

AR-RAHNU: A REVIEW OF LITERATURE AND FUTURE RESEARCH

Nor Aishah Mohd Ali*, Yang Chik Johari, Muhammad Mukhlis Abdul Fatah
Faculty of Accountancy, Universiti Teknologi Mara Melaka

ABSTRACT

Academicians, practitioners, and other faith-based stakeholders have recognised Ar-Rahnu or Islamic pawn broking as one of micro financing tool to the Muslims. The increasing need for Ar-Rahnu services is influenced by the awareness of the Muslims on the availability of such service and the benefit of using it. In line with this development is academicians is growing interest in Ar-Rahnu research, thus create opportunities for interested scholars to assess the development of research in this discipline. This paper purported to review published studies in this discipline since the inception of Ar-Rahnu concept to the current year to identify key trends or issues in Ar-Rahnu research and propose future research agenda. This review, which is the first of its kind, is hoped to be valuable to the present and future Ar-Rahnu scholars interested in the evolution of literature and identifying opportunities for future research.

Keywords: Ar-Rahnu, Islamic Pawn Broking, Shariah, Micro Financing Tool

INTRODUCTION

The academicians, practitioners, and concerned stakeholders have acknowledged Ar-Rahnu as an important component of Islamic micro-financing tool. Ar-Rahnu or better known as Islamic pawn broking can be defined as a method of providing short-term financing to a person by pawning his or her gold to the banks or any Islamic pawnshop as a security. It is one of the micro financing facilities that is available for medium and lower income group who are seeking financial assistance to meet two purposes; firstly, for precautionary purposes and secondly, to meet the individual or family's needs. The example of precautionary purpose is whenever a person encounters unexpected situation such as accident and death, which requires them to have cash (Amin and Chong 2011) whilst the needy are those under the lower income group or small businesses with limited capital or excluded from the mainstream financial system (Hisham et al. 2013).

Muslim users consider Ar-Rahnu as an alternative to conventional pawn-broking services, which offer lending money, or instant cash to the needy. Though Ar-Rahnu has existed since 1992 in Malaysia with the establishment of Muassasah Gadaian Islam Terengganu (MGIT) and there is substantial research on Islamic financing product, less attention has been paid to Ar-Rahnu study. The extremely few studies on Ar-Rahnu remain disintegrated, and there is limited of published empirical research on trend or development in Ar-Rahnu research (ARR). The lack of

* Corresponding author's email: aishah72@melaka.uitm.edu.my

such study limits our understanding of the current state, issues, and future direction of ARR. Hence, the main aim of this paper is to review development in ARR. To scrutinize this development, a review of research on Ar-Rahnu was performed. The paper uses a chronological review of the literature (Neely 2016; Taticchi et al. 2010) in the field of Ar-Rahnu and its related areas, as presented in the previous section. The review is drawn from an extensive examination of the breadth of Ar-Rahnu related literature without constraints as to a narrow time frame or limited journal list, although special attention was directed to leading journals in the publication of Islamic accounting, shariah, banking, economics, and finance related study.

METHODOLOGY

As the main objective of this paper is to review development in ARR, the following steps were followed. The first step was to choose a group of relevant journals likely to include a study in Ar-Rahnu and Islamic pawn-broking. Due to the scarcity of published journal articles, the search also included seminar and conference proceedings as well as masters and doctoral dissertations. This study primarily used the library and other academic archives. The second step was to identify the articles with main topics related to Ar-Rahnu. At this point, the paper focuses on articles discussion Ar-Rahnu from theoretical or practical perspectives written in two languages which are English and Malay languages. To perform out this identification, a bibliographic search was conducted using the following keywords: Ar-Rahnu, Islamic pawn broking.

Later, the paper extended the procedure in two ways. First, the study included in the search 'Ar-Rahnu and Islamic microfinance', since it was realised that there are articles looking at both Ar-Rahnu and the microfinance services. Second, the paper examined the bibliography of each of the articles identified by the initial search, to ensure that the possibility of overlooking a significant number of articles in the subject matter is minimised. Then, each article gathered was read and carefully analysed to ensure that it is indeed wholly or partly discussion on Ar-Rahnu. Hence, even though the title, keywords or abstract did not mention Ar-Rahnu specifically, the authors were able to identify the articles related to Ar-Rahnu as exhibited in Appendix 1. The analysis of the development on Ar-Rahnu is mainly looking at the number of articles, research themes, research methods (primarily their data collection methods and research instruments) and research context.

RESULTS AND DISCUSSION

Number of articles

A total of 50 papers were identified consisting of 20 published articles from 16 different journals, 18 international conference papers, five (5) dissertation and seven (7) working papers. The earliest paper included in the dataset was published in 1986 and the most recent in 2016. To maintain the quality of the study, articles published in the predatory journals and articles of information in nature presented in the Ar-Rahnu Regional Secretariat hosted by the Yayasan Pembangunan Ekonomi Islam Malaysia (YAPEIM) in 2002, 2004, 2007 and 2011 are not included in the study. Out of these 50 articles, 16 articles are conceptual in nature where

researchers performed library archive. The rest of the article (34) consist of 23 quantitative and 11 qualitative empirical studies respectively. The graphical distribution of the number and types of articles are depicted in the below pie chart.

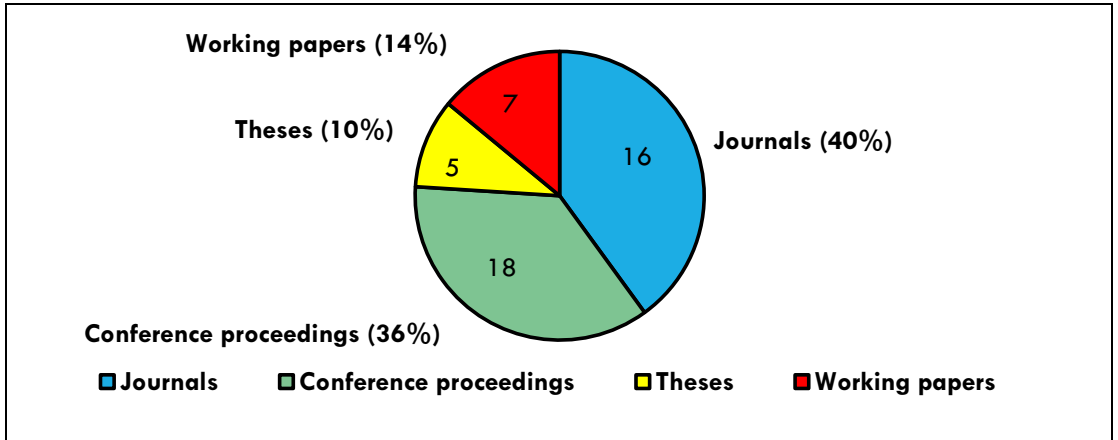


Figure 1: Distribution of articles

It is also evident from Appendix 1 that a few of the studies conducted are dominated by a limited number of researchers i.e. from Southeast Asia particularly Malaysia. Only one (1) study was performed outside the Southeast Asia, which is in India. The questions are why is that so? Why are there only a few contributors to this area? A possible answer is that, as alluded to earlier, many researchers focus on other Islamic financing study and ignore the significance of Ar-Rahnu as a new area to be explored. At that time, too, Ar-Rahnu was almost non-existent or not mandatory in many Muslim countries' jurisdiction.

Perhaps the surge in interest in Ar-Rahnu in the recent decade could be credited to the rise among the Muslim users of Ar-Rahnu services driven by better understanding of Ar-Rahnu concept by the Muslim consumers as well the increase in Ar-Rahnu providers, especially in Malaysia. Hence, it is not surprising that the dominant country context of most studies in Ar-Rahnu is Malaysia. This can be observed in the ensuing presentation of the findings by themes, methodology, and context. In terms of the number of articles published per year, the range was from three (3) to the year 1986 to 2000 to a maximum of 30 articles in the year 2011 and above, giving an average of 1.7 article per year. As presented in Table 1, overall there was an increase in the number of articles during the period examined, with an average of 0.2 articles per year in the period 1986-2000, 1.7 articles per year in the period 2001-2010 and 5 articles per year in the period 2011 - 2016.

Table 1: Number of Ar-Rahnu articles in the period 1991-2016

Period	Number of articles	Average number of articles per year
1986 - 2000	3	0.2
2001 - 2010	17	1.7
2011 - 2016	30	5
Total	50	1.7

Results by themes

To review the trends in Ar-Rahnu since the inception of Ar-Rahnu scheme in the IFI in 1993, this paper divides the period into three: 1986-2000, 2001-2010 and 2011-2016. From the 50 articles, 16 articles are related to customer's related matters while other themes are micro finance and Ar-Rahnu, Ar-Rahnu efficiency, opportunities and challenges and general studies on Ar-Rahnu. Country cases account for most articles as depicted in Table 2. Figure 2, on the other hand, shows the concentration of the research theme graphically. It seems that customer related issue has become the favourite issue to be studied by most researchers.

Though the conventional pawn broking has been in existence for decades with act governing their operation, such as Pawn Broking Act 1972 (revised in 2004), Islamic pawn broking has only became widely used in the year 1990 onwards. In Malaysia, the Central Bank of Malaysia (CBM) have collaborated with YAPEIM and Bank Kerjasama Rakyat (Bank Rakyat) to offer Islamic pawn broking service in 1993 with its operation in six (6) branches. As for research on Ar-Rahnu, only in 1997, the first conceptual paper specifically on Ar-Rahnu was published in an international journal discussing the role of Ar-Rahnu as an instrument to micro enterprise credit (Ismail and Ahmad, 1997).

As shown in Table 2, the second period (2001-2010) extended the themes with more researchers exploring issues and challenges in providing Ar-Rahnu, efficiency, acceptance, and satisfaction of the Ar-Rahnu services among customers, comparative study between conventional pawn broking and Ar-Rahnu as well as other issues such as Ar-Rahnu model/framework and Ar-Rahnu keeping fee. This period also sees increases in the Ar-Rahnu providers in Malaysia. According to Abdul Razak (2008), Bank Rakyat, which officially started their operation in Ar-Rahnu back in 1993 with only six (six) branches, has expanded to 112 branches nationwide in 2007. This situation shows that the Malaysians acceptance towards Al-Rahnu has increased tremendously and more Malaysians started to choose Al-Rahnu as an alternative to conventional pawnshop. Furthermore, Muassasah Gadaian Terengganu (MGIT), the pioneer to Ar-Rahnu operation in 1992 has also experienced increase in customers, that is, from 12,732 customers in 1992 to 26,632 customers in 2005. Due to the increased number of customers, it is said that the value of pawned items has increased from RM9.85 million in 1992 to RM 28.9 million in the year 2005 (Abdul Razak, 2008). MGIT has also offered the best services to the Ar-Rahnu customers by charging 0% safekeeping fees, which is also in accordance with *Qardh Al-Hasan* model of financing. At the same period, Permodalan Kelantan Berhad also has been set up under Kelantan State Economic Development Corporation in March 1992 to help the needy people and only charged the minimal safekeeping fees to the customers (Abdul Razak, 2008). The findings by Abdul Razak (2008) is also supporting another acceptance study by Taher and Shafiai (2008) who remarked that the acceptance of the consumers in Malaysia keep increasing every year.

Table 2: Summary of previous studies by year and themes on Ar-Rahnu

Themes	Years	
	1991 - 2000	2001 - 2010
General issues	Wan Abdullah (1999)	Yaacob (2002); Ismail (2004); Abdul Razak (2008)
Efficiency of Ar-Rahnu services		Maamor and Ismail (2010)
Microfinance and Ar-Rahnu	Mohamed (1986); Ismail and Ahmad (1997)	(Samsudin 2002)
Opportunities and Challenges of Ar-Rahnu operation		Bhatt and Sinnakkannu (2008)
Customer related matters		Mohd. Taher and Shafiai (2008)
		Amin (2011); Koe and Abdul Rahman (2012); Mat Noor et al. (2012); Mansor et al. (2014); Abdul Hamid, Abdul Rahman, and Abdul Halim (2014); Abdi (2015); Baharum, Maamor, and Othman (2015); Abdul Hamid et al. (2016)
Profile of customers		Abdul Hamid and Aziz (2003)
Customer satisfaction		Sanusi and Johari (2008)
Customer benefits		Mohd Azli, Palil, and Noor (2016)
Jurisdiction and Shari'ah governance of Ar-Rahnu		Mulazid (2012); Rasmin and Markom (2014); Shah and Yaacob (2016)
Study on difference between conventional and Islamic pawn broking		Abdul Razak (2011); Yaacob (2014)
Other matters - Ar-Rahnu framework - Ar-Rahnu model		Khan and Nisar (2004); Ismail and Sanusi (2005); Ibrahim and Salleh (2006); Amin et al. (2007); Mohamed, Ismail, and Maamor (2007); Mohamad and Salleh (2008); Mohd. Taher et al. (2010)
		Yaacob, Ahmad, and Ibrahim (2012); Othman, Hashim, and Abdullah (2013); Sharif et al. (2013); Ezahar (2014); Razak and Muhammad (2014); Abdul Razak et al. (2014)

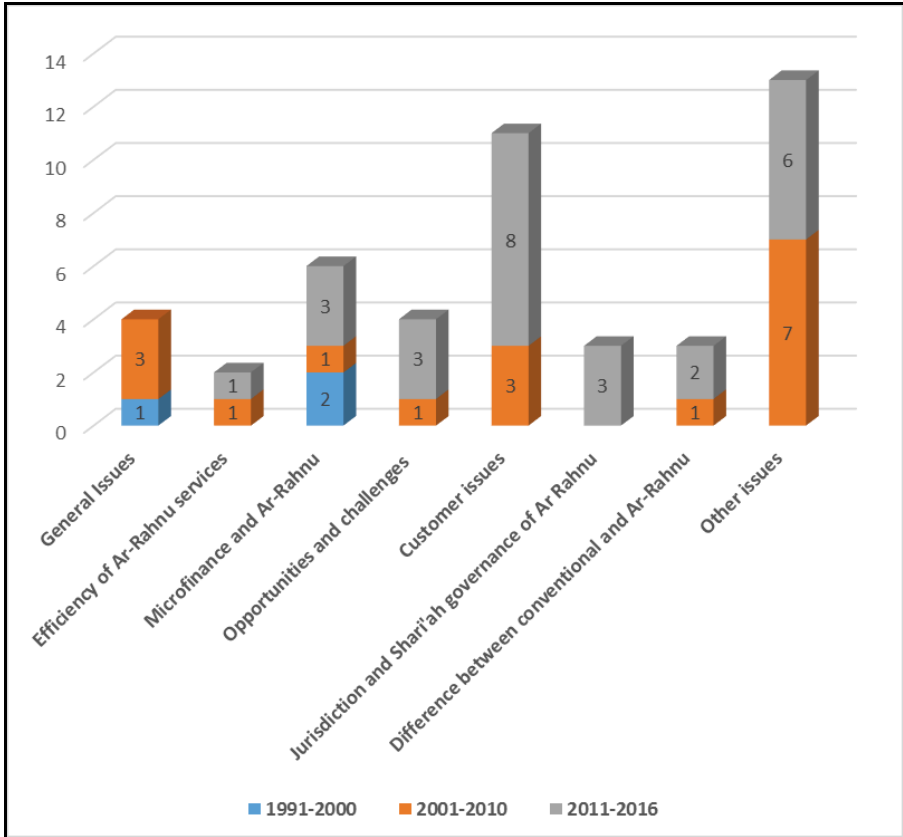


Figure 2: Distribution of articles by year and themes

On a different theme, some researchers of Ar-Rahnu have commented on the Ar-Rahnu model practised in Malaysia. Bhatt (2008) elaborated the four (4) concepts within the Ar-Rahnu operation, which are *Qaardhul Hasan* (benevolent loan), *Wadiyah Yad Amanah* (trustworthiness), *Al-Ujrah* (safekeeping) and *Wadiyah Yad Dhamanah* (guaranteed safekeeping). *Qardh Al-Hasan* is an interest free loan, which is granted to the applicant who wishes to pawn his valuable items such as gold. Under this concept, the borrower is required to pay the same amount that he has borrowed to redeem the valuable items at the maturity date of the agreed period. *Wadiyah Yad Amanah*, on the other hand, requires the borrower to produce returnable collateral to ensure the repayment of the loan. If something happens to the collateral items, the lender has no responsibility to replace the missing valuable items. *Al-Ujrah*, on the other hand, is a concept where lenders can charge the safekeeping fees to the borrower to ensure the collateral items will be in good condition. The lending institutions take precautionary measure by providing security and insurance to ensure the collateral items will be returned back to the borrower safely after the borrower has settled his debt. These safekeeping fees are called as *Al-Ujrah*. Lastly, the *Wadiyah Yad Dhomanah* refers to the safekeeping with a guarantee. In this situation, the lender will be

responsible for replacing the collateral items if the items are missing or being stolen by somebody.

The differences between conventional and Islamic pawn shop also been highlighted by Mohamed Naim (2004) and Bhatt (2008). The customers who chose Ar-Rahnu to conventional pawnshop due to few reasons. Ar-Rahnu is argued to be based on shariah principles, which avoid any interest-based transaction. Besides, it is easier to apply with fast approval, and the cost is considered cheaper than conventional pawn broking. In addition, the storage fees are fixed, and the customers can enjoy longer financing terms with no penalties imposed on them. Finally, if the collateral items that failed to be redeemed will be sold to the third parties and the surplus of the sales will be returned to the borrower (Bhatt, 2008; Mohamed Naim, 2004).

The first study on Ar-Rahnu efficiency was conducted by Maamor & Ismail (2010) and expanded by Samsudin (2012). The study by Maamor & Ismail (2010) across several Ar-Rahnu operators, highlighted that Ar-Rahnu could be a medium for providing funds for the micro and small enterprise. In this case, the efficiency of Ar-Rahnu is being studied and the factor that effects the efficiency Ar-Rahnu also being monitored. Efficiency, to these researchers, was found to be affected by variables such as the firm size, financial self- sufficiency, subsidy, and a group of business. Samsudin (2012), on the other hand, studied the efficiency of Ar-Rahnu scheme to assist the small enterprise in four South-eastern countries which are Malaysia, Brunei, Thailand, and Indonesia revealed that Ar-Rahnu is a medium used by lower income groups as a micro financing tools to earn cash due to the financing limitation imposed by the financial institution. Normally, people tends to use Ar-Rahnu as a micro financing tools due to the reason that financial institution imposed strict regulations to the public who needs the bank's financing.

In the final period (2011 to 2016), recurring themes includes microfinance and Ar-Rahnu, opportunities and challenges, acceptance of Ar-Rahnu, customers' satisfaction, difference between conventional and Ar-Rahnu and customers' acceptance on Ar-Rahnu. These themes are complemented by a new theme area of study related to ARR, which is the jurisdiction, and shari'ah matters related to Ar-Rahnu. Based on the review, most of the researchers focused on the acceptance of Ar-Rahnu among the consumers as their research theme. This studies were undertaken by Amin (2011); Koe, Zalindah, and Rahman (2012); Noor et al. (2012); Mansor et al. (2014); Rasmin and Markom (2014); Abdul Hamid, Abdul Rahman, and Abdul Halim (2014); Abdi (2015); Baharum, Maamor, and Othman (2015) and Hamid et al. (2016) respectively.

The research performed by Amin (2011) focus on an empirical study on the perspective of Muslimah in using Ar-Rahnu in eastern Malaysia particularly in Labuan and Kota Kinabalu. The study found out that religious obligation, transaction cost, and information of Ar-Rahnu were instrumental in determining the use of Ar-Rahnu in Eastern Malaysia. Subsequently, Koe and Abdul Rahman (2012) emphasized on five factors that influence the customers' acceptance and intention to use Ar-Rahnu that is attitude, social influence, religious obligation, and attractive price. Mansor et al. (2014) have conducted the research specifically the demographic elements in capturing the customers' acceptance towards Ar-Rahnu offered by MAIDAM in Dungun, Terengganu. The most recent study on customer by Mohd Azli et al. (2016) discussed how the Ar-Rahnu services benefitted the customers. The empirical study which propose a relationship value model of Ar-Rahnu transaction found that the dimension of benefits in Ar-Rahnu in the form of quality service, gold investment, business capital, transparent, staff competency, and

product feature have a positive and significant effect on long-term relationship between Ar-Rahnu customer and institutions.

On the other hand, some researchers focused on microfinance theme and Ar-Rahnu such as Abdul Khir et al. (2012); Abdullah (2012); Mokhtar and Zambahari (2013). According to Abdul Khir et al. (2012), Ar-Rahnu is essential in micro credit facility in competing for the conventional pawnshop but at the same time, the shariah issues should not be compromised. Mokhtar and Zambahari (2013), however, suggested that Ar-Rahnu could be the most suitable form of micro financing to cater the needs of individuals and small businesses, which has difficulties in obtaining the funding from financial institutions due to the restriction imposed.

Furthermore, Cheong and Sinnakkannu (2012); Hisham et al. (2013); Bahari et al. (2015) focused on opportunities and challenges faced by Ar-Rahnu operators in Malaysia. Ar-Rahnu definitely has opportunities in Malaysia due to cost efficiency and religion, but there are many challenges need to overcome before it can be one of the best medium to improve the quality of life. Mulazid (2012); Nur Hayati Rasmin and Markom (2014); Shah and Yaacob (2016) highlighted on jurisdiction and shariah related matters in Ar-Rahnu. In this situation, the researchers conduct the study to determine the sufficiency of the regulation made by the internal parties to protect both parties in case of dispute or the need for specific laws to govern this Ar-Rahnu practice in Malaysia.

In summary, Ar-Rahnu research began with general issues and Ar-Rahnu operation within the Islamic micro-financing tool and then focus on efficiency, opportunities, and challenges of conducting Ar-Rahnu as well as customer's related matters. In 2010 onwards, the dominant theme was the acceptance of Ar-Rahnu among the consumers. Throughout, researchers in the first and second phase have been discussing on various issues related to AR operation. However, learning from issues and challenges, more studies are needed exploring new themes to tackle issues pertaining to standardized regulation for Ar-Rahnu and shari'ah-compliant Ar-Rahnu towards achieving Maqasid As-shari'ah.

RESULTS BY METHODOLOGY AND CONTEXT

Early studies were merely discussion on the history of Ar-Rahnu services, and how it is being operated in Malaysia (as Malaysian scholars are dominating the articles published), in addition to the literature review discussion on the specific areas discussed. The first empirical study was only noted the second period specifically in 2003 by Abdul Hamid and Abdul Aziz, using a questionnaire to determine the profile of the pawn broking providers. This is followed by another study by Mohamed Naim (2004), who performed a qualitative study by way of content analysis, on the issue of the difference between the conventional pawn broking and Islamic pawn broking (IPB) or Ar-Rahnu. Then, most of the studies were conceptual using the same method of content analysis (Ismail & Sanusi, 2005; Ibrahim & Salleh, 2006; Bhatt & Sinnaknu, 2008 and Mohd Taher et al., 2010). Few other studies that used quantitative method i.e. questionnaires distribution was performed by Amin et al. (2007) and Maamor & Ismail (2010). In the third period (2011 to 2016), studies that are more empirical have been performed with a concentration on the topic of AR related to the customers. The studies were mostly using quantitative method

through questionnaires survey (Abd Razak et al., 2013; Abd Hamid et al., 2014; Baharum et al., 2015, and Abd Hamid et al., 2016).

16 out of 27 qualitative studies performed are using content analysis where researchers wrote conceptual paper based on their library research on the verses from Al-Quran, hadith, the relevant acts, and prior literature (Ismail, 1997; Ismail and Sanusi, 2005); Ismail, 1997 and Hisham et al., 2013). Other non-content analysis qualitative studies used the interview as the medium for data gathering whilst all quantitative studies (22) were performed using questionnaires that were distributed to the users of Ar-Rahnu services.

CONCLUSION, FUTURE RESEARCH, AND LIMITATIONS

In conclusion, prior studies tend to focus on the same issues of customers' acceptance and satisfaction as well as Ar-Rahnu and microfinance issue. Throughout the review, some theories and models that have been used by the researchers to support the study were service quality model by Wan Daud (2011), hierarchy of effect model (Yaacob, 2014) and theory of reasoned action (Abdi, 2015) which are all Master theses. Future studies may venture into comparative analysis between Ar-Rahnu and other informal finance as a micro-finance provider to the medium and lower income groups. Furthermore, comparative analysis between lending from Ar-Rahnu and the personal loans offered by banks can also be focused besides comparative study on the operation and performance of Ar-Rahnu among the Muslim countries as well as extending the previous studies on standardising the legislation between the Islamic pawn-broking service providers.

The review of studies presented here are not exhaustive but merely a preliminary attempt to initiate further research in the area so that Ar-Rahnu will not be part of forgotten market. The limitation of the study is that it utilised limited empirical studies. The substantial material may be available in Arabic or other languages which if analysed could have yielded further insight into the development of Ar-Rahnu. Notwithstanding this limitation, this study offers insight and practical help to scholars in the field and novice researcher on this topic by formulating a research agenda for subsequent study. Finally, this paper is invaluable to those Ar-Rahnu professionals who wish to gain a better understanding of the current situation.

REFERENCES

- Abdi, Mohamed Farah. 2015. "Determinants of Customer's Intention to Use Islamic Pawn Broking (Ar-Rahnu) Scheme: A Case Study of (UPSB) Staffs in University Utara Malaysia." Master thesis, Universiti Utara Malaysia.
- Abdullah, Rose. 2012. "The Roles of Micofinance in Brunei Darul Salam." In *Proceeding Konvensyen Ar-Rahnu Serantau 2012*, , 273–96.
- Abdullah, Wan Abd Rahman Khudzri Wan. 1999. "Historical Development of Pawning Practice in Malaysia." *Jurnal Pembangunan Sosial* 1: 66–80.

- Amin, Hanudin. 2011. "Modelling Ar-Rahnu Use in Eastern Malaysia: Perspectives of Muslimah." *Journal of Islamic Banking and Finance* 7(3): 63–76.
- Azli, Rafidah Mohd, Mohd Rizal Palil, and Shifa Mohd Noor. 2016. "Effect of Ar-Rahnu Benefits on Long-Term Relationship Between Customer and Institutions." In *2nd International Conference on Islamic Perspective of Accounting, Finance, Economics and Management*, Yogyakarta.
- Bahari, Nor Fadilah, Shafina Faisal, Wan Shadila Shahar, and Tajul Azli Shahadan. 2015. "The Development Of Islamic Pawnbroking In Malaysia , Application And Its Challenges." In *First International Conference on Economics and Banking (ICEB-15)*, , 230–38.
- Baharum, Nadiyah Nabilah, Selamah Maamor, and Azizah Othman. 2015. "Examining The Factors That Influence Customer ' S Intention To Use Ar-Rahnu At Post Office : A Case Study In Kedah." *Journal of Islamic Economics, Banking and Finance* 11(4): 86–99.
- Bhatt, Payal, and Jothee Sinnakkannu. 2008. "International Islamic Finance Conference 2008 Peer Reviewed Paper Ar-Rahnu." In *6th International Islamic Finance Conference 2008*,.
- Cheong, Calvin W. H., and Jothee Sinnakkannu. 2012. "Ar-Rahnu: Opportunities and Challenges in Malaysia." *SSRN* 2112809: 1–11.
- Daud, Wan Noraini Wan. 2011. "Kepuasan Pelanggan Dan Kualiti Perkhidmatan Skim Ar-Rahnu." UUM.
- Ezahar, Raudzatul Jannah. 2014. "A Study of Islamic Practice at Financial Institutions." UUM.
- Fairooz, Mohamed, and Abdul Khir. 2012. *Critical Appraisal of the Rahn-Based Islamic Microcredit Facility*.
- Hamid, Mohamad Abd, Ishak Abd Rahman, Ahmad Nafis, and Abd Halim. 2016. "Key Factors Influencing Customers to Use Ar-Rahnu (Islamic Pawn Shop) in Malaysia: Evidence from Bank Rakyat." *The Macrotheme Review* 5(1): 108–18.
- Hamid, Mohamad Abdul, Ishak Abdul Rahman, and Ahmad Nafis Abdul Halim. 2014. "Factors Affecting the Acceptance on Ar-Rahnu (Islamic Based Pawn Broking): A Case Study of Islamic Banking in Malaysia." *The Macrotheme Review* 3(4): 22–35.
- Hamid, Shaari Abd, and Azlina Abdul Aziz. 2003. "Development of Islamic Pawn-Broking Services: Differentiating Profiles of Their Respective Patrons." In *International Islamic Banking Conference 2003*, , 1–12.
- Hisham, S, S Abdul Shukor, A B Umami Salwa, and Kamaruzaman Jusoff. 2013. "The Concept and Challenges of Islamic Pawn Broking (Ar-Rahnu)." *Middle-East Journal of Scientific Research* 13 13: 98–102.
- Ibrahim, Uzaimah, and Safinar Salleh. 2006. "The Objective of Al-Rahn and Their Achievement

in Charge/Mortgage in Islamic Home Financing: An Analysis.” In , 8–10.

- Ismail, Abdul Ghafar. 2004. “Skim Ar-Rahnu: Ke Arah Pengukuhan Kerjasama Serantau Pengalaman Malaysia.” In *Proceeding Konvensyen Ar-Rahnu Serantau 2004*, 69–86.
- Ismail, Abdul Ghafar, and Nor Zakiah Ahmad. 1997. “Pawnshop as an Instrument of Microenterprise Credit in Malaysia.” *International Journal of Social Economics* 24(11): 1343–52.
- Ismail, Abdul Ghafar, and Nur Azura Sanusi. 2005. “A Framework for Regulating Pawnshops Why Do, What Areas and Syariah View.” In *Malaysian Finance Association (MFA)’s 7th Annual Conference*, , 1–10.
- Khan, Javed Ahmed, and Shariq Nisar. 2004. “Collateral (Al-Rahn) as Practiced by Muslim Funds of North India.” *Journal of King Abdul Aziz University : Islamic Economics* 17(1): 17–34.
- Koe, Wei-loon, Nor Zalindah, and Abdul Rahman. 2012. “The Use of Ar-Rahnu by Islamic Bank Customers in Malaysia.” In *International Conference on Science, Technology and Social Science (ICTSS) 2012*,11–18.
- Maamor, Selamah, and Abdul Ghafar Ismail. 2010. “The Ar-Rahnu Efficiency and Its Determinants.” *Journal of Islamic Economics, Banking and Finance* 6(1): 105–26.
- Mansor, Norudin, S A Bashir Ahmad, Semanat Abu Bakar, and Irwan Ismail. 2014. “A Demographic Analysis on Customer Acceptance towards Islamic Pawn Broking in Malaysia.” *Asian Social Science* 10(2): 27–36.
- Mohamad, Shamsiah, and Safinar Salleh. 2008. “Upah Simpan Barang Dalam Skim Ar-Rahnu : Satu Penilaian Semula.” *Jurnal Fiqh* 5: 47–65.
- Mohamed, Nafisah, Abdul Ghafar Ismail, and Selamah Maamor. 2007. *Competition and Outreach in Ar-Rahn Industry*.
- Mohamed, Rugayah. 1986. “The Role of Pawnbrokers as Non-Institutional Creditors in Malaysia.” *Kajian Ekonomi Malaysia* 22(2): 30–39.
- Mokhtar, Imani, and Shah Rizal Zambahari. 2013. “Ar-Rahnu: A Short Term Financing Alternative.” In *5th Islamic Economics System Conference (iECONS 2013)*, , 4–5.
- Mulazid, Ade Sofyan. 2012. “Kedudukan Sistem Pegadaian Syariah Dalam Sistem Hukum Nasional Di Indonesia.” *Innovatio* XI(2): 293–322.
- Naim, Asmadi Mohamed. 2004. “Sistem Gadaian Islam.” *Islamiyyat* 26(2): 39–57.
- Neely, Andy. 2016. “The Evolution of Performance Measurement Research – Developments in

the Last Decade and a Research Agenda for the Next.” (June).

- Noor, Norfaizah Mat, Maimum Abdullah, Noraina Ismail, Rositah Bakar, and Siti Sarah Mohd Yusni. 2012. “A Study of Customer Awareness toward Ar-Rahnu Scheme at Sg Buloh.” In *AFBE 2012 Conference Paper (UNITEN)*, , 268–79.
- Othman, Azizah, Norashidah Hashim, and Syahrina Abdullah. 2012. “Customer Satisfaction Levels of Service Quality at Ar-Rahnu, Kelantan.” In *3rd International Conference on Business and Economic Research (3rd ICBER 2012) Proceeding*,.
- . 2013. “Perkembangan Ar-Rahnu Di Terengganu : Kajian Kes Terhadap Ar- Rahnu Majlis Agama Islam Dan Adat Melayu Terengganu (MAIDAM).” In *Prosiding PERKEM VIII*, , 951–59.
- Rasmin, Nur Hayati, and Ruzian Markom. 2014. “An Overview on Implementation of Ar-Rahnu in Malaysia.” In *Prosiding PERKEM IX*, , 561–70.
- Rasmin, Nut Hayati, and Ruzian Markom. 2014. “Ar-Rahnu Governance Laws in Malaysia: An Analysis in Banks and Non-Banks Financial Institutions.” In *International Conference of Global Islamic Studies 2014*, , 116–27.
- Razak, Azila Abdul. 2008. “Malaysian Practice of Ar-Rahnu Scheme: Trends and Development.” In *Malaysian Study of Islam*,.
- . 2011. “Economic and Religious Significance of the Islamic and Conventional Pawnbroking in Malaysia : Behavioural and Perception Analysis.”
- Razak, Azila Abdul, and Fidlizan Muhammad. 2014. “Kemampuan Dan Daya Saing Pajak Gadai Islam Di Malaysia.” In *Prosiding PERKEM IX*, , 551–60.
- Razak, Azila Abdul, Fidlizan Muhammad, Mohd yahya Mohd Hussin, Suraini mohd Rhouse, and Emilda Hashim. 2013. “Peranan Institusi Pajak Gadai Islam Dalam Pembangunan Sosio-.” In *Prosiding PERKEM VIII*, , 1352–63.
- Samsudin, Abibullah. 2002. “Skim Ar-Rahnu: Satu Model Mikro Kredit Di Malaysia.” In *Proceeding Konvensyen Ar-Rahnu Serantau 2002*, , 1–12.
- . 2012. “Kajian Keberkesanan Skim Ar-Rahnu Dalam Memantap Dan Memperkukuh Usahawan Kecil Di Negara2 Serantau.” In *Proceeding Konvensyen Ar-Rahnu Serantau 2012*, , 353–84.
- Sanusi, Nur Azura, and Mohamad Shukri Johari. 2008. “Permintaan Perkhidmatan Pajak Gadai: Perspektif Pengguna.” *Malaysian Journal of Consumer and Family Economics*: 20–29.
- Shah, A A, and S E Yaacob. 2016. “Critical Literature on Governance and Supervision of Ar-Rahnu in Malaysia).” *Journal of Advanced Review on Scientific Research* 18(1): 26–42.
- Sharif, Dziauddin, Amir Shaharuddin, Nurul Aini Muhamed, Nasif Sidquee Pauzi, and

- Mohamad Zaid Mohd. 2013. “The Improvement of Ar-Rahn (Islamic Pawn Broking) Enhanced Product in Islamic Banking System.” *Asian Social Science* 9(2): 36–47.
- Taher, Muhammad Saiful Islamic Mohd, and Muhammad Hakimi Mohd Shafiai. 2008. *Faktor Penerimaan Pelanggan Terhadap Skim Ar-Rahnu Di Kedai Ar-Rahnu, Bank Rakyat Alor Setar Kedah*.
- Taher, Muhammad Saiful Islamic Mohd, Siti Aisyah Yusof, and Norridzwan Abidin. 2010. “Prinsip Al-Rahn Sebagai Asas Pelaksanaan Skim.” *Voice of Academia* 5(1): 1–16.
- Taticchi, Paolo, Paolo Taticchi, Flavio Tonelli, and Luca Cagnazzo. 2010. “Performance Measurement and Management : A Literature Review and a Research Agenda Performance Measurement and Management : A Literature Review and a Research Agenda.” *Measuring Business Excellence* 4(1): 4–18.
- Yaacob, Balqis. 2014. “Faktor-Faktor Yang Mempengaruhi Kesedaran Usahawan Kecil Muslim Terhadap Skim Ar-Rahnu.”
- Yaacob, Matahir. 2002. “Membangun Golongan Pendapatan Rendah Menerusi Pajak Gadai Islam - Mikro Kredit Serantau.” In *Proceeding Konvensyen Ar-Rahnu Serantau 2002*, , 13–32.
- Yaacob, Mohd Rafi, Ghazali Ahmad, and Mohamed Dahlan Ibrahim. 2012. “Developing a Customer’s Oriented Ar-Rahnu (Islamic Pawn Broking) Model for Cooperatives in Microfinancing in Malaysia.” In *Proceeding The 13th Malaysia Indonesia Conference on Economics, Management and Accounting (MIICEMA) 2012*.

Appendix 1 : List of Ar-Rahnu related literature

No	Author(s)	Title	Year	Published/Unpublished
1	Mohamed	The Role of Pawnbrokers as Non-Institutional Creditors in Malaysia	1986	<i>Kajian Ekonomi Malaysia</i>
2	Ismail & Ahmad	Pawnshop as an Instrument of Microenterprise Credit in Malaysia	1997	<i>International Journal of Social Economics</i>
3	Wan Abdullah	Historical Development of Pawning Practice in Malaysia: From Pajak Gadai to Al Rahn	1999	<i>Jurnal Pembangunan Sosial</i>
4	Yaacob	Membangun Golongan Pendapatan Rendah menerusi pajak gadaai Islam – Model Mikro Kredit Serantau (Developing Lower Income Group through Islamic Pawn broking – Regional Micro Credit Model)	2002	Proceeding of Konvensyen Ar-Rahnu Serantau 2002
5	Samsudin	Skim Ar-Rahnu: Satu Model Mikro Kredit di Malaysia (Ar-Rahnu Scheme: A Micro Credit Model in Malaysia)	2002	Proceeding of Konvensyen Ar-Rahnu Serantau 2002
6	Abd Hamid & Abd Aziz	Development of IPB services – Differentiating Profiles of their respective patrons	2003	Proceeding at Islamic Banking Conference
7	Mohamed Naim	Sistem Gadaian Islam (Islamic Pawn Broking System)	2004	<i>Islamiyyat</i>
8	Khan & Nisar	Collateral (Al-Rahnu) as Practiced by Muslim Funds of North India	2004	<i>Journal of King Abdul Aziz University: Islamic Economics</i>
9	Ismail	Skim Ar-Rahnu: Pengukuhan Kerjasama Serantau Pengalaman (Pawn broking Scheme: Strengthening the Regional Malaysian Experience)	2004	Proceeding of Konvensyen Ar-Rahnu Serantau 2004
10	Ismail & Samusi	A Framework for Regulating Pawnshops: Why do, what area and Syariah Review	2005	Malaysian Finance Association 7 th Annual Conferece
11	Ibrahim & Salleh	The Objectives of Ar-Rahn and their Achievement in	2006	The International conference on Islamic

	Charge/Mortgage in Islamic Home Financing: An Analysis	Jurisprudence and the Challenges in the 21st century, IIUM
12	Amin, Dahlan & Supinah An Ar-Rahnu Shop Acceptance Model (ARSAM)	2007 <i>Labuan e-J of Muamalat & Society</i>
13	Mohamed, Ismail & Maamor Competition and Outreach on Ar-Rahnu Industry	2007 Working paper UKM EKONIS
14	Bhatt & Sinnakkannu Ar-Rahnu (Islamic Pawning Broking) Opportunities and Challenges	2008 Proceedings of Malaysian 6 th International Islamic Finance 2008
15	Abdul Razak Malaysian Practice of al-Rahnu Scheme: Trends and Development	2008 Proceedings at Malaysian study of Islam UK
16	Sanusi & Johari Demand of Pawn Shop Services: Consumers Perspective	2008 <i>Malaysian Journal of Consumer and Family Economics</i>
17	Mohd Taher & Mohd Shaffai Customer Acceptance Factors on Ar-Rahnu Scheme at Kedai Ar-Rahnu Bank Rakyat, Alor Setar Kedah	2008 Proceeding of PERKEM III
18	Mohamad & Salleh Upah Simpan Barang dalam Skim Ar-Rahnu: Satu Penilaian Semula (Safekeeping Fee in Ar-Rahnu Scheme: A Revaluation)	2008 <i>Jurnal Fiqh</i>
19	Mohd Taher, Yusof & Abidin Prinsip Al-Rahn sebagai Asas Pelaksanaan Skim Pajak Gadaai Islam di Malaysia (Al-Rahn Principle as the Basis to Islamic Pawn Broking Scheme in Malaysia)	2008 <i>Voice of Academia</i>
20	Maamor & Ismail The Ar-Rahnu Efficiency and its Determinants	2010 <i>Journal of Islamic Economics, Banking and Finance</i>
21	Abdul Razak Economic and Religious Significance of the Islamic and Conventional Pawn Broking in Malaysia: Behavioural and Perception Analysis	2011 Doctoral dissertation, University of Durham
22	Amin Modelling Ar-Rahnu Use in Eastern Malaysia – Perspectives of Muslimah	2011 <i>Journal of Islamic Economics, Banking and Finance</i>

23	Wan Daud	Kepuasan Pelanggan dan Kualiti Perkhidmatan Skim Al-Rahnu Bank Rakyat (Customer Satisfaction and Service Quality of Bank Rakyat Al-Rahnu Scheme)	2011	Master dissertation, UUM
24	Cheong & Sinnakkannu	Ar-Rahnu: Opportunities and Challenges in Malaysia	2012	SSRN 2112809 electronic journal)
25	Othman, Hashim & Abdullah	Customer Satisfaction Levels of Service Quality at Ar-Rahnu, Kelantan	2012	Proceeding of Business and Economics Research (ICBER)
26	Yaacob, Ahmad & Ibrahim	Developing a Customers' Oriented Ar-Rahnu (Islamic Pawn Broking) Model for Cooperatives in Microfinancing in Malaysia	2012	Proceeding of 13 th Malaysia, Indonesia conference on Economics, Management and Accounting
27	Abdul Khir, Badri & Hussain	Critical Appraisal of the Rahn-based Islamic Microcredit Policy	2012	ISRA Research paper
28	Mat Nor, Abdullah, Ismail, Bakar & Mohd Yusni	A Study of the Customer Awareness toward Ar-Rahnu scheme at Sg Buloh	2012	Proceeding of AFBE 2012 conference UNITEN
29	Mulazid	Kedudukan Sistem Pergadaian Syariah dalam Sistem Hukum Nasional di Indonesia (Shariah Pawn Broking System in the Indonesian National Legislation System)	2012	<i>Innovatio</i>
30	Koe & Abdul Rahman	The Use of Ar-Rahnu by Islamic Bank Customers in Malaysia	2012	Proceedings of the International Conference on Science, Technology and Social Sciences 2012
31	Abdullah	The Roles of Microfinance in Brunei Darul Salam	2012	Proceeding of Konvensyen Ar-Rahnu Serantau 2012
32	Samsudin	Kajian Keberkesanan Skim Ar-Rahnu dalam Memantap dan Memperkukuh Usahawan Kecil di Negara2 Serantau (The Study on the Effectiveness of Ar-Rahnu Scheme in Strengthening the Small Entrepreneurs in the Regional Countries)	2012	Proceeding of Konvensyen Ar-Rahnu Serantau 2012

33	Hisham, Abdul Shukor, Ahmad Bustamam & Jusoff	The Concept and Challenges of Islamic Pawn Broking (Ar-Rahnu)	2013	<i>Middle-East Journal of Scientific Research 13</i>
34	Mokhtar & Zambahari	Ar-Rahnu: A Short-term Financing Alternative	2013	Proceeding of 5 th Islamic Economic System Conference (IECONS 2013)
35	Sharif, Shaharuddin, Muhamed, Pauzi & Mohd Zin	The Improvement of Ar-Rahnu (Islamic Pawn Broking) Enhanced Product in Islamic Banking System	2013	<i>Asian Social Science</i>
36	Abdul Razak, Muhammad, Mohd Hussin, Mohd Rhouse & Hashim	Peranan Institusi Pajak Gadai Islam dalam Pembangunan Sosio-ekonomi (Islamic Pawn Broking Function in Socio-economic Development)	2013	Proceeding of PERKEM VIII
37	Othman, Hashim and Abdullah	Perkembangan Ar-Rahnu di Terengganu: Kajian kes terhadap Ar-Rahnu Majlis Agama Islam dan Adat Melayu Terengganu (MAIDAM) (The Development of Ar-Rahnu in Terengganu: Case study of Islamic Council and Malay Custom Terengganu (MAIDAM))	2013	Proceeding of PERKEM VIII
38	Yaacob	Faktor-faktor yang Mempengaruhi Kesedaran Usahawan Kecil Muslim terhadap Skim Ar-Rahnu (Factors Influencing the Small Muslim Entrepreneurs on Ar-Rahnu)	2014	Master dissertation UUM
39	Mansor, Ahmad, Abu Bakar & Ismail	A Demographic Analysis on Customer Acceptance towards Islamic Pawn Broking in Malaysia	2014	<i>Asian Social Science</i>
40	Rasmin & Markom	Ar-Rahnu Governance laws in Malaysia: An Analysis in Banks and Non-banks Financial Institutions	2014	Proceeding of International Conference of Global Islamic Studies
41	Abdul Hamid, Abdul Rahman & Abdul Halim	Factors Affecting the Acceptance on Ar-Rahnu (Islamic Pawn Broking) a Case Study of Islamic Banking in Malaysia	2014	<i>The Macrotheme Review</i>

42	Rasmin & Markom	An Overview on Implementation of Ar-Rahnu in Malaysia	2014	Proceeding of PERKEM IX
43	Ezahar	A Study of Islamic Practice in Al-Rahnu at Financial Institutions	2014	Master dissertation UUM
44	Abdul Razak, Muhammad, Mohd Hussin & Mahjom	Kemampuan dan Daya Saing Pajak Gadai Islam di Malaysia (Sustainability and Competitiveness of Islamic Pawn Broking in Malaysia)	2014	Proceeding of PERKEM IX
45	Abdi	Determinants of Customer's Intention to use Islamic Pawn Broking Scheme: A Case Study of (UPSB) staffs in UUM	2015	Master dissertation UUM
46	Baharum, Maamor & Othman	Examining the Factors that Influence Customer's Intention to use Ar-Rahnu at Post Office: A Case study in Kedah	2015	<i>Journal of Islamic Economics, Banking and Finance</i>
47	Bahari, Fisal, Shahar & Shahadan	The Development of Islamic Pawn Broking in Malaysia, Application and its Challenges	2015	Proceeding of First International Conference on Economics and Banking (ICEB-15)
48	Abd Hamid, Abd Rahman & Abd Halim	Key Factors Influencing Customers to use Ar-Rahnu (Islamic Pawn Broking) in Malaysia: Evidence from Bank Rakyat	2016	<i>The MacrotHEME Review</i>
49	Shah & Yaacob	Critical Literature on Governance and Supervision of Ar-Rahnu in Malaysia	2016	<i>Journal of Advanced Review on Scientific Research</i>
50	Mohd Azli, Palil & Mohd Noor	Effect of Ar-Rahnu Benefits on Long-term relationship between Customer and Institutions	2016	Proceeding of 2 nd International Conference on Islamic Perspective of Accounting, Finance, Economics, and Management (IPAFEM)