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**Exploring Behavioural Finance in Islamic Asset Management:
A quantitative bibliometric review**

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Abstract

The study looks at how research on behavioural finance in Islamic asset management has altered and grown over the years. Using a certain search method, articles from 2003 to 2025 were found in the Scopus database. VOSviewer was then used to look at and examine the data. After 2018, there was a clear rise in publications. This is probably because of changes in financial rules and the growing importance of Islamic finance. Researchers, financial professionals, and politicians may find this study helpful. Future studies could look at the distinctions between Islamic and traditional asset management by comparing the two.

Keywords: Islamic asset management, bibliometric analysis, behavioural finance

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1.0 Introduction

Islamic asset management has developed as a specific field within the broader domain of Islamic finance due to the expanding global interest in investment models focusing on social responsibility. Over the last twenty years, the increasing interest in Shariah-compliant financial alternatives has correlated with developing and expanding instruments intended to adhere to principles such as justice, the prevention of interest, and shared fiscal responsibility (Moissseron et al., 2015). This trend is evident in the broader variety of options meant to align with the interests of investors adhering to Islamic ethics. Concurrently, linking Islamic finance to related fields, including financial technology (FinTech), behavioural finance, and environmental, social, and governance (ESG) perspectives, has created new possibilities and added complexity to the analysis. These intersections have sparked ongoing scholarly investigations into how Islamic asset management could adapt to changing financial practices while maintaining its foundational legal and ethical frameworks.

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The link between how Muslims put their money to work and how they care for the earth, people, and the rule of law has been seen in new work, though more of what we do not yet have. As living green becomes increasingly a part of money talk, there is a new need to examine how Muslim places follow ESG rules and keep up with what they are bound to do according to their faith (Osman, 2023). Though both ways put first the rules of right and how we must act, how they do things could change, so there are parts that are the same and different that make us want to look at them more closely. This bit is a good way to see how those who buy and sell might deal with the fact that they want to do what is right and good at the same time, no matter where they find themselves (Sabir et al., 2018). On the line where Islamic money, change in tech, how people who buy and sell act, and plans for things that last all come to meet, there seems to be enough reason to go back and look at what has already been written, to see what still looks to be happening and what questions we have not yet asked. For the chance to take part in this, the study now makes use of a careful way of looking at the writing to check the growth of work that is done on the study of Islamic money, intending to help us in the future to look at things more as a whole and with the help of more info.

There are three research aims in this research. Firstly, to identify the research trends in Islamic asset management according to the year of publication. Secondly, to describe the most frequently used keywords in research on Islamic asset management. Finally, to analysis the main citation clusters of Islamic asset management.

2.0 Literature Review

Islamic asset management operates within the broader structure of Shariah-compliant finance and is shaped by core tenets guided by fundamental principles derived from Islamic jurisprudence. These foundational guidelines inform how financial activities and investment decisions are structured to affect the organisation of financial practices, aiming to maintain consistency to align with religious norms and ethical considerations.

A key principle within Islamic finance is the rejection of *riba*, commonly understood as interest (Lelis et al., 2023). From an Islamic standpoint, *riba* is understood to be misaligned with ethical norms because it allows earnings to accrue without involving any productive effort or the assumption of risk, which runs counter to the emphasis on fairness and mutual responsibility in financial dealings. In place of interest-based arrangements, Islamic finance implements mechanisms that distribute risk and return more equitably, such as those found in *Mudarabah* and *Musharakah* contracts (Afifi, 2024). Under a *Mudarabah* agreement, one party contributes capital while the other manages the investment, with profits shared according to a predetermined ratio and financial losses borne by the investor (Jusoh & Khalid, 2013).

Furthermore, Islamic asset management instruments, including *Sukuk* (Islamic bonds), are structured to involve asset linkage and shared exposure. *Sukuk* is a mechanism for funding within Islamic legal boundaries, representing a stake in physical property or defined undertaking. This varies from standard debt instruments with preset yields regardless of real asset fluctuation. In addition, Islamic asset management tools such as *Sukuk* (Islamic bonds) are based on the linkage of assets and risk spreading. *Sukuk* is a method of raising capital in line with Islamic precepts, as it represents ownership in termed property or operation (Afifi, 2024). It contrasts with traditional bonds that usually constitute fixed payments regardless of the economic profitability of the associated property.

Another literary theme is the impact of interpersonal elements in investment, specifically dependency on collective opinions while deciding on investments. Most Muslim investors will resort to community advice instead of undertaking individual appraisals, which can lead to inefficient decisions (Hardana et al., 2024). Such a behaviour trend can limit autonomous judgment and is further fueled by communal pressures in investment networks.

In summary, the domain of financial behaviour for Muslim investors is informed by ethical adherence, mental heuristics, and peer interactions, all of which lead to context-specific decision patterns. Responding to current limitations in behavioural finance frameworks will enhance the insight into financial behaviour in this setting.

3.0 Methodology

This study uses a set of rules to look at book ideas and discover new themes in Islamic asset management research. The rules for looking at books give a sure way to measure what people have written, find out who is most known for doing this work, and find patterns in the work that is done.

The information for this study was obtained from the Scopus site, which is suitable for a deep and wide collection of work that has been checked on many areas, such as social sciences, business, and economics. It was picked because it has deep and old tools and good tools that can help to check the links and how the words change. The search, which was done on March 5, 2025, used the Boolean search to find much research on Islamic asset management. The search was with words like 'Islamic finance', 'financial management', and 'Shariah-compliant investment', and we limited the search to English journal articles from 2003-2025. We left out papers from meetings, editorials, book chapters, and articles that are not referred to because of how good and how much trust we can have in where they came from.

After the first search, a multi-level way to pick out the data was done. The name and short version check were used to cut out the same and wrong papers. Papers that did not go straight with money growth, like papers that only talked about Islamic banking or full money morals, were cut out. The last group of the right papers was put into CSV and Plain Text forms and then used to map for bibliometrics using the help of VOSviewers, a special tool to see bibliometric graphs. VOSviewers was picked because it can work with groupings and make visual reports of the co-authorship, co-citations, and keyword co-occur networks that are key to setting out research

rules and how they work with others. With this set of how-to steps, the study shows clear steps, what can be done again, and how the field is changing.

3.1 Data Analysis

This study adopts a bibliometric approach to assess Islamic asset management's research landscape systematically. To give a thorough grasp of research trends in this field, the data analysis process combines several techniques, such as creating search strategies, data selection criteria, descriptive statistics, visualisation tools, and result interpretation.

3.1.1 Search Strategy and Data Selection

The Scopus database, a well-known and reputable source of peer-reviewed scholarly literature, is used in this study. A Boolean search query was meticulously constructed to find pertinent publications on Islamic asset management from 2003 to 2025. Phrases like "Islamic finance," "asset management," and "Shariah-compliant investment" were among the search terms. The data was filtered only to contain journal articles published in English, eliminating book chapters, conference papers, and non-peer-reviewed materials to maintain methodological rigour.

3.1.2 Descriptive Statistics

Several parts of the data, including when the data was put out, who wrote it, where they worked, and where they were from, were looked at with simple stats. Based on the study, the work has been rising all the time, with a big jump after 2018, which was likely caused by the growing interest in Islamic financial ways worldwide.

3.1.3 Visualisation Techniques

The study uses advanced bibliometric mapping techniques with tools like VOSviewer to create visual representations of research patterns. Key visual outputs include:

- Keyword Co-occurrence Analysis: Identifies prominent themes in Islamic asset management research.
- Citation Analysis: Identifies influential authors and key works shaping the field significantly.

3.1.4 Interpretation of Findings and Implications

The bibliometric analysis reveals several noteworthy trends in Islamic asset management research. As a result of regulatory changes and changes in the global financial landscape, the number of publications is increasing, indicating growing interest from academia and industry. Although it also indicates a need for greater geographic diversification, the research concentration in Malaysia and Indonesia emphasises the robust institutional and governmental support for Islamic finance.

4.0 Finding

4.1 The research trends in Islamic asset management according to the year of publication.

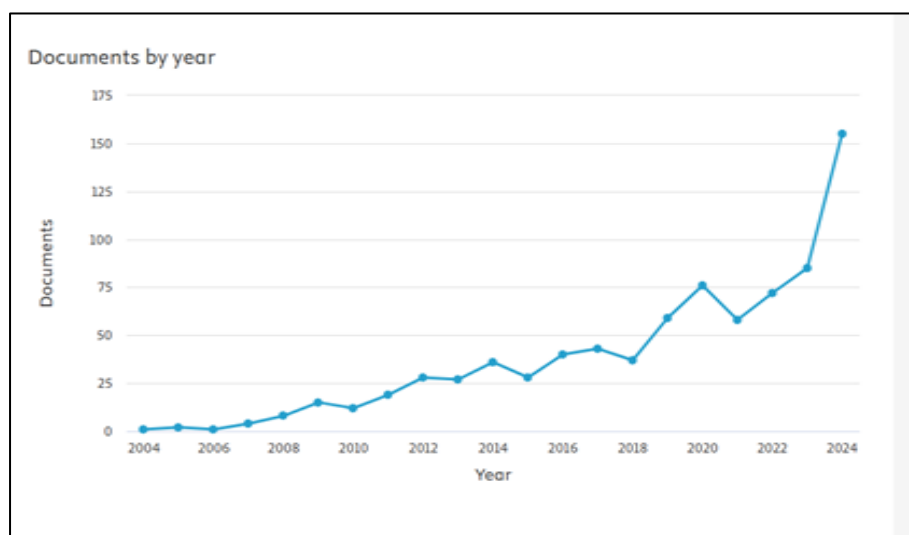


Figure 1: Publication trends over time
Source: Scopus Database

The publication trends in Islamic asset management from 2004 to 2024 are depicted in Figure 1. According to the graph, research output increased gradually from the early 2000s until about 2018, showing a noticeable upward trend. Regulatory developments, the incorporation of financial technologies (FinTech) into Islamic asset management, and the increased global acceptance of Islamic finance are the leading causes of the notable increase in publications in 2024.

The consistent expansion between 2004 and 2010 indicates the early phases of research when the main emphasis was on creating conceptual frameworks, risk management strategies, and ensuring Shariah laws were followed. The data shows a moderate but steady rise in publications between 2010 and 2018, indicating growing institutional support and scholarly discourse for research on Islamic finance. The COVID-19 pandemic, which intensified discussions about digital transformation, alternative investment strategies, and financial resilience, may have contributed to the apparent increases in research output starting in 2020.

The exponential rise in 2024 underscores the emergence of new research themes, particularly the intersection of Islamic finance with sustainable investing, artificial intelligence, and behavioural finance. This increase signifies that Islamic asset management is becoming a more prominent topic in academic and professional discussions, indicating the potential for further interdisciplinary research, policy development, and practical applications in the industry.

This trend also emphasises the importance of future bibliometric studies that explore regional contributions, evolving research methodologies, and the growing collaboration networks within Islamic asset management. The sustained increase in the scholarly output suggests a promising trajectory for continued research, wider industry adoption, and regulatory advancements in this field.

4.2 The most frequently used keywords in research on Islamic asset management

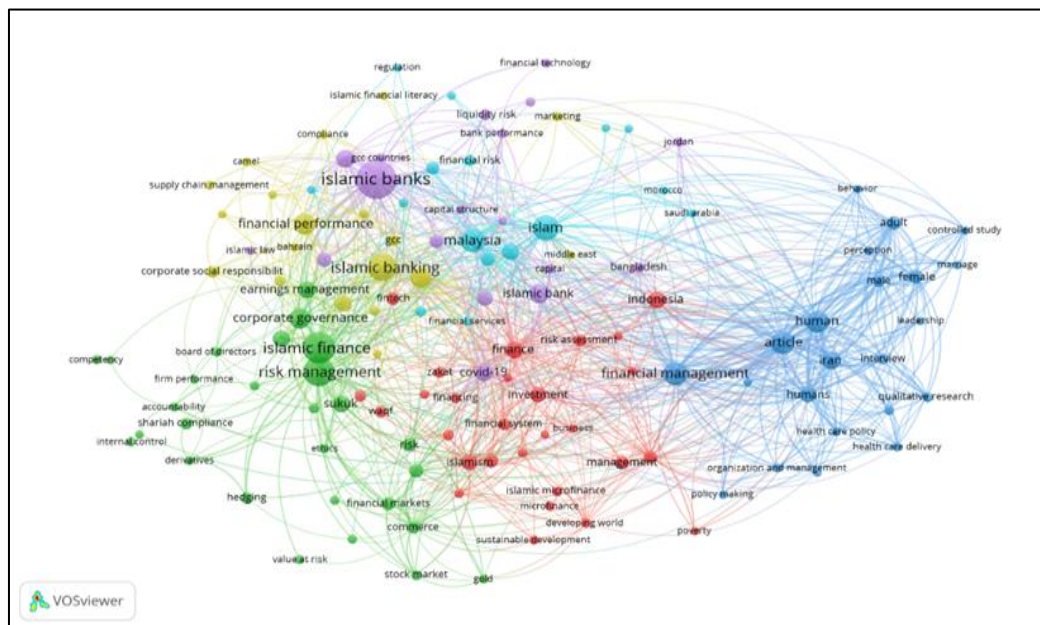


Figure 2: Network visualisation map of keywords co-occurrence
Sources: VOSviewer

Figure 2 shows Islamic asset management's key research topics, relationships, and knowledge frameworks. Using VOSviewer, this visualisation organises keywords into various clusters based on their frequency and how often they co-occur, effectively pointing out the major research areas and their interconnections.

Each of the network's multiple colour-coded clusters represents a distinct thematic focus. With terms like corporate governance, Shariah compliance, sukuk, and hedging, the green cluster emphasises themes associated with Islamic finance and risk management. These terms focus on maintaining financial stability and moral behaviour in Islamic financial systems. The yellow cluster highlights topics like corporate responsibility, earning management, and financial performance metrics, all of which are critical to comprehending the viability and efficacy of Islamic banking operations. It focuses on Islamic banking and financial performance.

The red cluster covers Islamic microfinance, sustainable development, and financial inclusion and is associated with risk assessment, investment strategies, and financial management. This indicates a growing curiosity about Islamic asset management's role in fostering social advancement and economic empowerment. With terms like perception, leadership, policymaking, and qualitative research, the blue cluster, on the other hand, is focused on behavioural finance and human factors, emphasising the importance of behavioural and psychological factors in financial decision-making.

The network also reveals strong links between Islamic banking, financial management, and human behaviour, suggesting that interdisciplinary approaches are increasingly being incorporated into Islamic asset management research. New research directions in sustainability, technology, and regulations are indicated by including terms related to FinTech, ESG investing, and policy regulations.

4.3 The main citation clusters of Islamic asset management

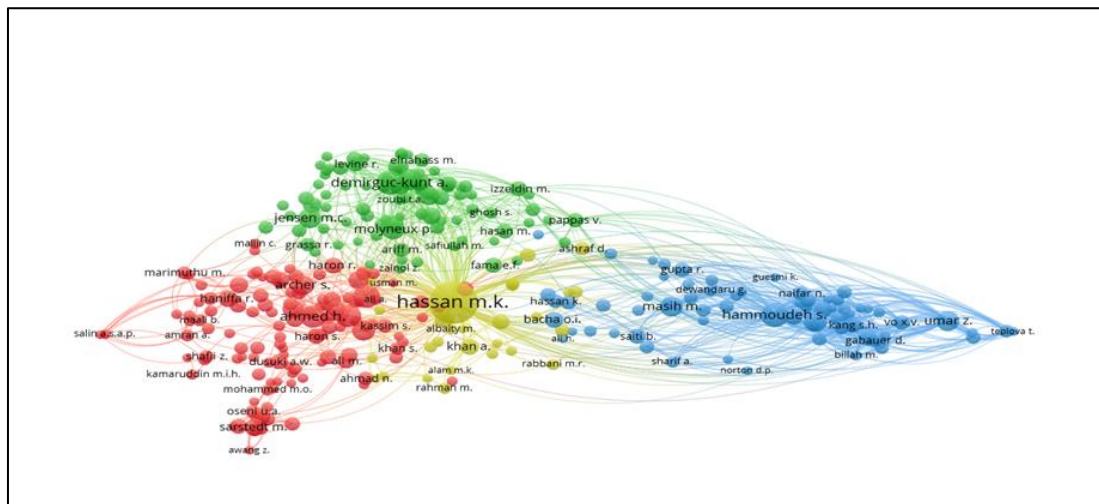


Figure 3: Co-Citation Network of Cited Authors in Islamic Asset Management
Sources: VOSviewer

The field's academic influence and intellectual framework are depicted in Figure 3. This visualisation, which was created with VOSviewer, shows the relationships between authors according to their co-citation frequencies, which shows how frequently two authors are cited together in academic literature. The network shows the principal authors, areas of study, and development of Islamic asset management knowledge.

The most often co-cited author at the centre of the network is Hassan, M.K., highlighting his crucial contribution to the development of the conversation about Islamic asset management. Given his prominence, it is likely that the academic community views his work as a fundamental point of reference. Several clusters surround Hassan, M.K., each of which represents a distinct research school of thought and makes a unique contribution to the field.

The authors in the red cluster are frequently co-cited, suggesting they have a common interest in risk management techniques, governance, and Islamic finance principles. The green cluster's connections to Islamic banking, investment instruments, and financial performance highlight a more specialised area of research within the domain. The yellow cluster, which sits between these clusters, stands for academics studying risk management, sustainable finance, and ethical investing.

Another group of academics is represented by the blue cluster on the right side of the network; their primary areas of interest are behavioural finance in Islamic asset management, financial policy, and macroeconomic ramifications. A body of work that investigates economic modelling, financial risk, and policy impacts in Islamic finance is suggested by including academics such as Hammoudeh, S.

Overall, by highlighting the top researchers, major research topics, and possible future collaboration opportunities, the co-citation network offers valuable insights into the academic environment of Islamic asset management. Future research could look into new authors, changing research trends, and thematic shifts by examining the evolution of co-citation patterns in this field over time.

5.0 Discussions

The use of belief systems in filtering investment decisions is a hallmark of Islamic investment. Research shows that Muslim investors tend to seek acceptable financial products permitted by their religion, which is also reflected in their investment decision-making. For example, the request for acceptable assets may indicate excessive certainty, that is, the feeling of the investors being smarter than they are concerning compliance (Firmansyah & Andanawari, 2020). This finding aligns with previous investigations, which have indicated that investors' decisions are affected by emotional state and heuristics, therefore characterised by non-analytical rather than rational decisions (Zakiyyah et al., 2023). Besides, due to religious convictions, Muslim investors may shirk from investing in a highly risky asset that is against their moral values even though it is allowed in a conventional financial system (Firmansyah & Andanawari, 2020).

Moreover, Muslim investors are prone to be cautious in investing since they may be affected by emotional dimensions, i.e. fear of violating religious precepts, particularly with speculative assets. Preference for the religious-acceptable type from the previous study is justified further by risk interpretation in a religious-sensitive environment. Trace is also shown by the fact that investors tend to choose a lower form of extent of risk by the mutual fund over the value conflict-embedded investment option in the heart of a fleshed-out theory of normative commitments (Zakiyyah et al., 2023). It is also found that Muslim investors tend to lose because of the disposition effect the tendency to sell winning investments too early and hold losing investments too long. This indicates that judging is influenced by emotional effects, which produce a non-objective decision-making routine (Tahir & Brimble, 2011).

There are still significant gaps in applying traditional behavioural finance models to Islamic contexts, even though the current body of research offers insight into Islamic investment behaviour. The unique circumstances of Muslim investors who are impacted by normative frameworks are not adequately reflected by traditional behavioural finance theories, which are largely based on Western financial behaviour. For example, these models frequently downplay the importance of religious alignment in influencing investor

preferences and risk-taking decisions. The under-examined relationship between normative commitments and affective tendencies further suggests the potential value of methods that consider emotional and belief-based elements to comprehend the financial tendencies in Islamic finance better.

In conclusion, normative commitments, emotional reactions, and social contexts all play a part in the patterns of Islamic investment behaviour, which collectively influence particular decision-making inclinations. Interpreting investor behaviour in this particular field of study will be improved by considering and evaluating model flaws in existing models.

6.0 Conclusion & Recommendations

This study has contributed to a comprehensive bibliometric analysis of Islamic Sukuk, confirming the important research directions, core authors, and central research themes. The findings indicate that there has been a significant rise in academic output in this field following the growing international demand for Sharia-compliant financial products, digital reform, and sustainable investing. The paper identifies Malaysia and Indonesia as the most productive research output. There is an increase in research output by Western institutions and an indication of a global interest in Islamic asset management by the public and private sectors through published research.

Prominent themes identified in this study include the integration of Islamic FinTech, behavioural finance, risk management, and sustainability in asset management. While extensive literature exists on governance and financial performance, there is still a lack of understanding of the comparative resilience of Islamic versus non-Islamic asset management models and the impact of technological innovation on investment strategies. Moreover, the psychology of investors and the moral aspect of decision-making need to be studied to improve the worldwide compatibility of Islamic finance. Although this study is valuable, we also recognise some limitations, including studying only one database, language limitations, and lack of qualitative data analysis. The above limitations could be considered in future research using analyses from various databases, empirical case studies, and interdisciplinary methods to strengthen the comprehension of Islamic asset management.

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Paper Contribution to Related Field of Study

The paper adds value to the corpus of knowledge of Islamic Asset management, bibliometric analysis, and behavioural finance.

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