

# Factors Influencing Investors' Behavior in Islamic Unit Trust: An Application of Theory of Planned Behavior

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## Abstract

Islamic unit trust is a collective investment fund which offers investors the opportunity to invest in a diversified portfolio of Syariah approved securities managed by professional managers in accordance with the syariah principles. In Malaysia, the Islamic unit trust industry has gone through positive performance in the past until now due to increase in new unit trust management companies, new funds launched and new accounts opened by the investors. Despite the growing interest of researchers on Islamic unit trust funds performance and some of them proved that Islamic unit trust is good investment, however the reasons of an investment decision are still in question. Using Structural Equation Model, this research aims to investigate the significance influence of attitude, social influence and perceived behavioural control on the investors' intention to invest in Islamic unit trust funds by employing Theory of Planned Behaviour (TPB). To achieve the objective, a total of 180 questionnaires were distributed to the academic staff at UiTM Kedah. Overall, the empirical evidence found that attitude and perceived behavioural control have direct significant positive relationship to the investors' intention to invest in Islamic unit trust fund.

## 1.0 Introduction

Currently, the development of collective investment industry, particularly unit trusts industry has become an important factor within the Malaysian Financial System. This reflects significant contribution for the economy as a whole. In addition to this, the introduction of unit trusts packages based on Syari'ah principles also plays a significant role to boost up the economy for the nation. One of nine major areas highlighted under the Financial Sector Blueprint 2011-2020 is internationalisation of Islamic finance which will create a more conducive environment for the mobilisation of higher volumes of international Islamic financial flows from a diverse range of players to be channeled through innovative Islamic financial instruments. Islamic unit trust fund is one of the most popular types of Islamic financial instruments in

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Malaysia. As unit trust funds are now becoming a popular choice among investors, there is a significant growth in investment management companies offering a wide range of unit trust funds. Current statistic shows that there are 41 investment management companies with 614 funds available in the market. Out of these, 439 are conventional unit trust funds while the remaining 175 are Islamic unit trust funds (Securities Commission, 2013). Islamic unit trust funds have shown a significant increase from 167 approved funds in January 2012 as compared to conventional funds which reflects the current demand from investors. Due to the impressive growth, this research is trying to find the predictors that drive the investors to choose Islamic unit trust funds in making their investment. For this purpose, this study employed Theory of Planned Behaviour (TPB) to determine the investors' intention. The Theory of Planned Behaviour is an extension of the Theory of Reasoned Action. These theories were introduced by Ajzen and Fishbein (1975;1980). The original Theory of Reasoned Action (TRA) composed of three components which are attitude (*A*), subjective norm (*SN*) and behavioural intention (*BI*). Theory of Planned Behaviour has added a new variable that is perceived behavioural control (*PBC*). Thus, Theory of Planned Behaviour consists of four components: attitude (*A*), and subjective norm (*SN*), perceived behavioural control (*PBC*) and behavioural intention (*BI*). An attitude refers to the degree to which a person has a favourable or unfavourable evaluation or appraisal of the behaviour in question. Subjective norm refers to perceived social pressure to perform or not to perform the behaviour. Subjective norm is seen as a combination of perceived expectations from relevant individuals or groups along with intentions to comply with these expectations. Perceived Behavioural Control refers to the perceived ease or difficulty of performing the behaviour and it is assumed to reflect past experience as well as anticipated impediment and obstacle. Behavioural intention is a function of both attitudes towards behaviour and subjective norms towards that behaviour, which have been found to predict actual behaviour. TPB suggests that a person's behavioural intention is depending on the person's attitude, subjective norms and perceived behavioural control to determine the behavioural intention ( $BI = A + SN + PBC$ ). Figure 1 shows the proposed model for this research.

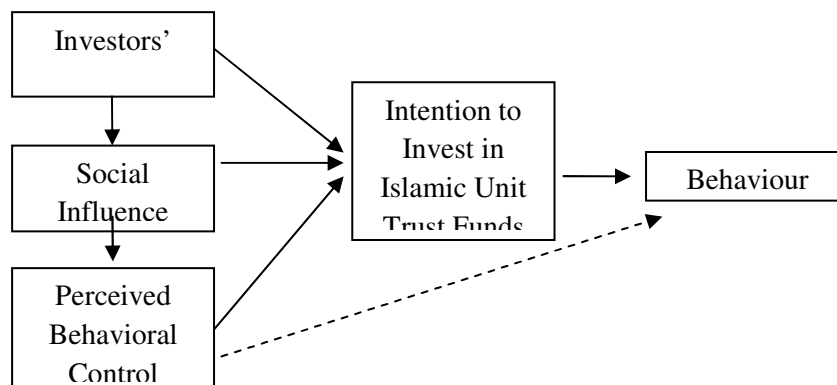


Figure 1: The research model

Studies on the performance of Islamic unit trust funds had been done by many researchers. Suhana, Raja Zuraidah, Nooririnah, Ruziah and Zaibedah (2012), found that Islamic unit trust funds generate lower returns than the market portfolio. On the other hand, Norma, M. Shabri, Salina, Zarinah, and Rosylin (2010) and Fikriyah, Taufiq, and Shamsher (2007) had claimed that Islamic unit trust funds are said to outperform conventional funds. According to Fikriyah et al. (2007), the Islamic unit trust funds outperformed only during bear market period but underperformed during bull market period. Ashraf (2013) had conducted a study by comparing Islamic mutual funds and conventional funds in Saudi Arabia during global economic crisis and found that Islamic mutual funds show a better performance relative to conventional funds during economic crisis periods. Fadillah and M. Ishaq (2011) found that Islamic portfolio is riskier than the conventional portfolio while Maslina and Razali (2006) found the contrary result that is Islamic unit trust funds have lower risks than the conventional funds. Prior researches which adopted TRA in their studies are Salamah (2012) and Echchabi and Abdul Aziz (2012); focusing in Islamic banking services, Dzuljastri and Muhamad Abduh (2012), and Hanudin, Abdul-Rahim, and Dzuljastri (2012); focusing in Islamic home financing, Hanudin, Abdul Rahim, Sondoh and Ang (2011) and Hanudin, Mohd Fahmi, and Rostinah (2010); focusing in personal financing, Hanudin and Chong (2011) and Hanudin (2011); focusing on Ar-Rahnu, Juwaheer, Pudaruth, and Ramdin (2012), and Chau and Ngai (2010); focusing in internet and online banking, Fithriah and Hanudin (2011) and Hanudin (2012); focusing in Islamic insurance. Other studies which employed TPB in their research are Syed, Hawati, Zanariah, Che Aniza and Mst. Nilufar (2012) and Hanudin et al. (2012); concentrated in home financing, Al-Ajam and Md Nor (2013), Nasri and Charfeddine (2012), Al-Smadi (2012) and Tan and Teo (2000); focused in internet and electronic banking, Innan and Moustaghfir

(2012); concentrated in insurance industry. Instead of banking and insurance industry, Ramayah, Rouibah, Gopi, and Rangel (2009) presented a study focusing in internet stock trading by utilizing decomposed TRA while Lee (2009) and Gopi and Ramayah (2007) have utilized TPB. In a similar vein, Lee and Ho (2002) also examine the related study by adopting decomposed TPB.

Instead of employing TRA and TPB, there were some studies have used other variables to predict customer behaviour. Among them were Khan, Hassan, Shahid (2007) and Rima (2013). Khan et al. (2007) conducted the study on customer behaviour of Islamic banks in Bangladesh. They revealed that the religious principles are the main criteria of selecting Islamic banks. Rima (2013) also conducted a study in Lebanon and found that trust and Syariah compliance in Islamic banks, customers' familiarity with Islamic financing, financing cost, accessibility of Islamic banks and the quality of service offered by Islamic banks are the key factors in choosing Islamic bank.

With regard to investment decision perspective, Tahir and Brimble (2011) had conducted a study on Islamic investment behavior among muslim and non muslim people. They found that the investment behaviour is influenced by the degree of religiosity of the individual. Shanmugham and Ramya (2012) and Alleyne and Broome (2011), examined the intention to invest by employing TRA and TPB. In an earlier study, East (1993) offers one of its kind studies by employing TPB to study the influence of attitude, subjective norm, perceived control and past behaviour in investment decision making. A considerable number of studies in the literature examine the effect of attitude, subjective norm and perceived behavioural control to the investment in unit trust. Prior literatures which were focusing on mutual fund decisions are Schmidt (2010) which conducted his study in Germany and Kuah (2008) in Malaysia.

Even though TRA and TPB have been widely used by many researchers in studying various areas, to the best of our knowledge, no published study adopting these theories had been tested on Islamic unit trust fund yet. As we know, Islamic unit trust has been available in Malaysia for almost 20 years and it is proven by the research that Islamic unit trust funds are good investments. Thus, this research motivates us to pursue this line of research by using TPB to the Islamic unit trust funds context.

## **2.0 Literature Review**

There were many studies conducted on behavioural intention. The most commonly used theory to predict an individual's behavioural intention is the Theory of Reasoned Action (TRA) developed by Ajzen and Fishbein (1975). The application of TRA, among others, was done by Abidin, Idris and Faridahwati (2009); Hanudin,

Abdulrahman and Ramayah (2009); Bauer, Barnes, Reichardt and Neumann (2005); and Ouellette and Wood (1998). Later in 1985, Ajzen and Fishbein have extended TRA by considering perceived behavioural control as another predictor of behavioural intention known as Theory of Planned Behaviour (TPB). In addition to attitudes and subjective norms (which make the theory of reasoned action), the theory of planned behaviour adds the concept of perceived behavioural control, which originates from self-efficacy theory (SET). Self-efficacy was proposed by Bandura (1977), which came from social cognitive theory. According to Bandura, expectations such as motivation, performance, and feelings of frustration associated with repeated failures determine effect and behavioural reactions.

Many researchers have proven the significant influence of attitude, subjective norms and perceived behavioural control toward behavioural intention. However, there were very limited studies of TPB carried out on investment decision context. East (1993), who applied TPB in predicting investors' decision in certain shares, specifically in newly issued shares discovered that application for shares was predicted by intention and intention by the attitude, subjective norm, perceived control and past behaviour. The findings showed strong influence of friends and relatives and the importance of easy access to funds as well as financial criteria of profit and security of investment within investment decision making. A few other studies are the ones by Shanmugham and Ramya (2012) and Alleyne and Broome (2011) on investors' intention to invest which also employed TPB. Shanmugham and Ramya (2012) found strong positive correlation between attitude, perceived behavioural control and intention towards trading while a subjective norm is found to be negatively related, while Alleyne and Broome (2011) reported that attitudes, subjective norms, perceived behavioural control were significant predictors of investment intentions. Schmidt (2010) and Kuah (2008) had initiated a research on individuals' willingness and intention to purchase mutual funds. The former initiated his study in Germany and employed TPB while the latter initiated his study in Malaysia and used Decomposed TPB. The outcome was similar to the previous studies where the social pressure, attitudes and perceived behavioural control show significant and positive influence towards intention to purchase mutual funds. Lee (2009) and Gopi and Ramayah (2007) and Abroud, Yap and Muthaiyah (2010) conducted a study on internet stock trading. Gopi and Ramayah (2007) found that all the variables which are attitude, subjective norm and perceived behavioural control are significant to the intention to use internet stock trading among Malaysian investors. Lee (2009) and Abroud et al. (2010) have also done the same study but in different country that is in Taiwan and Iran Stock Exchange. Lee (2009) revealed that subjective norm has no significant effect and perceived behavioural control is significant to adopt online trading while Abroud et

al. (2010) found the contrary result. His finding is supported by Lee and Ho (2002) who performed the related study using Decomposed Theory of Planned Behaviour (DTPB) to explain the investors intention in Singapore Stock Exchange. On the other hand, TPB has also been applied in other related studies. Hanudin (2012) had conducted two different studies on the factors determining the Islamic credit card usage intention. The first study was conducted by using ordered probit model (Stata v7) and the latter study was executed by using the multiple regression analysis. The results from both studies are not consistent whereby the first study shows that attitude has no effect on the intention to use Islamic credit card among the respondents while the latter study reveal that attitude, subjective norm and perceived financial cost significantly influence the intention to use Islamic credit card. Hanudin (2013) had extended the same study by using Partial Least Square (PLS) as an analysis. He discovered that attitude is the major influential factor in explaining customers' intention to choose Islamic credit cards and subsequently followed by subjective norm and perceived financial cost. Maya Sari and Rofi Rofaida (2011) have also done a similar study in Indonesia. Interestingly, they found a similar result that is attitude, subjective norms and perceived behavioural control were significantly related to credit card usage. Echchabi and Abd. Aziz (2012) have done a research on customers' intention toward Islamic banking services. The results indicated that attitude, social influence as well as perceived behavioural control are significant to the intention towards Islamic banking services. Hanudin et al. (2012) and Syed et al. (2012) conducted the study on financing services offered by Islamic banks. Hanudin et al. (2012) found that attitude, subjective norm and perceived behavioural control have significant influence to the intention to apply Islamic home financing whereas Syed et al. (2012) discovered that subjective norm has no direct significant relationship to the intention in Islamic home financing. TPB has also been applied in internet banking and electronic banking. Among the studies were Al-Ajam and Md Nor (2013), Nasri and Charfeddine (2012), Al-Smadi (2012). They discovered that attitude, social norm and perceived behavioural control have a significant effect on intention to use internet banking and electronic banking. Innan and Moustaghfir (2012) conducted the study in insurance industry. They discovered that perceived behavioural control and subjective norm were found to have much greater influence on employees' intention to purchase the healthcare insurance rather than attitude. From the above literatures, it shows that TPB were adopted in several studies and show a strong predictor of actual behaviour in different locations. However, the validity of TPB has yet to be demonstrated in the area of Islamic investment, particularly the unit trust investment. Therefore this research aims to determine the validity of TPB in Islamic unit trust in Malaysian context. Based on the literature review addressed, the followings are hypotheses developed in this research:

Hypothesis 1: Attitude will have a significant positive effect on intention to invest in Islamic unit trust.

Hypothesis 2: Social influence will have a significant positive effect on intention to invest in Islamic unit trust.

Hypothesis 3: Perceived behavioural control will have a significant positive effect on intention to invest in Islamic unit trust.

### **3.0 Methodology**

In order to collect the data, self-administered questionnaire was applied. According to Sekaran (2011), the questionnaires allow quick responses to be collected. The survey was conducted between the months of January to March 2013. Academic staff at Universiti Teknologi MARA (UiTM) Kedah are chosen as population. As a sample of the study, 180 academic staff were randomly selected and of these 172 responses were usable for further analysis. The questionnaire was divided into two sections. The first section consists of respondent general while the second section consists of the measurement of dependent and independent variables such as respondent's attitude, social influence, perceived behavioural control and intention to invest in Islamic unit trust funds.

There are 19 observed items and 4 latent constructs included in the analysis. The latent constructs are then divided into two variables known as exogenous variable and endogenous variable. The exogenous variables are investors' attitudes, subjective norms, and perceived behavioural control while endogenous variable is investors' intention to invest in Islamic unit trust funds. All observed variables were adapted from various literatures and measured using a ten-point Likert-type ranking scale from "1" – strongly disagree to "10" strongly agree. The respondents' attitude was measured using six observed item derived from Hanudin, Abdul Rahim, Sondoh, and Ang (2011). The social influence was measured using five observed item adapted from Gopi and Ramayah (2007). The perceived behavioural control was measured using three observed item derived from Schmidt (2010) and East (1993). The intention to invest in Islamic unit trust was measured using five observed item derived from Hanudin et al. (2011). To achieve the research objective's, AMOS 21.0 is used. This software is specifically meant for analyzing the Structure Equation Modeling (SEM). AMOS software could be utilized to explore statistical relationships among the measuring item of each construct and also between constructs. The assessment of unidimensionality, validity analysis, reliability analysis should be made first, before AMOS is used to model the interrelationship.

#### 4.0 Results and Discussion

Table 1 shows the results obtained for the respondents' demographic profile. The frequency and percentage for each variable is listed according to the questionnaire distributed to the respondents. A total of 180 questionnaires were distributed and 172 responses were usable for further analysis which resulting the final response rate of 95.56%.

Table 1: Respondents' demographic profile

		Frequency	Percentage (%)
1. Gender	Male	62	36.0
	Female	110	64.0
2. Age	Below 30 years	59	34.3
	31 – 40 years	66	38.4
	41 – 50 years	36	20.9
	Above 50 years	11	6.4
3. Marital status	Single	49	28.5
		Frequency	Percentage (%)
	Married	129	71.5
	others	-	-
4. Academic qualification	Professional	3	1.7
	PhD	5	2.9
	Master	153	89.0
	Bachelor Degree	11	6.4
5. Annual income	Less than RM24,000	17	9.9
	RM24,000 – RM50,000	82	47.7
	RM50,000 – RM100,000	66	38.4
	more than RM100,000	7	4.1

From Table 1 the result shows that most of the respondents are female which comprised of 110 respondents (64%) while the remaining 62 respondents (36%) are male. Out of 172 respondents, the majority of them are in the range of 31-40 years old (38.4%), followed by below 30 years (34.3%), 41-50 years (20.9%) and above 50 years (6.4%). 129 of the respondents (71.5%) are married while 49 of them (28.5%) are single. In terms of academic qualification, Master Degree holders comprise of 153 respondents (89%), Bachelor Degree holders comprise of 11 respondents (6.4%),



professional holders of 3 respondents (1.7%) and the remaining 5 respondents (2.9%) are PhD holders. Most of respondents were earning between RM24,000 – RM50,000 income per year with a total of 47.7%, 38.4% of them earn between RM50,000 – RM100,000 per year, 9.9% earn below RM24,000 per year and the remaining of 4.1% earn more than RM100,000 per year.

Table 2: Factor Analysis

	Component			
	SI	INT	ATT	PBC
A1			.749	
A2			.838	
A3			.811	
A4			.762	
A5			.573	
A6				
SI1	.841			
SI2	.863			
SI3	.884			
SI4	.889			
SI5	.868			
PBC1				.448
PBC2				.832
PBC3				.785
INT1		.748		
INT2		.832		
INT3		.844		
INT4		.800		
INT5		.759		
Eigenvalue	12.329	2.090	1.187	1.030
Extraction Sums of Squared Loadings	64.107	74.533	79.910	84.531
Rotation Sums of Squared Loadings	25.622	49.259	72.892	84.531
KMO Measure of Sampling Adequacy.	.932			
Bartlett's Test of Sphericity	Approx. Chi-Square = 4747.038			
	Df = 171			
	Sig.= .000			

Note: A = Attitude, SI = Social Influence, PBC = Perceived Behavioural Control, INT = Intention

As reported in Table 2, the Kaiser-Meyer-Olkin (KMO) index is 0.932 and Bartlett's Test is significant (p=.000). Therefore it can be concluded that the data used are adequate and factor analysis is appropriate. Using Principal Component analysis, the result shows that there are four factors have eigenvalues greater than 1, thus it is expected that four factors to be extracted. These four factors explain a total of 84.531% of the variance. By using Varimax Kaiser Normalization rotation method, the result shows that the observed variable contained four constructs.

The structural equation model is particularly useful in this research because the result from the unstandardized estimate can be used to determine the factor loading of the measuring item, the correlation between the latent construct and the squared multiple correlation. The result are reported in Table 3.1, 3.2 and 3.3.

Table 3.1: Factor Loading, Average Variance Extracted (AVE) and Reliability Analysis

	<b>ATT</b>	<b>SI</b>	<b>PBC</b>	<b>INT</b>
A1	0.89			
A2	0.94			
A3	0.94			
A4	0.88			
A5	0.74			
A6	0.78			
B1		0.88		
B2		0.90		
B3		0.97		
B4		0.98		
B5		0.97		
C1			0.84	
C2			0.93	
C3			0.85	
D1				0.95
D2				0.96
D3				0.91
D4				0.98
D5				0.92
Average Variance Extracted <sup>a</sup>	74.93%	88.99%	76.43%	89.18%
Construct Reliability <sup>b</sup>	0.93	0.98	0.91	0.98
Cronbach's alpha	.968			
Cronbach's Alpha Based on Standardized Items	.969			
N of Items	19			

<sup>a</sup> = measurement for convergent validity and reliability analysis <sup>b</sup> = measurement for construct reliability

The result shows that the factor loading of the measuring item ranged from 0.74 to 0.98 above the recommended value as suggested by Hair (2010). Thus it can be concluded that unidimensionality analysis is achieved. Validity analysis was assessed in terms of convergent validity, construct validity and discriminant validity. Convergent validity was assessed in terms of average variance extracted (AVE). As shown in Table 3.1, Average Variance Extracted (AVE) for all latent constructs are greater than 50%. The research model demonstrates a strong convergent validity as the latent constructs with reflective items have high AVE. In order to evaluate the construct validity, RMSEA, CFI and the ratio of Chi Square/df were used.

Table 3.2: The results for Model Fit Indices

<b>Fit indices</b>	<b>Benchmark</b>	<b>Value &amp; Interpretation</b>
Absolute fit index		
Root mean square error of approximation	0.05 < p < 1.00 (acceptable)	0.128 (acceptable)
Incremental fit index		
Comparative Fit Index	p- value > 0.90	0.914 (good fit)
Tucker-Lewis Index	p- value > 0.90	0.9 (good fit)
Parsimonious Fit Index		
Normed Chi-square/df	Chi-square/df < 5.0	3.801

As shown in Table 3.2 , the entire index of RMSEA, CFI and the ratio of Chi Square/df meet the strength value, thus construct validity is supported. Discriminant validity is evaluated by referring to the correlation between each pair of latent exogenous construct and the value should be less than 0.85.

Table 3.3: The correlation estimate for each pair of exogenous construct

<b>Latent construct</b>		<b>Latent construct</b>	<b>Estimate</b>
ATT	↔	SI	0.63
SI	↔	PBC	0.58
ATT	↔	PBC	0.11

Note: ATT = Attitude, SI = Social Influence, PBC = Perceived Behavioural Control

Table 3.3 shows the correlation between the exogenous construct (attitude, social Influence and perceived behavioural control) is not strong as the estimate values are less than 0.85. Thus it is proven that there is no multicollinearity and confirmed that this research model has achieved desirable discriminant validity. As shown in Table

3.1, it indicates good estimates of internal consistency reliability as the value of Cronbach's Alpha is  $\geq 0.70$  ( $p=0.968$ ) and construct reliability are greater than 0.60. Thus it indicates that all constructs have good reliability and internal consistency. The overall value for average variance extracted is greater than 50%. Thus, it is confirmed that these four constructs are found to be reliable. The result shows that the value of Squared Multiple Correlations ( $R^2$ ) between exogenous and endogenous construct is 0.70. It indicates the contribution of attitude, social influence and perceived behavioural control in explaining the variance of intention to invest in Islamic unit trust is 70%. Figure 2 shows the path diagram of the structural equation model for unstandardized estimates. The test of structural model includes estimating the path coefficients, which indicate the strengths of relationship between the exogeneous and endogeneous variables.

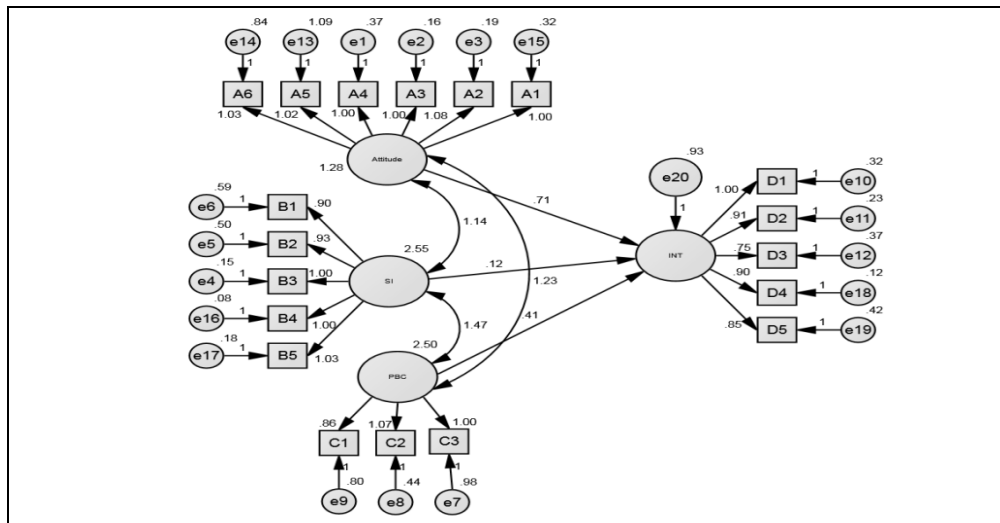


Figure 2: Path Diagram of the Structural Equation Model (unstandardized estimates)

Table 4: Regression Weights for Hypothesis testing result

H	Regression Weights	Beta	S.E.	C.R.	P-value	Result
H <sub>1</sub>	INT <--- Attitude	.712	.124	5.736	.000	Supported
H <sub>2</sub>	INT <--- SI	.115	.071	1.616	.106	Not Supported
H <sub>3</sub>	INT <--- PBC	.411	.104	3.944	.000	Supported

Table 4 shows the regression weight between intention to invest in Islamic unit trust fund and investor's attitude, social influence and perceived behavioural control. For

investor's attitude, the result shows the probability of getting a critical ratio is as large as 5.736 in absolute value is less than 0.001. In other words, the regression weight for in the prediction of intention is significantly different from zero at the 0.001 level (two-tailed). Therefore, in predicting the intention to invest and investors' attitude, the result shows that when attitude goes up by 1, intention goes up by 0.712. It can be further explained that an attitude had a significant positive effect on intention to invest in Islamic unit trust. Interestingly, investors found that choosing Islamic unit trust is a good idea, useful and beneficial. The investors also found that Islamic unit trust is one of the best Islamic investment options offered in Malaysia. Thus, the result indicates that the Hypothesis 1 is supported. For social influence, the probability of getting a critical ratio is as large as 1.616 in absolute value is 0.106. In other words, the regression weight for social influence in the prediction of intention is not significantly different from zero at the 0.05 level (two-tailed). It can be interpreted that social influence was found to have no significant effect on intention to invest in Islamic unit trust funds. In other words, investors are more likely not to be influenced by social influence. Influence from people who are important to them and their family did not offer great support to the investors' intention to invest in Islamic unit trust. Therefore it can be concluded that Hypothesis 2 is not supported. For perceived behavioural control, the probability of getting a critical ratio is as large as 3.944 in absolute value is less than 0.001. In other words, the regression weight for perceived behavioural control in the prediction of is significantly different from zero at the 0.001 level (two-tailed). In estimating the intention to invest and perceived behavioural control, the result revealed that when perceived behavioural control goes up by 1, intention goes up by 0.411. It can be explained that perceived behavioural control was found to exert significant positive effect on intention to invest in Islamic unit trust. Hence, it means that Hypothesis 3 is supported.

## **5.0 Conclusion & Recommendation**

Overall, the empirical evidence from the present study found that attitude and perceived behavioural control have direct significant positive relationship to the investors' intention to invest in Islamic unit trust fund. The result is not surprising as many studies from various perspectives have proven that those with high positive attitudes and perceived behavioural control appeared to have greater intentions. As compared to perceived behavioural control, attitude is one of the most important factors in influencing investors' intention to invest in Islamic unit trust funds proven

by a higher beta value ( $\beta = 0.712$ ). In simple explanation, it can be interpreted that once investors have a positive attitude; indirectly the intention to invest will be higher. Investors feel that choosing the Islamic unit trust funds is good, useful and beneficial for them. The study also revealed that perceived behavioural control shows a significant positive relationship towards the investors' intention to invest in the Islamic unit trust funds. Investors with high intention to invest in Islamic unit trust fund rely strongly on the perceived behavioural control. In summary, it can be interpreted that investors feel very confident to be able to engage in Islamic unit trust investment as well as they are capable of selecting Islamic unit trust funds. Ajzen (1991) suggested that by increasing the effort to achieve goal, control could directly affect the behaviour. On the contrary, social influence shows no significant effect on the intention to invest in Islamic unit trust funds. The possible explanation on this matter is that, the investors have more knowledge about the investment specifically in Islamic unit trust funds; therefore, they make decision based on their own experience, knowledge and expertise considering little about others' opinion such as their family and a person who are important to them. Overall, it can be concluded that two components of Theory of Planned Behaviour which are attitude and perceived behavioural control have direct significant positive relationship while social influence is not significant to the investors' intention to invest in Islamic unit trust. This finding is consistent with prior studies such as Syed et al. (2012), Shanmugham and Ramya (2012), Lee (2009), Tan and Teo (2000). There are some recommendations for the future researchers on similar topic. A thorough and in depth study should be carried out by considering respondents from various background throughout Malaysia. A present study is only focusing on academicians, which is not representing the whole situation. Thus, future research should take larger samples with different background from different industry to get clear and concrete evidence. Since the present study incorporated attitude, social influence and perceived behavioural control as the predictor variables, future research is suggested to consider other factors determining behavioural intention. This will enable researchers to examine a wider scope of hypotheses and better understanding of predictor factors. Thus, the application of other theory is recommended.

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