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ISLAMIC HOME FINANCING PREFERENCE AND ATTRIBUTES IMPORTANCE AMONG POTENTIAL HOME BUYERS IN MALAYSIA

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ABSTRACT
The current study evaluates the effects of the subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence on attitude towards Islamic home financing preference. Besides, the interaction between attitude and consumer preference of Islamic home financing is also examined. The sample includes 153 customers of Islamic banks in East Malaysia, Malaysia. Data are obtained through a self-administered questionnaire. To analyse the data, structural equation model is employed. The study reports that all determinants examined are instrumental in determining attitude towards Islamic home financing preference. In turn, the attitude is an influential predictor of Islamic home financing preference. The results obtained confirm that the Theory of Reasoned Action (TRA) should be applied for understanding and explaining consumer preference of Islamic home financing in Islamic mortgage context. Theoretically, it was found that pricing policy and institutional compliance added to the theory influence on preference in such context. This study provides valuable insights for Islamic bank managers to plan and upgrade Islamic home financing facilities for an improved consumer preference. While Islamic home financing preference is determined by various factors, this study only considers limited factors. Besides, this study is confined to a specific geography. Hence, future research should consider additional factors and to consider new settings to extend the findings.

1. INTRODUCTION
Home financing is one of the financing facilities provided by Islamic banks. For the majority of households, the purchase of a home is the largest financial decision of their lives (Hjalmarsson & Hjalmarsson, 2009). Possibly, the largest investment that most families will ever make, purchasing or renting a home, provides security,

stability and privacy to people all over the world (Opoku & Abdul-Muhmin, 2010). For the majority of Islamic banks, the facility contributes to the generation of income that leads to an improved growth (Haron & Shanmugam, 2001). The growth of Islamic home financing has been particularly increased for over the years. Nevertheless, the growth does not reflect the actual control of Islamic banks on Islamic home financing facility as, they have actually lower market share compared with their conventional counterparts (See Table 1 & 2). Over the years, however, transactions involving Islamic home financing have increased from RM6.8 billion as at end 2001 to RM23.3 billion as at end November 2009, contributing 17.8 percent of Islamic banking's total financing (KFH Research, 2010). Consumers are more likely opting conventional home loans owing to these considerations but are not limited to low interest regime and extra benefits that one can earn from a refinancing facility. On the other hand, consumers are less likely to opt Islamic home financing facilities out of the pricey factor and other mute considerations. To be competitive in the mortgage market, Islamic banks need to identify what factors that the consumers consider to be the most essential for selecting the facilities, which, in turn, help the banks to improve the customer base and the performance of the segment in the most effective and profitable manner.

Table 1: Volume of Islamic home financing (RM '000) for selected banks.

Year	BIMB	BMMB	RHB Islamic	CIMB Islamic	Maybank Islamic
Year 2005	2,630,495	2,591,178	1,199,672	12,592	0
Year 2006	5,727,134	3,416,531	1,572,428	693,353	0
Year 2007	5,694,890	3,714,761	1,610,779	764,085	0
Year 2008	5,878,379	3,949,605	1,704,406	2,031,304	4,671,245
Year 2009	7,136,157	4,014,852	1,872,246	9,950,056	4,967,816
Year 2010	9,212,999	4,078,724	2,368,625	NA	5,465,917

*Source: The author's.

Table 2: Volume of conventional home loans (RM '000) for selected banks.

Year	CIMB	Public Bank	Maybank	RHB Bank	AmBank
Year 2005	10,011,650	18,902,511	21,411,589	10,423,825	7,983,127
Year 2006	15,620,129	22,656,307	25,556,944	10,972,207	9,791,514
Year 2007	18,371,408	25,795,082	26,850,921	10,990,141	11,074,856
Year 2008	23,078,689	27,275,929	25,677,247	11,874,758	11,314,355
Year 2009	24,788,159	32,520,706	26,945,169	13,635,744	11,485,193
Year 2010	NA	38,382,386	28,805,714	15,908,732	11,750,125

*Source: The author's.

Buying a house is a major investment decision that is made out of necessity (Abdul-Razak & Md-Taib, 2011). Abdul-Razak and Md-Taib (2011) also argue that a good or bad decision will have a long-term repercussion on a person's ability to service the house including its financing and maintenance. Notably, Ahmad (2003) argues that home financing is an important issue as it is described as a basic need rather than a want. In particular, it is viewed, as a *daruriyyat* need as a home can play a role as a shelter, a place to relax and for obtaining a peace (Ahmad, 2003).

It is worth noting that Islamic home financing is significantly contributed to Islamic bank's profitability. The profitability of the bank is depending on the product demand by consumers. The consumers have the capacity to influence the performance

of Islamic home financing facilities. In a dual banking framework, however, in which both Islamic home financing and conventional home loan facilities available, consumers have a forceful power in terms of the selection of home financing. There exists a switching behaviour in this regard. If conventional home loan facilities are attractive, there exists a tendency for the consumers to switch into it and vice versa. On the other hand, if Islamic home financing facilities are attractive, the consumers tend to choose them and ignore conventional home loans. A study by Rosly (1999) confirms that the switching behaviour for BBA financing and conventional home loan as far as the two are particularly can be substituted each other – a substitution product. Thus, examining Islamic home financing preference is, therefore, of great importance.

Contemporary Islamic home financing practices have not been without critics, which may hinder the acceptability of the facilities among Malaysian bank customers (e.g. Ab-Latif, 1997; Abu-Backer, 2002; Mohd-Yasin, 1997). Critics here are broken down into several cases. In terms of financial benefit, Islamic home financing practices seem to ignore the rebate blessing when the customer is in the financial hardship. Issue like the one the gap between theories and practices is also clearly seen in the current Islamic home financing practice (Anwar, 2003). It is noted that the gap has been translated as a misconception by nonprofessionals, which hinder the usage of the facility. Although the critics have been existed, few efforts have been directed by service provider to tackle the critics. Ignoring such critics could be the reason to describe the limited use of Islamic home financing products at branches of Islamic banks.

Viewed differently, previous studies on Islamic home financing have spotlighted on the three primary topics. Firstly, several studies have examined the legality of Islamic home financing and it incorporates criticism pertaining to the default customers' perspective. It is worth noting that Islamic home financing practice is not in line to that of *Shariah* requirements, and they are manipulated (Ab-Latif, 1997; Abu-Backer, 2002; Mohd-Yasin, 1997). Secondly, several studies have examined the acceptance of Islamic home financing from theory of reasoned action (TRA) which noting that Islamic home financing is accepted because of one's attitude and subjective norm (Md-Taib et al., 2008). A study by Md-Taib et al. (2008) has tested the TRA for *musharakah mutanaqisah* home financing in which the demand for the facility is led by attitude and social influence. The measures introduced, however, are fallen short and further works are required to understand the patronage factors for Islamic home financing facility. The current study is of interest to document a model of acceptance for Islamic home financing using TRA as the point of departure. An individual acceptance on Islamic home financing is, however, difficult to evaluate and therefore, relying on two factors alone may not be adequate to explain the acceptance. The present study, thus, closes the gap.

Investigating the patronage factors is essential since in Malaysia, consumers are of interest to choose at their own preference, whether Islamic home financing or conventional home loan. The patronage factors are termed as antecedent variables, which are of great interest to affect Islamic home financing preference. Islamic home financing preference is defined as the dependent variable. The factors examined are pivotal for better future planning for Islamic home financing facility. Thirdly, several studies have documented the importance of alternative principles for Islamic home financing, noting the importance of *musharakah mutanaqisah* in existing practice of Islamic home financing facility (Meera & Abdul-Razak, 2005; Osmani & Abdullah,

2010). Of interest as well to researchers investigating Islamic home financing use has been the legal context, theory application context and comparative analysis (Abu-Backer, 2003; Md-Taib et al., 2008; Meera & Abdul-Razak, 2005). Moreover, these studies do not attempt to propose a model of acceptance for Islamic home financing. Lack of focus has been documented from them pertaining to the model of consumer preference. On balance, the current research is not aimed at challenging previous studies' findings for Islamic home financing, but to contribute more to the body of knowledge that opens a new spectrum of conducting a research relevant to Islamic home financing.

Therefore, the objective of this study is to examine factors influencing the potential buyers' attitudes, which in turn influencing Islamic home financing preference using structural equation modelling. By conducting this study, using quantitative approaches, the research is of considerable interest to better comprehend the patronage factors hold the importance of the factors in order to ensure an Islamic home financing is remained competitive. With this understanding in mind, this study develops a model of Islamic home financing acceptance. The implications drawn from the model are: (1) It is useful for prospective researchers for the purpose of generalisation, and (2) It is useful for Islamic bankers in which the findings of the study are imperative for better planning of Islamic home financing offerings. This will help managers of Islamic banks to formulate a strategy, which can increase the market share for Islamic home financing in the future.

2. LITERATURE REVIEW
2.1 Studies on the Islamic home financing
Various studies in Islamic banking have focused on Islamic home financing, however, none of these studies is interested to examine the relationship between patronage factors and the attitude towards Islamic home financing preference (Abdul-Razak & Md-Taib, 2011; Amin, 2008; Dar, 2002; Hanafi & Kasim, 2006; Nayeem et al., 2009; Shuib et al., 2011). The following discussions provide the detail descriptions of these studies:

Abdul-Razak and Md-Taib (2011) examine the consumers' perception on Islamic home financing. The study uses postgraduate students in order to examine the perception level. The findings indicate that customers are dissatisfied with the prevailing mode of BBA financing as the bank's profit is computed upfront resulting in high pricing, injustice and a burden to individuals and society. On the other hand, the diminishing home financing mode is more preferred as profit and risk is shared between the customer and bank resulting in a greater fairness, justice and equity. What is more, the study demonstrates the importance of *musharakah mutanaqisah* as an alternative to an existing principle of Islamic home financing. Although the study demonstrates well the consumers' perception, no attempt is directed to suggest an inclusive theoretical framework for Islamic home financing from a consumer behaviour perspective.

Another interesting study on Islamic home financing in Malaysia is by Shuib et al. (2011). Generally, the study is based on a library research instead of an empirical investigation. It focuses on the Kuwait Finance House owing to the fact that the product is properly established in the bank. The study believes that *musharakah mutanaqisah* has three main advantages. Firstly, there exists a profit-sharing element in the product offering between the bank and the customer. Secondly, the availability

of cash assistance in which the customer can get the cash through the share selling possessed by him with the bank. Thirdly, the product offers early settlement for those customers who have the capacity to do so. What these authors argue is similar to what argued by Abdul-Razak and Md-Taib (2011), in which Abdul-Razak and Md-Taib (2011) argue that *musharakah mutanaqisah* is a potential alternative of Islamic home financing. Based on the analyses made, this study is also neglected the importance of a theoretical framework for Islamic home financing preference. Perhaps, it is led by a different type of paradigm of inquiry used by the studies. Based on these studies, Islamic home financing studies are particularly inadequate that warrant further empirical investigations.

Nayeem et al. (2009) examine a conflict of interest: Islamic home financing in America and argues that there are three Islamic financial institutions in the U.S. using different Islamic home financing models. This study is based on qualitative research. They find that Guidance Residential, LLC, which is based in Reston, Virginia running its Islamic home financing on the basis of "declining *musharakah* scheme". In contrast, University Islamic Financial Corporation is running its Islamic home financing based on *murabahah* and *ijarah wa iqtinaa.* According to Nayeem et al. (2009), American Finance House LARIBA combines the practices of Guidance Residential, LLC and University Islamic Financial Corporation, as it has come up with two models for Islamic home financing, notably *ijarah wa iqtinaa* and declining *musharakah* scheme. Simply put, this study does not attempt to investigate what factors determining the successful of Islamic home financing facilities, but instead of providing the transaction models for Islamic home financing in the U.S.

Unlike Nayeem et al. (2009), Amin (2008) uses a quantitative approach using survey study in eliciting responses of customers regarding choice criteria for Islamic home financing. The study employs a sample of 141 Malaysian bank customers for the purpose. Explained in more detail, bank customers used Islamic home financing is because of "*Shariah* principle", "lower monthly payment", "transparency practice", "interest free practice" and "100 percent financing". The study also examines demographic discrepancies for the choice criteria. With regard to gender, male respondents rate *Shariah* principle, lower monthly payment and interest-free practice as the first three of important attributes affecting the selection of Islamic home financing. Instead, transparency, lower monthly and *Shariah* principle are given priority by female when selecting mortgage providers. In terms of marital status, married couples have ranked *Shariah* principle, transparency and interest-free practice as 1, 2 and 3 respectively. On the other angle, single individual is ranked first "lower monthly payment" followed by "*Shariah* principle" and "Interest-free practice". Concerned with age, the ideal age of buying a house is ranged between 21-30 years old. Individuals in this age group tend to give priority on lower monthly payment, followed by *Shariah* principle and interest-free practice. Although this study provides a valuable insight for Islamic home financing, nevertheless minimal attention has been directed towards Islamic mortgage financing model for examining the possible factors determining Islamic home financing preference in a context of Malaysian banking environment.

In contrast, however, Hanafi and Kasim (2006) examine the Islamic house financing: the viability of *istisna* compared to *bay bithaman ajil* (BBA) using analytical approach. No questionnaire survey is considered. Interestingly, the study demonstrates the importance of sale from *Shariah* perspectives, BBA concepts, legal

issues, financing documents, and lastly the proposal of *istisna*. They note that it is clear that BBA house financing might be appropriate for the ready or available house through the new concept of "Build and Sell" and the house projects, which are under construction, might be appropriate with *istisna* house financing. The study suggests the importance of *istisna* in shaping a proper practice of house financing. Although this study is a qualitative in nature, however, it provides a detailed view of differences between *istisna* and BBA that shape our understanding regarding the potential types of Islamic principles, which are applicable to Islamic home financing.

A study by Dar (2002) examines Islamic house financing prospect in the United Kingdom. The study provides an overview with regard to home financing. The study elucidates Islamic models of house financing like *murabahah*-based mortgage, *ijarah*-based mortgage, the practice of Islamic house financing in the UK and lastly on discussions of challenges and prospects. Dar (2002) argues that although there is a great enthusiasm towards Islamic banking and finance, it has so far failed to culminate into effective demand for Islamic financial services including Islamic home financing. *Manzil Ijarah* and *Manzil Murabahah* are products available in the UK, but, however, the demand for *Manzil Murabahah* is unclear owing to the negative image that *murabahah* carries in an ordinary *muslim*'s mind (Dar, 2002). From the UK's perspective, grassroots level awareness of Islamic financing must be created in order to generate more effective demand from *muslim* customers. In sum, the above-mentioned studies render different approaches, method of analyses and employed variables, which of interest to clarify that the study of Islamic home financing is remained inconclusive and thus needs further investigation.

2.2 Variables used in the present model: The patronage factors
2.2.1 Pricing policy
Various empirical studies have examined the importance of price in determining actions and behaviours (Abdullah & Dusuki, 2006; Amin, 2008; Haron et al., 1992; Luarn & Lin, 2005; Rosly, 1999). Explained selectively, Luarn and Lin (2005) examine factors determining mobile banking usage intentions using self-administered questionnaire for 180 Taiwanese bank customers. In the study, pricing is termed as "perceived financial cost" with three items. The study finds that perceived financial cost is influential in determining behavioural intention. The study, however, does not measure the interaction between price and attitude towards Islamic home financing. It is anticipated that the pricing importance in the study could be generalised into a newly context of Islamic home financing. Viewed differently, Rosly (1999) examines the impact of BBA financing on a bank performance. The study is a conceptual in nature or simply it is qualitative study. No interaction is developed to link between pricing practice and attitude of home financing. Nevertheless, the study is the first of its kind to elaborate the influence of pricing on the switching behaviour of bank customers from conventional banks to Islamic banks and vice versa, in Malaysia. Viewed in this light, Rosly (1999) reports that when interest rate is increased - non-*muslim* customers are expected to move to Islamic home financing because it is cheaper compared with its conventional counterpart. Similarly, Haron et al. (1992) examine bank selection by 301 commercial bank customers residing in Alor Setar, Sungai Petani and Kangar. The study reports that *muslim* and non-*muslim* are caution on pricing matter when patronizing banks. Fundamentally, the present study also depends on two studies by Kleijnen et al. (2004) and Amin et al. (2010) in proposing

a relationship between pricing policy and attitude. Kleijnen et al. (2004) find that pricing policy is not significantly related to attitude. Contrary to this, Amin et al. (2010) report otherwise and confirm that pricing policy is significantly related to attitude. The current study hypothesises that the pricing policy is expected to have a significant impact on the one's attitude, which, in turn, can affect Islamic home financing preference.

2.2.2 Blog influence

A number of studies have documented the importance of information in influencing adoption (Gerrard & Cunningham, 1997; Hamid & Nordin, 2001; Haron et al., 1994; Metawa & Almossawi, 1998). In more detail, Haron et al. (1994) examine that customers of Islamic banking institutions in Kedah and Perlis, discover that only 27.3 percent of the *muslims* have understood the differences between BIMB and conventional bank, while almost 70 percent of the Muslims have not attempted to know about the differences. On the same note, Gerrard and Cunningham (1997) report that some *muslims* show a total lack of awareness of the meaning of specific Islamic banking terms. This implies that Islamic banks operating both in *muslim* and non-*muslim* countries need to educate their *muslims* clients about the specific Islamic terminologies of banking. In a study of Metawa and Almossawi, bank customers are not aware on Islamic banking financing such as automobile financing with 30 percent discerned the term. Particularly, Hamid and Nordin (2001) examine that most of the bank customers are familiar with the general terms in Islam, but rarely understand the specific terminologies used for Islamic banking products. Obviously, this study finds about 96.7 percent of the bank customers know the existence of Islamic banking system in Malaysia, which is considered good since more information published related to Islamic banking products through newspapers and brochures. Lack of knowledge on Islamic banking products could be examined in BBA financing and *ijarah* financing, with only 21.5 percent and 10.3 percent respectively. Although these studies have described the importance of consumer information nevertheless, the impact of information from blog influence perspective is not clearly examined. Many Islamic home financing studies have also overlooked such influence (e.g. Abdul-Razak & Md-Taib, 2011; Ahmad, 2003). In order to void the research gap, at least, the present study attempts to investigate the impact of "blog influence" on attitude, which, in turn, influencing Islamic home financing preference. In fact, such a relationship has also examined by Amin et al. (2009) who report a significant relationship between information and attitude. We expect the same outcome in the present study.

2.2.3 Institutional compliance on maqasid

The term institutional compliance on *maqasid* is derived from *maqasid al-Shariah* or which is termed as objective of *Shariah.* By definition, it is referred to a consumer's belief in that Islamic banks are offering Islamic mortgage by following strictly the requirements of *maqasid al-Shariah*. Today, however, Islamic banking has been encouraged to promote a social-based transaction that upholds the public interest among the transacting parties. An interesting work by Mohammed et al. (2008), though received criticisms, has opened a new spectrum pertinent to the significance of *maqasid al-Shariah* to Islamic banking. The study confirms the appropriateness of the dimensions of *maqasid al-Shariah* proposed by Abu Zaharah Muhammad (1997)

with his work titled *usul al-fiqh* – denoting the relevancy of three dimensions – educating the individual, establishing justice and promoting welfare. Due to the limitation of data, the study only reports the first and the third objectives, in which it discovers that Islamic International Arab Bank, Jordan has outperformed all the other banks in the first rank, followed in sequence in a descending order by Bank Syariah Mandiri, Bahrain Islamic Bank and Islamic Bank Bangladesh, Bank Muamalat Malaysia Berhad and Sudanese Islamic Bank.

Later in 2015, Mohammed et al. (2015) have considered two theories of *maqasid* in measuring the performance of Islamic banks. The study has made use of al-imam al Ghazali's theory of *maqasid al-Shariah* and Ibn Ashur's to develop a *Maqasid* based Performance Evaluation Model (MPEM). Given their outcomes from interviews, this study has added new ratios to capture the model. The ratios are government support, investment on *muslim*/total investment, CSR in education and *waqf*/total CSR and level of customer satisfaction. The study is only aimed at generating the ratios for future empirical works. Unlike these studies, Dusuki and Bouheraoua (2011) discuss *maqasid al-Shariah* using analytical approach where the *Quranic* verses and *Hadith* are used as a point of departure. The authors, somewhat, introduced the framework of harm prevention in Islam. Six Islamic maxims are introduced. One of them is "severe damage is avoided by a lighter damage". For instance, Islamic banks are allowed to employ a controversial contract in managing its liquidity, it may do so out of the damage of a collapsed bank due to liquidity crisis is more severe and can be disastrous to the whole financial system.

The issue of institutional compliance on *maqasid*, however, has been examined in a general context of religion or somewhat - missing in these studies (i.e. Dusuki & Bouheraoua, 2011; Mohammed et al., 2015). Based on our detailed perusal in the literature, a study by Amin et al. (2014) is closer to the current context, though it has limited generalization. This study discovers a significant relationship between education and willingness to consider applying Islamic mortgage while justice and welfare are not. Although limited, this study is considered as a departure to examine further the effect of institutional compliance on *maqasid* on attitude as intended in the current framework.

2.2.4 Subjective norm
This study also attempts to understand the influence of subjective norm on the attitude towards Islamic home financing preference. Stated importantly, this construct is adopted from the TRA by Fishbein and Ajzen (1975). Fishbein and Ajzen (1975) argue that subjective norm can be defined as a person's perception that most people who are important to her or him should or should not perform the behaviour in question. This construct has been applied to different contexts ranging from technology-adoption to non-technology adoption researches. The importance of this construct has been addressed by many scholars such as Md-Taib et al. (2008), Ramayah and Aafaqi (2004) and Gopi and Ramayah (2007). These studies, however, have reported limited evidence pertinent to the relationship between subjective norm and attitude. The studies has established only a relationship between subjective norm and behavioural intention. In more detail, Gopi and Ramayah (2007) examine the subjects and find that subjective norm has a direct positive relationship towards behavioural intention to use internet stock trading. Similarly, a study by Md-Taib et al. (2008) also proposes a relationship between subjective norm and behavioural

intention, and find that subjective norm is an influential determinant in explaining the behavioural intention of postgraduate students on willingness to take up an Islamic home financing product. The present study also depends on a study done by Lada et al. (2009) to suggest a relationship between subjective norm and attitude. The study further confirms that subjective norm is significantly related to attitude for *halal* product consumption.

2.2.5 Attitude

Attitude refers to the evaluative effect of positive or negative feeling of individuals in performing a particular behaviour (Fishbein & Ajzen, 1975). There are numerous studies documented a significant relationship between attitude and intention to use (Ramayah & Aafaqi, 2004; Ramayah et al., 2003). Selectively, Ramayah and Suki (2006) examine Master of Business Administration (MBA) students' intention to use mobile personal computer and discover that attitude is significantly related to behavioural intention. Similarly, Md-Taib et al. (2008) examine *musharakah mutanaqisah* home financing acceptance among 300 postgraduate students from three public universities in Malaysia namely International Islamic University Malaysia (IIUM), Universiti Teknologi Mara (UiTM) and Universiti Putra Malaysia (UPM). The study reports that attitude has a significant relationship with behavioural intention. Further, attitude is a stronger for *muslim* consumers than non-*muslim* consumers for *musharakah mutanaqisah* home financing acceptance. Furthermore, a study by Gopi and Ramayah (2007) reports that attitude has a direct positive impact on intention to use an online trading system. Similarly, in this study, it is expected that Islamic home financing preference be influenced by one's attitude. This finding is in line with a study by Lada et al. (2009), who assert those consumers' intentions to buy *halal* products can be predicted through their attitude.

2.2.6 Islamic home financing preference

It is argued that many studies have used usage intentions, purchase intentions, intentions to use, decisions to use and adoptions in explaining the dependent variable of a particular study. Ramayah et al. (2009), for instance, have considered behavioural intention to use to understand its relationship with independent variables. Other authors are also used different terminologies like a study by Lean et al. (2009) that uses "intention to use". These terms are used interchangeably because they imply the same thing. Based on these assertions, the current study employs the term Islamic home financing preference as a dependent variable.

3. EMPIRICAL MODELS
3.1 Recursive model for structural equation modelling

To meet the first objective of the study, the present study uses structural equation modelling. There are four assumptions should be met in order to ensure the data employed are acceptable in the SEM (Byrne, 1998; MacCallum et al., 1996). Firstly, the model employed should be rooted from an established theory. This assumption is met since the present study uses the TRA that is extended into a newly context of Islamic home financing. Secondly, it requires a large sample at least of 100 observations. In this respect, however, our subjects are deemed adequate that is estimated at 153 observations. Thirdly, data employed are normal, that is, capturing a multivariate normality. Fourthly, data are free from outliers.

Using Blau and Duncan's (1967) basic stratification model, the present work proposes a structural equation model as can be best described as follows:

$$Y_{1i} = \gamma_{10} + \gamma_{11}x_{1i} + \gamma_{12}x_{2i} + \gamma_{13}x_{3i} + \gamma_{14}x_{4i} + \zeta_1 \tag{1}$$

Blau and Duncan's (1967) model is a member of a special class of SEMs called recursive models. Recursive models have two defining characteristics: (1) There are no reciprocal directed paths or feedback loops in the path diagram, (2) Different disturbances are independent of one-another (and hence are unlinked by bidirectional arrows). Equation (1) indicates that attitude towards an Islamic home financing facility could be influenced by subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence. In the equation, subjective norm is represented by $\gamma_{11}x_{1i}$. Pricing policy is represented by $\gamma_{12}x_{2i}$. $\gamma_{13}x_{3i}$ for institutional compliance on *maqasid* whilst $\gamma_{14}x_{4i}$ for blog influence. ζ_{1i} is disturbance. Further, we also examine the effect of attitude on the behavioural intention by proposing the following equation:

$$Y_{2i} = \gamma_{20} + \beta_{21}\gamma_{1i} + \zeta_{2i} \tag{2}$$

Consequently, these equations are simultaneously examined using SEM in which a following path diagram reflects the descriptions:
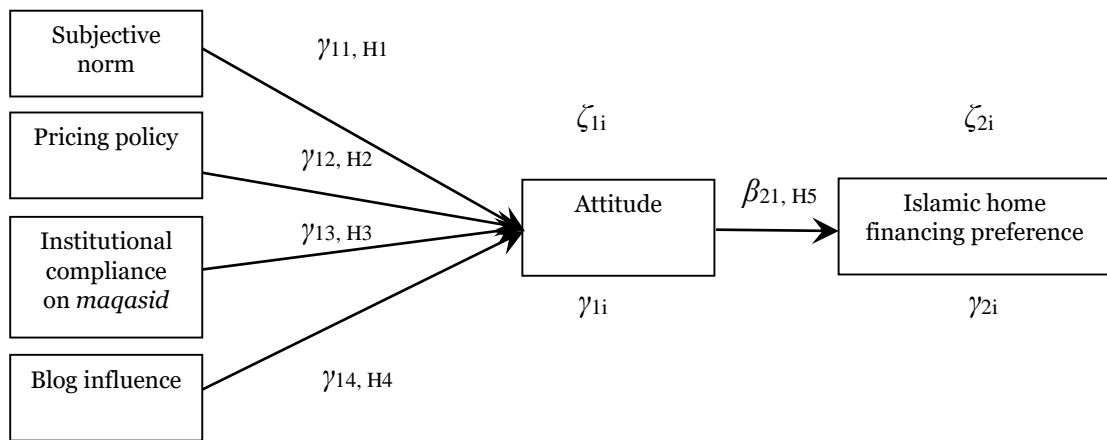

Figure 1: The research model.

In light to the research model, the following hypotheses are developed:
H_1: Subjective norm will positively influence attitude towards Islamic home financing preference (Lada et al., 2009; Amin et al., 2009).
H_2: Pricing policy will negatively influence attitude towards Islamic home financing preference (Kleijnen et al., 2004; Amin et al., 2010).
H_3: Institutional compliance on *maqasid* will positively influence attitude towards Islamic home financing preference (Amin et al., 2014).
H_4: Blog influence will positively influence attitude towards Islamic home financing preference (Amin et al., 2009).
H_5: Attitude will positively influence Islamic home financing preference (Ramayah & Aafaqi, 2004; Ramayah et al., 2003).

3.2 Sample

The data for this study are collected using self-administered questionnaire distributed to Malaysians in East Malaysia. The population of interest is the existing Islamic bank customers who familiar with Islamic banking facilities. The study employs convenience sampling as the acquisition of population of bank customers is almost impossible, as Islamic Financial Services Act 2013 (IFSA, 2013) does strictly not allow it. The study has collected 180 respondents, of which 27 incomplete questionnaires are excluded. As a result, our data analyses are performed based on 153 respondents. Thus, the sample size is 153.

Table 3: Profiles of respondents.

Attributes	Demographic distribution	
	Frequency	Percentile
Gender		
Male	66	43.1
Female	87	56.9
Religion		
Muslim	145	94.8
Christian	7	4.6
Buddhist	1	.7
Other	0	0.0
Marital status		
Single	78	51.0
Married	75	49.0
Employment		
Government	43	28.1
Private	81	52.9
Self-business	10	6.5
Housewife	6	3.9
Other	13	8.5

3.3 Measures

[DV] Islamic home financing preference. The dependent variable in this study is measured using five items adapted from previous studies (Lada et al., 2009; Lean et al. 2009; Md-Taib et al., 2008; Ramayah et al., 2009). The items include: (1) In the future, I intend to opt Islamic home financing to finance my dream house, (2) In the future, I plan to opt Islamic home financing to re-finance my home financing, (3) In the future, I intend to opt Islamic home financing not only to finance my first but also to my second house, (4) Accepting Islamic home financing is my priority, and (5) I intend to recommend Islamic home financing to others.

[IV1] Attitude. Fishbein and Ajzen (1975) define attitude as the evaluative effect of positive or negative feeling of individuals to perform a particular behaviour. This variable is measured using five items adapted from Gopi and Ramayah (2007) and Ramayah et al. (2009). Using these studies is owing to the fact that they have examined perspectives of Malaysians, which are similar to the present study context. The items include: (1) Choosing Islamic home financing is a great idea to me, (2) Choosing Islamic home financing is clever, (3) Choosing Islamic home financing is beneficial, (4) I like Islamic home financing, and (5) Choosing Islamic home financing is positive.

[IV2] Subjective norm. According to Fishbein and Ajzen (1975), subjective norm refers to the individual's perception of the likelihood that the potential referent group or individuals approve or disapprove of performing the given behaviour. Items to measure this construct are adapted from Ramayah et al. (2010), Ramayah et al. (2009) and Zainuddin et al. (2004). The items include: (1) My family thinks that I should choose Islamic home financing, (2) My partners think that I should choose Islamic home financing, (3) My parent thinks that I should choose Islamic home financing, (4) My friends think that I should choose Islamic home financing, (5) Islamic banking industry encourages me to choose Islamic home financing.

[IV3] Pricing policy. It refers to level of financial cost imposed by an Islamic bank on its home financing facilities, which may vary based on amount of financing, tenure of financing, types of houses and current economic situations. Items of this construct are adapted from Amin et al. (2010) and Amin (2009). Five items are examined as follows: (1) Service charges are higher for Islamic home financing, (2) Late payment for Islamic home financing is higher, (3) Fees obtained from Islamic home financing are higher, (4) Islamic home financing is expensive than its conventional peer, and (5) Monthly payments for Islamic home financing are burdensome.

[IV4] Institutional compliance on maqasid. We define it as a consumer belief that Islamic banks comply with *maqasid al-Shariah* when offering Islamic home financing products. Items for this construct are adapted from Mohammed et al. (2008) and Amin et al. (2014). Based on these studies, the present study develops the following battery items: (1) I think Islamic banks should promote *maqasid al-Shariah* when offering Islamic home financing, (2) I think Islamic banks should ensure objectives of their Islamic home financing is in line with *Shariah,* (3) I think it is timely for Islamic banks go for *maqasid* home financing practice, (4) I think Islamic banks should ensure all documentations meet *maqasid al-Shariah,* and (5) I think Islamic banks should enhance *maslahah* for consumers without comprising their own *maslahah.*

[IV5] Blog influence. Blog influence refers to a written information dissemination by a blogger on her blog, which, in turn, affecting other people financial decision with regard to Islamic home financing acceptance. Studies pertinent to the impact of blog influence on the adoption of Islamic home facilities are fallen short. Owing to this assertion, this study employs items from a study by Pikkarainen et al. (2004) and modify them to reflect "blog influence". The items developed are as follows: (1) I have generally received enough information about Islamic home financing via blogger, (2) I have received information about the benefits of Islamic home financing via blogger, (3) Self-developed item: Information provided by blogger influences me to make Islamic home financing decision, (4) Self-developed item: Information provided by blogger influences me to clarify various uncertain issues about Islamic home financing, and (5) Self-developed item: I am satisfied with information provided by blogger with regard to Islamic home financing

All of these constructs' items are measured using a 5-point scale: 1=strongly disagree; 2=disagree; 3=slightly agree; 4=agree; 5=strongly agree.

3.4 Data analysis

Prior to SEM, we examine the data validity using factor analysis. Factor analysis is used extensively for the development of measurement scales (Pallant, 2005, p.172). Then, we perform Cronbach alpha for all constructs available. SEM, further is conducted at two levels covering measurement level and structural equation

modelling. To be specific, this model is rarely extended to Islamic home financing. The current study opted SEM owing to its merits as follows: (1) treatment of both endogenous and exogenous variables as random variables with errors of measurement (2) latent variables with multiple indicators (3) separation of measurement errors from specification errors (4) test of a model overall rather than coefficients individually and (5) handling of non-normality data (Golob, 2003).

4. RESULTS AND DISCUSSIONS
4.1 Exploratory factor analysis
Exploratory factor analysis is designed to condense a large set of variables into a smaller or more manageable number of factors (Pallant, 2005; Tabachnick & Fidell, 2007). For this study, exploratory factor analysis is performed to derive the underlying dimensions of institutional compliance on *maqasid*, blog influence and price practice factors. Exploratory factor analysis is utilised since most of the measurement items are adapted and modified from various sources, especially those dimensions of institutional compliance on *maqasid*, blog influence and price practice. Furthermore, the original items are tested in different settings (i.e. previously the measurement items are tested on general topics of Islamic banking, e-banking, mobile banking and internet banking). As discussed earlier, there is no standard measurement of institutional compliance on *maqasid*, blog influence and pricing policy in the context of Islamic home financing available in the literature. Thus, the measurement items are developed from the previous banking studies in other contexts such as services mobile banking, internet banking and wireless finance (e.g., Luarn & Lin, 2005; Pikkarainen et al., 2004).

Following Tabachnick and Fidell (2007), the rotation method used is varimax. In more detail, varimax rotation is most commonly used and it aims to maximize the variance of factor loadings by making a high loading higher and low ones lower for each factor (Hair et al., 2006). In this study, the factor analysis is conducted at two levels. Factor loading value is also considered in which only item with a value of 0.45 is retained (Hair et al., 2006). The first stage of factor analysis indicates that there is a cross-loading item for BI5, whilst A5 has a value of 0.422. As for item A5, it is hypothesised according to what it is supposedly to belong to. It is retained for further analysis of the data. If the value is repeated or even lower in the next stage, the item is ruled out. At this stage, only BI5 is deleted.

The finding is consistent to Pallant's (2005, p. 190) recommendation, who asserts that the first run of factor analysis would not usually be generated straightforward results. Further, in the final stage (See Table 4), all variables are found to be located according to their group and there are no cross-loaded items. The factor loading for item A5 is increased to 0.503, which leads to its retention. After the final run, the tested items, the independent variables' items are reduced from 25 original items to 24 items as reported in Table 4. Based on Table 4, factor 1 could be labelled as pricing policy, factor 2 could be labelled as institutional compliance on *maqasid*, factor 3 could be labelled as subjective norm, factor 4 could be labelled as attitude while the last factor could be labelled as blog influence.

As depicted in Table 5, factor analysis for items representing the dependent variable are only conducted at one stage and there is no cross-loading item identified (Hair et al., 2006). Evidently, the first and the second stages of factor analysis for the variable would only give the same result, implying the former and the latter are the

final analysis as presented in Table 5. Based on Table 4 and 5, the Cronbach's a-values for all dimensions are ranged from 0.839 to 0.909, exceeding the minimum of 0.6 (Hair et al., 2006), thus the constructs measures are reliable.

Table 4: Factor loadings (final).

Items	Factor loadings				
	Pricing policy	Institutional compliance on *maqasid*	Subjective norm	Attitude	Blog influence
PP1	-.783				
PP3	-.775				
PP2	-.767				
PP4	-.751				
PP5	-.716				
ICM2		.786			
ICM4		.759			
ICM3		.757			
ICM1		.755			
ICM5		.754			
SN1			.740		
SN3			.738		
SN2			.727		
SN4			.696		
SN5			.542		
A1				.777	
A2				.701	
A3				.700	
A4				.676	
A5				.503	
BI2					.854
BI1					.853
BI3					.805
BI4					.680
BI5					Deleted in the first stage
Variance explained	44.770	10.302	7.613	5.056	4.186
Eigenvalue	10.745	2.473	1.827	1.213	1.115
Kaiser-Meyer-Olkin measure of sampling adequacy (KMO	.905				
Barlett's test of sphericity	χ^2= 2651.708 df=276 Sig=.000				
Cronbach alpha	.909	.909	.886	.846	.874

*Note: PP=Pricing policy, ICM=Institutional compliance on maqasid, BI=Blog influence, SN=Subjective norm, A=Attitude.

Table 5: Factor loadings for dependent variable (final).

Items	Factor loadings
	Islamic home financing preference
IHFP1	.846
IHFP2	.785
IHFP3	.785
IHFP4	.763
IHFP5	.726
Variance explained	61.159
Eigenvalue	3.058
Kaiser-Meyer-Olkin measure of sampling adequacy (KMO)	.775
Barlett's test of sphericity	χ^2=312.474, df=10, sig=.000
Cronbach alpha	.839

*Note: IHFP=Islamic home financing preference.

4.2 Structural equation model

The study employs a two-step approach in order to analyse the data. In the first stage, the validity of the measurement model is assessed using confirmatory factor analysis (CFA). The second step involves the testing of the causal structure of the proposed model using the structural equation modelling (SEM) technique. The measurement model and structural model are assessed using AMOS.

4.2.1 Measurement model

Although EFA produces good results, yet, under the CFA, modifications are required to ensure that the hypothesized model meeting the SEM assumptions. Evidently, the items may subject to the modifications, although they are statistically significant under EFA. Modifications are important to ensure that the data are free from outliers and non-normality of data. We use CFA with AMOS 16 to examine the convergent validity of each construct. The CFA model for each construct is presented in Table 6. The factor loadings (e.g. standardized regression weights) are greater than the recommended level of 0.35, which is based on 153 samples and at the 5 percent significance level (Hair et al., 2006).

Table 6: Measurement model.

Root mean square error of approximation (RMSEA)	Root mean square residual (RMR)	Normed fit index (NFI)	Tucker-Lewis index (TLI)	Comparative fit index (CFI)	ECVI
.064	.038	.889	.940	.953	1.955

Table 6 presents the CFA for all inter-related components, in which it is reported that RMSEA is 0.064, which indicates good fit (MacCallum et al., 1996). The test of the measurement model demonstrates good fit between the data and the proposed measurement model. The chi-square for the measurement is 195.098 (*p*-value=.000) with 120 degrees of freedom. Selected goodness-of-fit indices to be reported are summarised in Table 6. Both RMSEA and RMR are well within the range of acceptability recommended by MacCallum et al. (1996). MacCallum et al. (1996) suggest that a RMSEA that is less than 0.08 indicates good fit and reasonable errors of approximation in the population. The RMR of the measurement model is also well fitting (RMR < .05). Concerned with indices, TLI and CFI are within the acceptance

value of 0.90. Yet, NFI is found to be marginally accepted and further modification is required to improve it.

Table 7: Assessing the measurement model.

Latent variables	Composite reliability	Average variance extracted
Pricing policy	.863	.898
Blog influence	.926	.891
Institutional compliance on *maqasid*	.943	.653
Social influence	.863	.996
Attitude	.781	.899
Islamic home financing preference	.858	.738

Besides indices, the study also employs composite reliability (CR) and average variance explained (AVE). CR suggests a value of 0.6 for acceptability, which indicates internal consistency of the measurement model. As reported in Table 7, all items are greater than that of recommended value, which suggests a high internal reliability of the data exists. Similarly, AVE suggests a value of 0.5 for the same reason, which indicates what percentage of the variance of the construct is explained by an individual item. As reported in Table 7, all items are greater than 0.5, indicating that the items adequately explain the variance in the constructs. No item is deleted.

4.2.2 Structural model

SEM is a flexible analytic method that plays a critically important role in many empirical applications in social science research. Attributable to the general linear model is embedded within SEM, this modelling framework can be used in a wide variety of applications. The general goal of SEM is to test the hypothesis that the observed covariance matrix for a set of measured variables is equal to the covariance matrix implied by a hypothesized model.

Table 8: Fit indices for the structural model for the initial model for consumer Islamic home financing preference.

Root mean square error of approximation (RMSEA)	Root mean square residual (RMR)	Normed fit index (NFI)	Tucker-Lewis index (TLI)	Comparative fit index (CFI)	ECVI
.077	.045	.865	.914	.930	2.172

The 24 items as noted in the CFA are further analysed using SEM. As reported in Table 8, both RMSEA and RMR are well within the range of acceptability recommended by MacCallum et al. (1996) and Byrne (1998) respectively. As explained earlier, MacCallum et al. (1996) suggest that a RMSEA that is less than 0.08 indicates good fit and reasonable errors of approximation in the population. The RMR of the measurement model indicates that the model is a well-fitting model.

Outcomes in Table 9 provide an indication of mis-fit for the structural model. Modification indices (MI) provide suggestion to improve further the goodness-of model fit although a value of 0.077 for RMSEA considers acceptable. Next, using the recommendations provided by the MI, errors for the constructs tested are correlated to improve the results of the indices involved. Consequently, the final SEM for the research model is reported in Table 10.

Table 9: Fit indices for the structural model for the revised model for consumer Islamic home financing preference.

Root mean square error of approximation (RMSEA)	Root mean square residual (RMR)	Normed fit index (NFI)	Tucker-Lewis index (TLI)	Comparative fit index (CFI)	ECVI
.048	.028	.912	.967	.975	1.757

Concerned with hypotheses testing, all hypotheses are supported at the 1 percent significance level, except *H2*, which is confirmed only at the 5 percent significance level. Subjective norm is positively associated with attitude towards Islamic home financing preference at the 1 percent significance level (critical ratio=3.389, *p*-value=.000). Hence, *H1* is supported. In a similar vein, pricing policy is negatively associated with attitude towards Islamic home financing preference at the 5 percent significance level (critical ratio=2.330, *p*-value=.020). Thus, *H2* is supported. Similarly, institutional compliance on *maqasid* and blog influence are also significantly related to attitude towards Islamic home financing preference and these factors are statistically significant at the 1 percent significance level. Both *H3* and *H4* are supported.

Table 10: Regression outcomes for SEM.

Parameter			β	S.E.	C.R.
Attitude	←	Blog influence	.089	.028	3.144**
Attitude	←	Institutional compliance on *maqasid*	.173	.047	3.656**
Attitude	←	Subjective norm	.326	.096	3.389**
Attitude	←	Pricing policy	-.168	.072	-2.330**
Islamic home financing preference	←	Attitude	.942	.146	6.447**

*Note: *p <0.05; ** p<0.01; ns=Not significant.

Finally, it is found that attitude is significantly related to Islamic home financing preference at the 1 percent significance level, which means that the proposed hypothesis is supported. Hence, the greater that the attitude is, the greater the preference on Islamic home financing facility. The result is in consonance with the study's finding by Lada et al. (2009) who report that attitude is significantly related to the behavioural intention. The study reports squared multiple correlations (SMC) of 0.668, which indicates that the variation of Islamic home financing preference could be explained by attitude about 66.8 percent. Similarly, the study also reports SMC of 0.936, which indicates that the variation of attitude could be explained by subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence.

5. RESEARCH IMPLICATIONS
5.1 Theoretical implications
This study provides empirical evidence supporting the relationships between subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence with the attitude, which, in turn, can affect Islamic home financing preference in the context of Malaysia. Furthermore, the research also provides a strong

empirical support for the TRA of Fishben and Ajzen (1975). TRA facilitates to understand the predictors affecting attitude towards Islamic home financing preference. The current framework model incorporates of three levels: The first level consists of "subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence", the second level consists of "attitude" and the last one is "Islamic home financing preference", which enhances the understanding of Islamic home financing preference. In the present study, subjective norm is significantly related to attitude. On the same note, pricing policy, institutional compliance on *maqasid* and blog influence show significant effects on attitude. The attitude has a strong effect on Islamic home financing preference and the reported R^2 is of more than 0.6.

Another theoretical contribution of the current study is the inclusion of customer perceptions of *maqasid al-Shariah* that is significantly related to attitude towards Islamic home financing preference (e.g., institutional compliance on *maqasid*). Amin et al. (2014) conceptualise institutional compliance on *maqasid* based on the consumer cognitive. The current study results reveal that institutional compliance on *maqasid* is significant to provide a new insight into factors determining a consumer preference.

The research also generates a noteworthy contribution to the body of knowledge by filling the gaps in Islamic home financing literature from perspectives of consumers. The relationships between subjective norm, pricing policy, institutional compliance on *maqasid*, blog influence, and attitude are inconclusive and the same goes to the relationship between attitude and Islamic home financing preference. The current study empirically supports that the factors of pricing policy, institutional compliance on *maqasid*, and blog influence play an essential role in the formation of overall customer preference of Islamic home financing via attitude and thus, enhancing the preference.

This study also contributes to Islamic home financing literature by providing a better understanding of the concept of the pricing policy, institutional compliance on *maqasid* and blog influence constructs within the realm of Islamic home financing. It is worth noting that most of the studies on Islamic home financing are confined to the legal perspectives, comparative studies and qualitative essays. Studies on Islamic home financing have been scanty (e.g., Abu-Backer, 2002; Meera & Abdul-Razak, 2005). Recently, researchers have been captured the issues of *musharakah mutanaqisah* and BBA in terms of their drawbacks and benefits but limited evidence is directed of why consumers opt Islamic home financing (e.g., Osmani & Abdullah, 2010). It is worth noting that a consumer framework for Islamic home financing is particularly important to predict the preference on the financing facility, which also stimulates the consumer demand. This study demonstrates that subjective norm, pricing policy, institutional compliance on *maqasid*, and blog influence are instrumental to affect attitude, which, in turn, can influence the preference.

The current study discovers that the integration of pricing policy, institutional compliance on *maqasid* and blog influence with the constructs of the TRA provide a more considerable knowledge in understanding how consumers' view with respect to Islamic home financing. The inclusion of pricing policy in the present model is helpful to improve our understanding on its effect on the one's attitude. This is, in turn, would be of influencing Islamic home financing preference. The results also suggest that the institutional compliance on *maqasid* and blog influence are significantly related to

one's attitude and then affecting one's willingness to apply for Islamic home financing facility.

5.2 Methodological contributions
This study also provides a methodological contribution concerned with the development of new scales representing pricing policy, institutional compliance on *maqasid* and blog influence. Evidently, there are no measurement items that are reported to validate the perception of pricing policy, institutional compliance on *maqasid* and blog influence in the context of Islamic home financing market. Therefore, the current study employs both the work of other researchers and several items that are developed from other disciplines beyond Islamic finance context (e.g., Pikkarainen et al., 2004; Ramayah et al., 2003).

5.3 Managerial implications
The findings of this study provide several managerial implications for marketing managers and practitioners, especially those involved with the mortgage management and its development process in Islamic banking industry. This study provides a strong evidence that could help marketing managers to gain a better understanding of the preference process, particularly in the context of the home financing products. More specifically, the identification of the significant factors that determine customer preference towards Islamic home financing allows managers to focus on developing better marketing strategies by employing the factors examined profoundly. In turn, it can mend consumer perception positively, which, of course, can lead to a better demand where the receptiveness comes into play.

6. CONCLUSION AND FUTURE RESEARCH
The current study is carried out to gain a better understanding of the effects of subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence on the attitude. In turn, the attitude influences Islamic home financing preference. In addition, the study also further extends the TRA model of Fishbein and Ajzen (1975) by integrating pricing policy, institutional compliance on *maqasid* and blog influence. The inclusion of these constructs enables us to gain a new insight into factors affecting consumer preference to choose Islamic home financing.

An evaluation of Islamic home financing literature shows a mixed focus in terms of methodological issues, research disciplines and practical papers. Limited evidence is found to understand a consumer framework for Islamic home financing preference. The impact of institutional compliance on *maqasid* is even not clearly understood in previous studies and the same goes to blog influence and pricing policy. The current study helps to address the gap. As such, the study confirms that the TRA model is adequate to expound Islamic home financing preference whilst the integrated constructs are also of paramount importance to predict the potential reception of potential homeowner for Islamic home financing facilities.

To this end, the present study suggests that in order to create a successful Islamic home financing facilities in a highly competitive marketplace, branch managers of banks should focus on building up the beliefs of subjective norm, pricing policy, institutional compliance on *maqasid* and blog influence, consumer attitude and preference as part of their home financing strategy. By maintaining and strengthening the roles of these factors for an improved demand from both *muslim* and non-*muslim*

customers. There is a need, therefore, to understand the roles of each factor can play in order to enhance the demand of Islamic home financing.

With this understanding in mind, at least five strategies that could be recommended to strengthen Islamic home financing preference among potential home buyers:

1. Regarding subjective norm, banks may need to build up a database, which can be used to identify customers who are willing to become as the temporary agents in which they can carry out a task to persuade potential home buyers to approach the bank for a mortgage.
2. On the subject of pricing policy, banks may promote better pricing policy to all customers with better packages and service delivery. Evidently, the bank could adjust its pricing to attract new clients particularly for those inexperienced home buyers.
3. Concerned with institutional compliance on *maqasid*, banks need to work on improving institutional compliance on *maqasid* amongst bank customers through better and formal consultation service on the religious matter and its link to financial well-being for Islamic home financing.
4. Pertaining to blog influence, banks may work with independent bloggers to promote Islamic home financing positively by developing a culture of Islamic home financing bloggers. This is at least helpful to promote a positive e-word of mouth amongst bloggers and visitors with reference to Islamic home financing facilities.
5. Lastly, banks can improve bank customers' positive attitude by establishing an improved perceptions of their Islamic home financing facilities, where quality delivery is brought into play. Besides, banks may organize weekend exhibitions at shopping malls to enlighten of their Islamic home financing facility to society.

Furthermore, the study ascertains two essential drawbacks. Firstly, it is related to the representation of potential homeowners in Malaysia who are limited to 153. Secondly, the current work only includes pricing policy, institutional compliance on *maqasid* and blog influence in the TRA's framework (e.g. the modified TRA) that means that the contribution of the study is only drawn from the constructs. In order to address these limitations, future research might employ a larger sample to enable a better prediction of Islamic home financing preference, attitude and the integrated constructs (e.g. institutional compliance on *maqasid*, blog influence and pricing policy). Future research might include situational factors such as consumer involvement and financial satisfaction in the research model.

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