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Determinants of awareness on Islamic microfinance among Cambodian Muslims

Sles Alfin, Norma Md Saad *

Department of Economics, Kulliyah of Economics and Management Sciences, International Islamic University Malaysia, Kuala Lumpur, Malaysia

Abstract

This paper aims at examining the level of awareness among Cambodian Muslims towards Islamic microfinance and to determine the factors that influence awareness. There are five independent variables investigated in this study namely: promotion, social culture, service quality, age, and level of education. A total of two hundred respondents consisting of Muslims living in different districts of Phnom Penh City responded to the survey questionnaire. The study used multivariate techniques to analyze the data collected. The findings showed that promotion and service quality were statistically significantly at five per cent (0.05) significant level. However, social culture, age and level of education were not significantly related with awareness. The findings also indicated that service quality had the most influence on awareness. Moreover, the result revealed that the level of awareness among Cambodian Muslims towards Islamic Microfinance was reasonable and the reasons for them preferring Islamic Microfinance were based on their religious principles and expectation of better services.

Keywords: Islamic Microfinance; Awareness, Promotion; Social Culture; Service Quality; Age, Education; Cambodian Muslim

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* Corresponding author. *E-mail address:* norma@iium.edu.my

1. Introduction

Cambodia is home to approximately 500,000[1] Muslims. The Muslim community in Cambodia consists mainly of Cham, a descendant of the Kingdom of Champa (currently central Vietnam) and the Malays who came over through centuries from the Malay Archipelago (Osman et al., 2004). The percentage of Cham dominates the Muslim population.

Historically, the community has faced two main dramatic periods of persecution. The first mass persecution happened when the Kingdom of Champa lost and collapsed in the 16th century and thus the Chams had migrated to Cambodia for their safety and new settlement. The second tragedy was during the Khmer Rough regime (1975 to 1979) (Sabeone, 2017). According to Ysa (2002), there were 400,000-500,000 Cambodian Muslims were killed during the infamous Khmer Rouge regime, while the total population of Cambodian Muslim that time was estimated to be only 700,000. He reported that there is evidence to suggest that the Khmer Rouge persecuted the Cham Muslims on religious and ethnic grounds. However, Sabeone (2017) argued that the reason of this prosecution was not due to racism but owing to the community failed to comply with certain policy and thus being labelled collectively as the regime's enemy.

After the civil-war, Cambodians in general, and the Muslim community in particular, suffered an enormous lost socially, and economically. For the past 38 years (1979-2017), the Royal Government of Cambodia (RGC) has achieved tremendous progress in rebuilding the nation by bringing back the political stability, economic progressiveness and poverty eradication. The RGC allows freedom of religious practices and takes utmost care of the Muslim community. According Sabeone (2017), the Cambodian government makes efforts to better integrate the Muslim to its development pacts. The Cambodian Muslims' living standard had dramatically improved after 1993 resulted from the rapid pace of country's economic growths and the community's exposure to the Muslim world. Nevertheless, Osman, Musa, and Ali (2004) noted that the Muslim community is still the largest of the poorest minority group in Cambodia due to their insufficient sources of income. Sabeone (2017) echoed this claimed and he observed that many Muslims live in poverty and have lower education levels, higher illiteracy rates and poorer health than other communities. As other Cambodians, majority of the Muslim community resides in rural areas and concentrates in several provinces along the rivers. According to Osman et al. (2004), most of Muslims' income is generated from traditional agricultural and fishery activities. They also reported that only a small group of Muslims are involved in businesses.

The RGC, with the support from development partners and international agencies have proposed and implemented many development schemes to eradicate the poverty. Among others, microfinance registered a most valuable strategy in reducing poverty. Following 2006 announcement as "a year of microfinance" for

[1] There is no consensus statistic data of the Muslim's population in Cambodia. The Religious report by the US Embassy in Phnom Penh (2016) indicated that government estimated the population of Muslim to be around 2.6 per cent while some nongovernmental organizations (NGOs) estimated the Muslim population to be 4 to 5 percent. See: https://www.state.gov/documents/organization/268964.pdf, retrieve date 04 January, 2018. However, the most cited figure of Muslim population in Cambodia is 500,000.

Cambodia, the microfinance institutions (MFIs) have grown remarkably. This growth significantly contributes to the economic development and poverty alleviation. However, majority of Cambodian Muslims are not able to access to the microfinance services. As other MFIs in the world, MFIs in Cambodia are interest-based institutions, a practice which is strictly prohibited in Islam. The needs of the poor Muslims in Cambodia are no different from the poor in other societies. Cambodian Muslims as a minority ethnic group requires micro-financial services such as credit, savings, insurance, and other financial services that conform to the rule of *Shariah* in order to engage actively in productive activities and improve their standard of living.

Islamic microfinance is a combination of two rapidly growing industries that are microfinance and Islamic finance. It has the potential to not only respond to unmet demand but also to combine the Islamic social principle of caring for the less fortunate with microfinance's power to provide financial access to the poor (Karim et al., 2008). Base on Islamic doctrines of social and economic justice, Islamic microfinance will be a key to provide financial access to millions of Muslim poor who currently reject microfinance products which are not *Shariah* compliant.

Muslim Aid Cambodia (MAC) is the first institution which offers the S*hariah* compliant mode of financing to the poor and small entrepreneurs in Cambodia. In order to uplift the living standard of the Muslim community in Cambodia who some are living under the poverty line with meager education and poor health, the Islamic microfinance was first introduced in 2007. MAC first started its program with only 10 clients in 2007 and the number of beneficiaries has increased enormously within a few years. According to the annual report (2013), as of December 2012, the number of clients is approximately 700. The main objective of MAC establishing Islamic microfinance scheme attached to its economic empowerment project is to provide needed capital for the poor Muslims to expand their businesses and increase income generation. Islamic microfinance program of MAC adopts two Islamic contracts in its practices, i.e, *Qard Hasan* (benevolent loan) with the loan size between $200 to $1,000 and *Musharakah* (partnership).

Despite Islamic microfinance program existing almost a decade in this minority Muslim country, no previous published research has been done to investigate the level of public awareness and the factors determining the awareness among Cambodian Muslims toward Islamic microfinance. The present study attempts to examine the level of knowledge and awareness of Islamic microfinance among Cambodian Muslims; to describe the factors that determine the awareness of Islamic microfinance in Cambodia; and to explore the willingness of Cambodian Muslims to patronize Islamic Microfinance.

Promoting awareness to the public is a crucial task for every organization, especially for new institutions in order to inform the public about their existence. The existence of Islamic microfinance institutions in Cambodia can be considered as a new niche market providing an alternative to conventional microfinance institutions. The exploration and understanding of the public awareness are vital to ensure that an organization can remain successful and competitive in the industry.

Khan et al. (2007), asserted that in any service industries, it is important to investigate customers' awareness. Studying the awareness and determining factors may be able to help to improve the level of awareness so that more people know about the availability of microfinance that can assist them to start their

own micro businesses (Khouk Thoung et al., 2013). According to Mahajar and Yunus (2011), lack of public awareness is one of the main problems faced by Islamic financial institutions.

2. Literature review

According to Kotler (2003), the study on awareness is to discover how customers establish the knowledge of the products or services and to what extent they are lacking of information about it. Shimp (1997) emphasized the process of awareness involves familiarizing of consumers via advertising, promotion and other marketing communications method with the company brand, product and services. In addition, the process of awareness also includes informing people about the special features and benefits of products and services and showing how it is different in functional or symbolic sense to competitive brands (Shimp, 1997).

The exploration and understanding of awareness is always critical to ensure that organization or banking sector can remain successful and competitive in the industry (Mansor et al., 2012). According to Abdul Hamid et al. (2011), before the consumers are ready to adapt to a product or service, they have to go through the process of knowledge, persuasion, decision, and confirmation.

Khan et al. (2007), asserted that in any service industries, it is important to investigate customers' awareness. They argued that the assessment of customers' awareness and usage of products or services has become more important as today Islamic banks must not rely solely on religious factors as a strategy to secure customers' allegiances but they should consider the quality as well as providing efficient product and services. Seeing the importance of customers' awareness in influencing the usage of products and services, Kouk Thong et al. (2013) reported that Bank Negara Malaysia has put efforts to raise public awareness on the availability of microfinance in order to create a sustainable microfinance industry.

Awareness is the initial stage needed to be established to achieve the goal of the business organizations; lacking of it has led to differing opinions on products and services offered by organization. There were many studies conducted in various countries on the awareness of customers toward Islamic banking system. However, many findings show that the level of awareness toward these services is limited. One of the pioneer studies on awareness of Islamic banking system conducted by Gerrard and Cunningham (1997) investigated the awareness of the customer towards the Islamic banking in Singapore before the establishment of Islamic bank in this country. The study found out that there is a general lack of awareness of the customers with regards to Islamic banking. Lateh et al. (2009) conducted a research in Thailand to describe the perception of customers towards the objectives, characteristics and criteria of selecting Islamic bank. The study found out that Thai customers have little awareness on Islamic banking system products and services, but they are aware of the special characteristics of Islamic banking system and its difference from conventional system.

A study undertaken by Khattak and Rehaman (2010) found out that the customer's awareness level towards Islamic banking products in Pakistan is good in some of the general products like current accounts and time deposit account. However, it was discovered that most customers were not aware of some of the Islamic financial products such as *Murabahah* and *Ijarah.* This study was supported by Okumus (2005) who conducted a similar study in Turkey.

Abbas et al. (2014) intend to explore the awareness of conventional and Islamic microfinance in Pakistan using frequency tests. The results showed that majority of the respondents, 71.6% have a basic understanding of conventional microfinance and about 9.4% said that they do not have basic understanding whereas the remaining 12.8% of the respondents were uncertain. The results also showed that 57.7% of the respondents have a basic understanding of Islamic microfinance and 18.8% of them said that they do not have any basic understanding while 23.5% of the respondents are uncertain. The researchers concluded that the most consistent answer from the respondents is that they are familiar about the conventional and Islamic microfinance. Even though Islamic microfinance is a new concept in banking, surprisingly, majority of the respondents have a basic understanding of these concepts.

However, the findings of Abbas et al. (2014) are not in line with those of Sabi (2016) who examined the level of awareness and sources of demand for Islamic microfinance among the clients of microfinance institutions in Kyrgyzstan and Tajikistan. The differences may result from the time of establishment of Islamic financial system in Kyrgyzstan and Tajikistan which is relatively new compared to Pakistan. A few questions were asked to determine the clients' awareness of the Islamic microfinance. The study found out that, majority of respondents were not knowledgeable about Islamic microfinance products. Only 28% of respondents in Tajikistan and 39% in Kyrgyzstan knew about Islamic microfinance, but the majority indicated that they were interested in using the Islamic microfinance products. Tajikistan respondents reported that the reasons for their preferences were due to strong religious obligations, while Kyrgyz respondents expressed that religious obligation was less important. In general, Tajiks were very enthusiastic about the possibility of obtaining Islamic microfinance loans and asked for detail explanations.

The study of Sabi (2016) also indicated that many respondents from both countries- Kyrgyzstan and Tajikistan are unaware that interest is prohibited in Islam. However 57% of respondents from Kyrgyzstan and 44% from Tajiskistan preferred Islamic over traditional microfinance. Interestingly, when researcher asked them about more complicated product such as *Musharakah* and *Mudharabah*, the responses were much less in favor of Islamic Microfinance.

In order to promote the development of Islamic finance, extra efforts are needed from industry to promote great awareness and education the general public especially non-Muslims to understand and accept Islamic banking and services and also to train more local talent to acquire the necessary expertise in Islamic principles and to develop and innovate better products and services based on such principles to meet the growing demands of the consumers and their businesses (Abdul Hamid et al., 2011).

2.1. Conceptual framework

The literature review of previous studies revealed that there are many factors influencing awareness. Kouk Thoung et al. (2013) demonstrated that there are four factors influencing the awareness of microfinance, namely, promotion, social cultural, education and age. Mansor et al. (2012) on the other hand reported three factors that determine the awareness: promotion, technology and service quality.

This research adopts and modifies the two theoretical frameworks of the above studies which have been statistically tested. In order to answer the research questions of this study, the four variables used by Kouk

Thoung et al. (2013); promotion, social culture, education and age and one variable used by Mansor et al. (2012), that is, Service Quality were chosen for this study.

A diagram outlining the research conceptual framework of this study-is illustrated in Figure1.

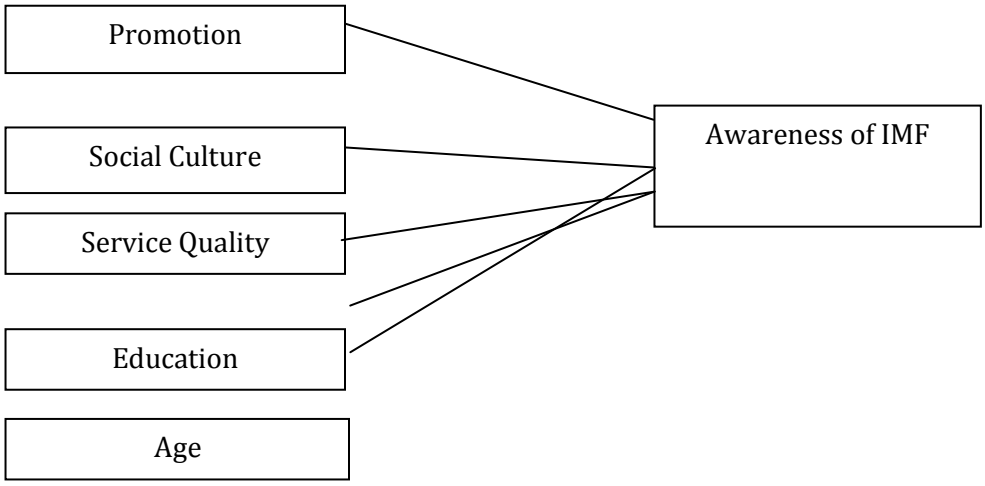


Figure 1. Conceptual Framework (Source: adapted from Kouk Thoung et al., 2013; Mansor et al., 2012)

Figure 1 shows that awareness is the dependent variable (DV) while promotion, social cultural, service quality and demographic profile of respondents (age and education) are independent variables (IV). These independent variables are the determinant factors to measure awareness of Islamic Microfinance among Cambodian Muslim in Phnom Penh.

2.1.1. Promotion

According to Bamako (2000), promotion is a marketing tool that can be used by MFIs to raise client awareness. However, there are several steps needed to be considered to strengthen the promotional strategy, for instance, identifying message to be transmitted, selecting the right promotional tools, and evaluating their effectiveness. A study by Mansor et al. (2012) on the determinants of awareness on e-banking among Malaysian SMEs showed that, among the three independent variables such as promotion, technology and service quality, it was found that promotion is the most influential factor towards awareness. The result of their study indicated that among all the independent variables, promotion showed the highest contribution towards dependent variable. The result of this study was supported by Kouk Thong et al. (2013), Nitin and Shui (2001) and Abdul Halim et al. (2013) who also found out that promotional activities are the only determinant of awareness.

2.1.2. Social culture

A study conducted by Kouk Thong et al. (2013) found out that social cultural is a significant determinant factor on the awareness of microfinance programs, but this is limited to Selangor State only. They also asserted that the result of their study is supported by previous research suggesting that people gather additional information and support through their involvement in social and cultural activities.

According to Kouk Thong et al. (2013), the fact that this factor emerged as significant in Selangor might be due to the large population of the state with over 5.1 million people, which makes it the most populous state in Malaysia. This large population probably encompasses a wider range of culture and complexity.

2.1.3. Service quality

Bashir (2013) conducted a study in Brunei Darussalam on customer satisfaction with the Islamic banking sector. The result of his study showed that the impact of service quality on awareness is positive and significant (p-value = 0.035 < 0.05). Thus, the regression model's results provide strong support for the hypothesis which states that service quality significantly affects awareness of Islamic banking.

Mansor et al. (2012) support the above study which indicated that the service quality has positive relationship with awareness. Through quota sampling approach and Pearson's correlation, they found out that among the three independent variables, promotion is the most influential factor towards awareness with r = 0.695 and followed by service quality and technology.

2.1.4. Age and education

A study of Khattak and Rehman (2010) in Pakistan showed that, awareness of Islamic banking products varied among different age group of people, such as in the current account system and letter of credit. Majority of the customers who are aware of the Islamic banking products are between the age of 21 to 40 years. These findings showed that age has relationship with awareness. However, the findings of research conducted by Khouk Thong et al. (2013) showed that age, and other demographic profiles such as gender and income level have no significant influence on awareness of microfinance programmes in the Central Region of Malaysia. This result contradicts with the earlier study of Khattak and Rehman (2009) and many earlier studies which concluded that age, gender and income level, have direct relationship with awareness levels.

As for education, the same study by Khattak and Rehman (2010) found that there is significant relationship between–academic qualification and the awareness of different products. Their study also showed that most of the customers of the Islamic banks have high educational level. This study is supported by Lee et al. (2012) and Kouk Thong et al. (2013).

Lee et al. (2012) discovered that educational level has significant relationship with awareness, understanding and perception at 1% significant level. Kouk Thong et al. (2013) also found that educational level was a significant determinant on the awareness of microfinance programs in the Central Region of Malaysia (in Wilayah Persekutuan and Negeri Sembilan). Interestingly, Haque, Osman and Ismail (2009) supported the above study and established that age has no significance relationship with awareness. Haque,

Osman and Ismail (2009) concluded with 95% confidence, that age does not have a significant relationship with overall perception towards Islamic bank.

3. Methodology and data

This research attempts to describe the level of awareness among Cambodian Muslims toward Islamic microfinance and to ~~e~~ examine factors determining awareness. Moreover, this research aims to explore to what extent the willingness of Cambodian Muslim to patronize Islamic microfinance. The target population of this study is the Cambodian Muslims who are living in Phnom Penh, the capital city of Cambodia. According to the report from Municipal Mufti office (2014), there are a total of 30,815 Muslim population~~s~~ living in Phnom Penh city. Based on Solvin's Formula, the sample size of this study shall be 394. However, due to the costs involved, as well as geographical constraints, a sample size of 250 was used in this research. The determination of this sample size falls within the Rule of Thumb developed by Sekaran (2000). A questionnaire was developed and translated into to Khmer language, a Cambodian official language, so that the respondents can easily understand and respond to the questions. In ensuring that the coefficients of the data generated in this study are accepted, reliability testing of all the variables was conducted. The result of the reliability test of this study was 0.69 which strongly suggest that the data is acceptable. This research has used several data analysis techniques for instance, descriptive analysis, correlation and multiple regression analysis.

4. Results

A survey was conducted by distributing questionnaires to 250 samples of population using non-random sampling technique. Out of the 250 questionnaires, only 200 were returned and used for analysis. The rate of response for this study was 80% which indicated that the respond rate was quite high. Among the 200 respondents, the opinions expressed in the survey were mainly from the young age i.e. respondents who aged between 18-30 years old. Moreover, the figure of male respondents in this study was slightly higher than female respondents due to the fact that most of the questionnaires were distributed at the Masjids and offices of respondents where majority of male were employed. In terms of respondent's education level, a vast majority of respondents, up to 59.5% hold a bachelor's degree and most of respondents, 35% were employees at various institutions. The findings also indicated that most of respondents (47.5%) earned less than USD 150 per month.

With regards to the level of knowledge of the existence, products' name and Arabic terms used by Islamic microfinance institution, the findings showed that majority of respondents (60%) were aware about the existence of Islamic Microfinance in Cambodia. However, their knowledge on products' name is limited. Less than 50% of the respondents knew about the terms *Riba, Murabaha, Musharaka, Mudaraba, Ijara* and *Qard Hasan,* respectively.

Table 1. Demographic Profile of Respondents

Variable (s)	Frequency	Percent
Age:		
18-25	81	40.5
26-30	47	23.5
31-35	25	12.5
36-40	12	6.0
41-45	19	9.5
Over 45	16	8.0
Gender :		
Male	105	52.5
Female	95	47.5
Level of Education:		
No education	20	10.0
Primary school	22	11.0
Secondary school	14	7.0
High school	16	8.0
Bachelor's degree	119	59.5
Master's degree	9	4.5
Marital Status		
Single	111	55.5
Married	82	41.0
Divorce	5	2.5
Widowed	2	1.0
Occupation:		
Employment	70	35.0
Businessman	34	17.0
Professional	2	1.0
Farmer	20	10.0
Student	59	29.5
Others	15	7.5
Number of Dependent (s)		
none	128	64.0
1-3	43	21.5
4-7	27	13.5
more than 7	2	1.0
Income:		
Under 150 USD	95	47.5
151-300	61	30.5
301- 450	22	11.0
451-600	15	7.5
601-750	5	2.5
Over 750	2	1.0

Table 2. Level of Knowledge

Knowledge	Yes		No	
	Freq.	%	Freq.	%
I know about the existence of Islamic microfinance in Cambodia	120	60.0	80	40.0
I know that return on Islamic microfinance is based on gift and profit sharing instead of Interest	106	53.0	94	47.0
I know about the term Riba	81	40.5	119	59.5
I know about Murabaha	78	39.0	122	61.0
I know about Musharaka	68	34.0	132	66.0
I know about Mudaraba	81	40.5	119	59.5
I know about Ijara	67	33.5	133	66.5
I know about Qard Hasan	70	35.0	130	65.0

The findings were consistent with those of many others previous studies such as Gerrard and Cunningham (1997) in Singapore, Okumus (2005) in Turkey, Lateh et al. (2009) in Thailand and Abduh and Omarov (2013) conducted in Kazakhstan. Those previous studies of their respective countries confirmed that most of the respondents were aware about the existence of Islamic banking but they are not aware of the products and services offered by Islamic banks. The limited knowledge among Cambodian Muslim on products' name and Arabic terms used may be due to inadequate efforts made by the Islamic microfinance institution in marketing and promoting their products and philosophy of Islamic microfinance.

For the level of awareness on Islamic microfinance, the findings of this study indicated that the level of awareness on Islamic microfinance among Cambodian Muslim was reasonable, as almost 70% of respondents agreed with the statement that: their overall awareness of Islamic microfinance was reasonable. In addition, among the nine items asked on awareness, more than 50% of respondents were aware that Islamic microfinance was free from *Riba* and was *Shariah* compliant, and the respondents were aware of the difference between Islamic and conventional microfinance, as well as aware that Islamic Microfinance was undertaken based on Islamic underlying contracts.

In addition to that, majority of respondents were aware about the services and nature of Islamic microfinance such as the financing in small amount, financing small businesses, saving facilities, insurance and fund transfer. This finding was in line with the study of Abbas et al. (2014) who have conducted a study on perception of Islamic and conventional microfinance among micro-entrepreneurs and petty traders in Pakistan. However, this research finding was not consistent with the findings of Sabi (2016) who studied on the awareness of Islamic microfinance among conventional microfinance clients in Kyrgyzstan and Tajikistan.

The findings of this study also found out that the need of Islamic microfinance among Cambodian Muslim was high. Almost 90% of respondents were willing to patronize Islamic microfinance, because of convenient location and religious issue. In addition, the respondents also believed that Islamic microfinance will provide

better services in the future. Furthermore, more than 90% of respondents support more Islamic microfinance institutions to be established in Cambodia because it could help the poor and micro-entrepreneurs.

Table 3. Level of Awareness

Variable	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	F	%	F	%	F	%	F	%	F	%
Islamic Microfinance is Shariah compliant and free from interest	85	42.5	87	43.5	18	9.0	9	4.5	1	.5
It is difference between Islamic Microfinance and conventional microfinance	36	18.0	127	63.5	28	14.0	8	4.0	1	.5
Islamic Microfinance undertakes Islamic underlying contract (QardHasan, Musharaka, Mudharaba) etc.	41	20.5	111	55.5	38	19.0	8	4.0	2	1.0
Islamic Microfinance is about financing in small Amount	25	12.5	92	46.0	37	18.5	44	22.0	2	1.0
Islamic Microfinance is about financing micro business.	25	12.5	114	57.0	29	14.5	29	14.5	3	1.5
Islamic Microfinance Finance is about Savings	34	17.0	112	56.0	33	16.5	20	10.0	1	.5
Islamic Microfinance is about providing Insurance	24	12.0	73	36.5	51	25.5	47	23.5	5	2.5
Islamic Microfinance is about fund transfer.	23	11.5	88	44.0	44	22.0	40	20.0	5	2.5
Overall awareness of Islamic Microfinance is reasonable.	13	6.5	124	62.0	29	14.5	28	14.0	6	3.0

The results of multiple regression are shown in Table 4. The findings showed that promotion and service quality have statistically significance relationship with awareness at 5 percent significance levels. However, social culture, age and level of education are not significantly related to awareness. This result also indicated that service quality is the most influential factor towards awareness because it has showed the highest contribution towards dependent variable while promotion becomes an important factor in creating

awareness of Islamic microfinance. This finding supported the previous studies such as Bashir (2013), and Mansor et al. (2012), Kouk Thoung et al. (2012), Nitin and Shui (2001) and Abdul Halim et al. (2013).

Social culture has no significant relation with awareness in this study, perhaps due to the small ratio of existing beneficiaries of Islamic microfinance and total Muslim population in the country. Furthermore, age and education level in this study do not significantly influence awareness. This finding supported the study of Haque, Osman, and Ismail (2009) and Kouk Thong et al. (2012).

Table 4. Result of Regression

Coefficients					
Model (Adjusted R^2=0.164)	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	12.642	1.977		6.393	.000
Promotion (MKT)	.282	.118	.194	2.382	.018
Social Culture (SC)	.055	.118	.037	.467	.641
Service Quality (SQ)	.274	.068	.279	4.005	.000
Age	.128	.225	.049	.568	.571
Level of Education	-.150	.246	-.052	-.610	.543
Note: The dependent variable is awareness where adjusted R^2 = 0.164, F = 8.701, sig = 0.000; represents significant at 5 percent significance level)					

5. Conclusion and recommendation

The findings of this study indicated that promotion and service quality are the determinants of awareness on Islamic microfinance among Cambodian Muslims. Social culture, age and education do not significantly influence the awareness of the Cambodian Muslims on Islamic microfinance. Most of the Cambodian Muslims are aware of the existence of Islamic microfinance in Cambodia even though the Islamic microfinance program of Muslim Aid Cambodia is small. However, their knowledge on Islamic products especially the Arabic terms is very limited. Furthermore, as a result of this study, a vast majority of Cambodian Muslim are aware of the interest free principle and services offered by Islamic Microfinance institution. In addition, most of Cambodian Muslims support more Islamic microfinance institutions to be established and they are highly committed to support Islamic microfinance not only due to religious issue but because of the expectation of better services and the potential in helping the poor and Muslim micro-entrepreneurs. This reflects the high growth potential of Islamic microfinance in Cambodia in the future.

In order to increase the level of awareness on Islamic microfinance among Cambodian Muslims, there is an urgent need for microfinance institutions particularly Muslim Aid Cambodia field office to make more efforts in promoting and advertising Islamic microfinance products and services. The most effective ways in doing that are through radios, TVs and Internet. Due to its efficiency and effectiveness, Internet has been an effective method to deliver messages easily to the public. It is recommended that Islamic microfinance institutions advertise this scheme in the websites and social networks such as Facebook and Twitter so that it can easily reach the public. In addition, frequent workshops and seminars explaining the philosophy and functions of Islamic financial products and services should be conducted in order to increase customers' awareness. Increasing awareness will allow people to change their attitude and behavior and end up patronizing Islamic microfinance institutions (IMFIs) which would result in the IMFIs expanding their market share.

In light of the findings of this study, Islamic microfinance institutions should enhance its service quality and extend the services to more beneficiaries. In addition, more branches of Islamic microfinance institutions need to be established to respond to the need of the poor Muslims and micro-entrepreneurs who refrains from participating in interest-based conventional microfinance.

6. Limitation of the study and future research

There are two limitations in carrying out this research. The first limitation of this study is the time factor. As the researchers were pressured against time to conduct and complete the research, this research was only carried out in Phnom Penh City only. The longer time horizon will enable researchers to collect more data and make generalization on the awareness study. The second limitation is financial constraint. The cost factor had prevented the researchers to travel to many places to collect data and purchase some of materials needed for the research.

The scope of this study is limited to the awareness and factors determining the awareness. To the best of researchers' knowledge, this is the first study done on awareness among Cambodian Muslims in Phnom Penh toward Islamic Microfinance in Cambodia. Therefore, further research should be conducted on a wider sample size in order to generalize the conclusions. In addition, more advance and rigorous data analysis techniques should be employed. Finally, further research should touch on customers' satisfaction and measuring the performance of Islamic microfinance and its conventional counterpart as this knowledge would be vital in order to enhance patronage of Islamic Microfinance.

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