA-i)	15	10.7
4	Bank Rakyat eGold Account-i	9	6.4
5	Bank Muamalat EasiGold App	8	5.7
6	CIMB Bank e-Gold Investment Account (eGIA)	7	5
7	YaPEIM SEREY Account	3	2.2
8	Bank Islam Gold Account (BIGA-i)	8	5.7
9	Bank Simpanan Nasional MyGold Account-i	5	3.6
10	Others	10	7.2
Total		140	100

Source: Table by Author

On the other hand, one of the most significant findings was the millennials (59.4%) and Gen Z (26.7%) preference on digital platforms when investing in gold products out of convenience, mobility and low entry costs, among others. Obviously, for the others option (7.2%), a few respondents indicated a preference for investing in e-Mas by TNG eWallet as this platform perceived security, user convenience and the ability to monitor gold holdings in real time which makes gold investment simple and accessible to a broader audience. However, the platform is currently not *Shariah*-compliant, as it does not fully allocate physical gold to back the investment as fundamental requirement under *Shariah* principles. For younger cohort, in today's investment landscape enables instant transaction through digital platforms that means no longer necessitates physical store visits. The observed shift signals a wider change in investment behaviour emphasizing the alignment of convenience with ethical financial values. The development of digital gold or e-wallet shows a significant potential catering both tech-savvy and value-driven investors.

Besides, in the fourth question of Section A, respondents were asked to evaluate the accessibility of SGI, the question is: *In your opinion, is Shariah-compliant gold investment easy to access?* From the findings, it depicted that 21.8% found it is very easy to access SGI and 39.6% selecting easy. It shows that most respondents perceived it as accessible. Unlike, 33.7% of them were not sure and a 5% found it difficult. Overall, the perceptions of the accessibility to SGI are significantly positive. However, among respondents who perceived uncertainty and difficult in accessing SGI as platform could reported challenges in navigating the platforms, insufficient *Shariah* compliance information and cumbersome onboarding process. Despite broader access of gold investment in this digital era, improvements are still needed in onboarding processes and enhancing investor education for exposure.

To better understand what influences investors' choice of SGI platform, the survey included various motivational factors to be asked in the fifth question: *What are the main factors that motivate you to choose Shariah-compliant gold investments?* From the respondents' responses, the top three contributing factors in choosing SGI are compliance with *Shariah* principles (26.9%), long-term savings (24.2%) and the potential increase in gold prices (16.7%). Apart from that, other notable motivating factor including gold as safe and stable investment (14%), ease of access to digital platforms (9.7%) and recommendations from one's personal network (8.5%). Clearly, *Shariah* compliance as a primary motivation, signifying the high importance of religious alignment in

financial decision-making among the individuals surveyed. In addition, gold as potential for long-term savings and potential capital gains from gold price appreciation were included as a strong motivator for them investing in gold. These factors of motivations convey of religious commitment and financial prudence in driving investor behaviour, with digital accessibility becoming an increasingly important enabler.

The final question of section A, respondents were asked their views on the strategies to boost public engagement with SGI. The most frequently endorsed strategies included increasing awareness campaigns (23%). The awareness campaign through social media, mainstream and Key Opinion Leader (KOL) enhancing transparency in *Shariah* certification and transaction processes while improving the overall user-friendliness of gold platforms. Furthermore, 21.1% of responses exhibited safe and transparent transactions as the approach to promote SGI. Undeniable, security and trust influence investment decisions, given the investors need assurance of their funds and the credibility of the gold service provider. Subsequently, attractive incentives such as rebate or discount (18.6%), user-friendly platform (14.3%), ads on social media (13%) and free investment advice (9.9%) were among the strategies that could be undertaken for SGI to continue gaining traction. Hence, it is crucial to note that educating the public, building consumer trust and providing clear and accessible information about the product's mechanism in accordance with *Shariah* principles, enabling individuals to make informed and wise investment decisions.

TABLE 4: PERCEPTION ON GOLD INVESTMENT

Item	M	SD
PGA 1: To what extent do you agree with the following statement: “ <i>Shariah</i> -compliant gold investments provide fairness to investors in terms of profit and risk.”	4.16	.771
PGA 2: I understand the difference between investment gold and jewellery.	4.16	.845
PGA 3: I think that <i>Shariah</i> -compliant gold investment products are available in the Malaysian financial market.	4.08	.845
PGA 4: I think investing in gold can give good returns in the long term.	4.42	.778
PGA 5: I am willing to invest if given clear information and I am confident that it is <i>Shariah</i> -compliant.	4.35	.793
PGA 6: I think investing in gold provides justice and long-term benefits from an Islamic perspective.	4.3	.794

Source: Table by Author

Going beyond in Section B. This section evaluates respondents' perceptions towards SGI which consists of six (6) items measured using a 5-point Likert scale. The respondents indicated their level of agreement for each statement about gold investment by selecting a number from 1 to 5, where: 1-Strongly Disagree, 2-Disagree, 3-Slightly Agree, 4-Agree and 5-Strongly Agree. Discernibly, findings in Table 4 of the mean scores ranging from 4.08 to 4.42 shows that the respondents have a significantly positive perceptions on SGI. This suggests that, overall, respondents agreed with the statements presented in the questionnaire. Owing to the findings, Figure 2 depicts thematically categorized into three (3) areas of respondents' perceptions on SGI:

- Investment confidence and willingness;
- Islamic values and ethical assurance; and
- Knowledge and product awareness.

Investment confidence and willingness theme denotes respondents' trust and readiness to invest within the Malaysian market. In Table 4, PGA4 statement: *I think investing in gold can give good returns in the long term* demonstrates a strong consensus among the respondents. It was reported as the highest mean values where ($M = 4.42$, $SD = 0.778$). Obviously, gold's perceived stability in long term returns due to its intrinsic value, stable and reliable store of value particularly during financial

turbulence or inflation period. Owing to these reasons, gold is broadly accepted across various investment circles. This shows that SGI has the potential in generating stable returns and reduce exposure to systemic risks. The second highest of mean score is ($M = 4.35$) and ($SD = 0.793$) of PGA 5: *I am willing to invest if given clear information and I am confident that it is Shariah-compliant*. Based on the results, it underscores the importance of investor education and transparent communication by the financial institutions. This highlights that transparency and trust are key drivers of investor readiness.

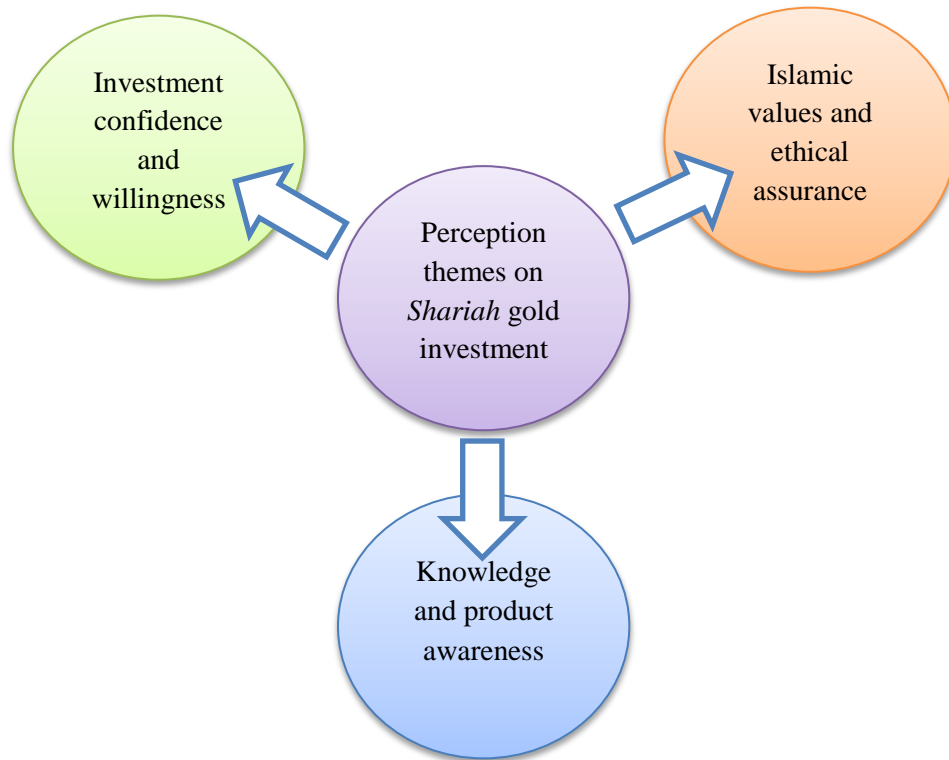


FIGURE 2: PERCEPTION THEMES ON SHARIAH GOLD INVESTMENT

Source: Figure by Author

Moreover, Islamic values and ethical assurance theme includes perceptions rooted in Islamic ethical and financial principles. The statement from PGA1 and PGA6 depicts as justice, fairness, and long-term Islamic benefits as important factors. The perceptions reinforcing the relevance of *Maqasid al-Shariah* in investment behavior. In more details, PGA 6 statement: *I think investing in gold provides justice and long-term benefits from an Islamic perspective* provide the findings of mean score of 4.30 and $SD = 0.794$. Although, gold investment is believed as a profitable long-term return, it also reflects in upholding Islamic ethical principles, which are inherently fair and value-based as preservation of wealth (*hifz al-mal*). This perception supports the integration of religious principles with financial planning. On the other hand, PGA 1 measure respondents' level of agreement about fairness in profit and risk of SGI. The outcomes are ($M = 4.16$, $SD = 0.771$). Thus, it reinforces the notion of justice (*'adl*) and balanced risk-sharing, emphasizing the importance of fairness and transparency.

Furthermore, the third theme, knowledge and product awareness capture the extent of respondents' awareness regarding types of gold investment and the availability of SGI products in the market. Among all the statements in Section B, PGA2 and PGA3 show relatively lower mean scores, indicating that most respondents possess limited understanding, highlighting the needed for improved financial literacy and greater exposure to SGI products. To comprehend the respondents understanding on the difference between investment gold and jewellery, PGA 2 statement is asked and exposed the results ($M = 4.16$, $SD = 0.845$). Though, responses align closely with PGA1, the greater variability reflects uneven levels of understanding among respondents. The confusion and

misconception between investment gold and jewellery could impede sound financial decisions. Next, PGA 3 statement was: *I think that Shariah-compliant gold investment products are available in the Malaysian financial market.* With the lowest mean and highest variance ($M = 4.08$, $SD = 0.845$), this points to uncertainty or limited awareness regarding the accessibility of *Shariah*-compliant gold products in Malaysia. In a similar vein, this finding aligns with Wan Jusoh and Harun (2024). The existing literature associate weak uptake among younger or less financially informed groups with limited visibility and insufficient coverage of Islamic gold offerings which potentially influenced by geographic location or platform availability.

To encapsulate, the findings in Section A of this preliminary study discovered the exposure and involvement on gold investment of respondents. Majority of the them shows a positive response and aware towards SGI in Malaysian market. Additionally, the findings exposed the factors motivating respondents to invest in SGI, along with strategies to increase their participation and engagement. On the other note, in Section B the results revealed that investment confidence and willingness was the strongest theme followed by Islamic values and ethical assurance and knowledge and product awareness. In general, the respondents understand about *Shariah* ethics that value Justice (*'Adl*), trustworthiness (*Amanah*) and transparency which in turn fostering investor trust and confidence in SGI platform. Therefore, greater efforts to improve investor financial education, outreach and platform accessibility could significantly enhance participation in SGI products.

5. CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

Malaysians' perceptions of *Shariah* gold investments (SGI) are progressively shaped by the dynamics of today's digital era which significantly influenced by accessibility, technology and ethical considerations. This preliminary study was conducted in East Malaysia, Labuan with 101 respondents through a descriptive quantitative approach. The results of the study showed that the assurance of *Shariah* compliance and the convenience of digital technology were among the main drivers of investor interest in SGI products. Response from the respondents disclosed that confidence in Islamic principles and the ease of accessing digital platforms influencing their investment decisions, this in line with the findings of Amin *et al.* (2023) which emphasize the critical factors in Islamic investment decisions were system accessibility and trust in *Shariah* compliance. Although awareness of SGI is increasing, the outcomes of the study exhibited that the level of actual engagement is still low. This aligns with Wan Jusoh and Harun (2024) study where high awareness does not necessarily translate into actual investment behaviour.

Owing to study findings, several implications were identified relevant for gold service providers and Islamic financial institutions in Malaysia. First, financial education initiatives focus on enriching investors' knowledge of *Shariah* principles is essential to empower them to make ethical investment decisions, understand how the products mechanism function and recognize the *Shariah* principles that guide these investments. Initiatives such as the financial literacy campaign by Bank Negara Malaysia (BNM) and the Securities Commission (SC) could be extended to the digital gold investment segment. Second, the financial institutions could strengthen *Shariah* branding visibility in the market in building investor trust by including the use of Islamic branding, transparent contractual terms and clear validation from a recognized *Shariah* board. These elements play a vital role in elevating trust among Muslim consumers (Juisin *et al.*, 2023). Third, making investment structures more understandable and ensuring operational transparency are equally important in fostering investor trust and encouraging wider participation in SGI. Gold investment platforms should provide user-friendly content including real time gold price, investment procedures, *Shariah* principles used and product disclosure sheet. Failure to disclose may fade the trust and lead to confusion among investors.

Furthermore, as a preliminary study, this study has several limitations that should be taken into account when interpreting the results and their implications. Descriptive analysis was employed in this study which inferential analysis or behavioural modelling techniques such as Structural Equation Modelling (SEM) were not undertaken. The cause-and-effect relationship between variables and

consumer behaviour could better elucidate the findings to a certain extent. Future research can develop theoretical models based on these findings to strengthen both the explanations and overall conclusions. Besides, the sample size selection of this study is limited to 101 respondents through purposive sampling from East Malaysia, Labuan setting. Though, the findings cannot be generalized to the national population. Moreover, data collected obtained is based on the respondents' self-reports. For this reason, the possibility of social desirability bias cannot be discounted. The answers provided from the respondents might be difference from their actual investment behaviour which based on their socially or religiously accepted norms.

Moving forward, future research should employ theoretical models to provide empirical findings of hypothesis testing. These models of Innovation Diffusion Theory (IDT), Theory of Planned Behaviour (TPB), Unified Theory of Acceptance and Use of Technology (UTAUT), among others is applicable in predicting gold investor behaviour. In addition, further studies can assess the differences in perceptions between Muslim and non-Muslim investors, age group, gender, education level, employment and marital status towards SGI. This holds relevance as these products are generally offered by the financial institutions to the public which is not exclusively to Muslims. Such studies can provide insights of shared values and cultural distinctions, ethnic differences and beliefs on *Shariah*-based products. Furthermore, qualitative approaches such as interviews or focus group discussions with the experts and participants can offer deeper insights into the real motivations behind investment decisions including religious values, emotional drivers, and trust in financial institutions. While there is still much to explore both empirically and theoretically, the current findings lay an important groundwork for both industry and academia to build a more transparent, inclusive and values-driven Islamic investment ecosystem, at best.

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APPENDIX A

APPENDIX A: QUESTIONNAIRE SURVEY

Section A: Exposure and Involvement

Instructions: This section contains 6 questions. Please select the option that best reflects your level of exposure and involvement related to *Shariah*-compliant gold investment.

1. Do you invest or intend to invest in *Shariah*-compliant gold?

☐ Yes ☐ Not sure ☐ No

2. What is your preferred form of gold investment? (You can choose more than one)

☐ Physical gold (bars/coins) ☐ Gold investment account at the bank ☐ Digital gold / e-wallet

3. What gold investment platform do you plan to use, are using or have used? (You may choose to answer more than one if applicable)

<input type="checkbox"/> Physical gold shop	<input type="checkbox"/> CIMB Bank e-Gold Investment Account (eGIA)
<input type="checkbox"/> Bank Muamalat EasiGold App	<input type="checkbox"/> Bank Islam Gold Account (BIGA-i)
<input type="checkbox"/> Bank Rakyat eGold Account-i	<input type="checkbox"/> Bank Simpanan Nasional MyGold Account-i
<input type="checkbox"/> KAB Gold (Uncang Emas)	<input type="checkbox"/> Maybank Investment Gold Account (MIGA-i)
<input type="checkbox"/> Public Gold (GAP)	<input type="checkbox"/> YaPEIM SERY Account
<input type="checkbox"/> lain-lain: _____	

4. In your opinion, is *Shariah*-compliant gold investment easy to access?

☐ Very easy ☐ Easy ☐ Difficult ☐ Very difficult ☐ Not sure

5. What are the main factors that motivate you to choose *Shariah*-compliant gold investments?

<input type="checkbox"/> Compliance with <i>Shariah</i> principles	<input type="checkbox"/> Potential increase in gold prices
<input type="checkbox"/> Long term savings	<input type="checkbox"/> Safe and stable investment
<input type="checkbox"/> Ease of access to digital platforms	<input type="checkbox"/> Recommendations from friends/family

6. In your opinion, what can be done to increase public interest in *Shariah*-compliant gold investments?

<input type="checkbox"/> More awareness campaigns	<input type="checkbox"/> Safe and transparent transactions
<input type="checkbox"/> Ads on social media	<input type="checkbox"/> User-friendly platform
<input type="checkbox"/> Free investment advice	<input type="checkbox"/> Attractive incentives (exp: rebate or discount)

Section B: Perception on Gold Investment

Instructions: This section contains 6 questions. Please indicate your level of agreement with each statement about gold investment by selecting a number from 1 to 5, where:

- 1= Strongly disagree
2= Disagree
3= Slightly agree
4= Agree
5= Strongly agree

1. To what extent do you agree with the following statements?

“*Shariah*-compliant gold investments provide fairness to investors in terms of profit and risk.”

	1	2	3	4	5	
Strongly Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Strongly Agree

2. I understand the difference between investment gold and jewelry.

	1	2	3	4	5	
Strongly Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Strongly Agree

3. I think that *Shariah*-compliant gold investment products are available in the Malaysian financial market.

	1	2	3	4	5	
Strongly Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Strongly Agree

4. I think investing in gold can give good returns in the long term.

	1	2	3	4	5	
Strongly Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Strongly Agree

5. I am willing to invest if given clear information and I am confident that it is *Shariah*-compliant.

	1	2	3	4	5	
Strongly Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Strongly Agree

6. I think investing in gold provides justice and long-term benefits from an Islamic perspective.

	1	2	3	4	5	
Strongly Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Strongly Agree

Section C: Demographic Information

Instructions: Please provide your background information. Your responses will be kept confidential and used for research purposes only.

1. Gender

☐ Male ☐ Female

2. Age

☐ 18 – 28 years ☐ 29–44 years ☐ 45–60 years ☐ 61–79 years

3. Marital status

☐ Single ☐ Married

4. Level of Education

☐ SPM ☐ Diploma / STPM / STAM
☐ Bachelor’s Degree ☐ Master Degree ☐ PhD

5. Employment status

HANI AMIRAH JUISIN

- | | | |
|---|--|--|
| <input type="checkbox"/> Government sector employee | <input type="checkbox"/> Private sector employee | <input type="checkbox"/> Self-employed |
| <input type="checkbox"/> Student | <input type="checkbox"/> Retired | <input type="checkbox"/> Others: _____ |

6. Monthly income

- | | | |
|--|---|---|
| <input type="checkbox"/> Below RM1,000 | <input type="checkbox"/> RM1,000 – RM2,999 | <input type="checkbox"/> RM3,000 – RM4,999 |
| <input type="checkbox"/> RM5,000 – RM6,999 | <input type="checkbox"/> RM7,000 – RM10,999 | <input type="checkbox"/> RM11,000 and above |

7. Religion

- ☐ Muslim ☐ Non-Muslim

8. Ethnicity:

- | | | |
|---|---|--|
| <input type="checkbox"/> Malay | <input type="checkbox"/> Chinese | <input type="checkbox"/> Indian |
| <input type="checkbox"/> Bumiputera Sabah | <input type="checkbox"/> Bumiputera Sarawak | <input type="checkbox"/> Others: _____ |

*****THANK YOU*****