

Incorporating Attitude towards Islamic Banking in an integrated Service Quality, Satisfaction, Trust and Loyalty Model

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Abstract

The Islamic banking is an emerging concept and has gained valuable acceptance not only in the Islamic countries but all over the world and has a visible growth. The purpose to conduct the current study is to empirically check the effect of consumer attitude towards Islamic banking on the customer's perceived service quality regarding banking services and customer satisfaction with banking services. The proposed research model also investigates the

relationships among variables like perceived service quality, customer satisfaction, customer trust and customer loyalty. A survey questionnaire was designed for data collection from the respondents that are the regular users of Islamic banks in Bahawalpur, Pakistan. The method used to collect data was convenience sampling in order to collect data from customers of 4 Islamic banks in Bahawalpur that are Meezan Bank, Bank Islami, Dubai Islamic Bank, and Bank Al-Baraka. Total 200 questionnaires were distributed out of which 163 were collected. Out of 163 collected questionnaires, 157 were in the usable form and used for the final analysis (Regression) using SPSS Ver.20. The results of the study show that attitude towards Islamic banking has a positive impact on the perceived service quality and customer satisfaction regarding the Islamic banking services. Moreover, the results also suggest that perceived service quality also influences customer satisfaction positively; customer satisfaction has positive impact on customer trust and customer loyalty. Furthermore, customer trust also influences customer loyalty positively. The current study enhances the understanding regarding the customer satisfaction, customer trust and customer loyalty and their determinants.

Keywords: Customer satisfaction, Trust, Loyalty, Service Quality, Attitude towards IB

1. Introduction

Globally the banking sector is considered as the life blood of modern business because its role over the recent years has increased in the operations of businesses. Advancement in the technology and the improvement in the system of communications have increased the process of integration. That's why, the Islamic banking sector is not only a subject of interest for the Muslim community but the customers from non-Muslim community see the benefits from this type of system. The competition regarding attracting and retaining both Muslim and non-Muslim community is increasing day by day due to the increased liberalized global and competitive industry. Although, there exists a visible difference between Islamic and conventional banks, but they are competing each other in the same industry regarding products and services that are the complementary to each other (Naser and Moutinho, 1997). Islamic banks need to develop human resource, up gradation of technology and effective and efficient marketing strategies in order to compete in the banking industry which is composed of both Islamic and conventional banking. There is a need to build quality services and satisfaction of customer for the success of the Islamic banking. The Islamic banking industry acquired the momentum and acceptance all over the world. That's why now there are 180 Islamic banks (financial institutions) with above 8000 branches in USA, Europe, Africa and Asia. It is also increasing trend that the conventional banks are also showing willingness towards the Islamic banking system. For example, the Citibank has also opened the branches of based on the Islamic Sharia principles in the countries of Sudan and Bahrain.

The banking industry has become back bone of Global trade and economic system. Due to development of Technology and globalization, the banking industry facing the competitive challenges day by day and the banks are trying to provide the best services and products to its customers. As according to Parasuraman et al (1985), the key to success and survival of any

business institution is the delivering Quality service to customers. So the Quality service is the main object of any business since last two decades. It is also important for the management to understand that what are the dimensions of service quality and how it can be measured and moreover what steps can be taken to enhance the customer value. A visible work has been seen on the service quality dimensions and customer satisfaction in the different businesses. In banking industry, the banks both Islamic and conventional are performing various functions for the provision of different variety of products and services and the new facilities to their customers in the global and competitive banking business. To evaluate how well the banks are meeting customer needs, Banks service managers often use measurements of service Quality and customer satisfaction (Dabholker et al, 1996).

In Pakistan, two types of banking services are being offered i.e. Islamic banks (IBs) and conventional banks (CBs). Pakistani banking sector has faced very unstable and changing environment from its independence due to the unstable policies and economic condition. There was a nationalization of Pakistani banking sector in 1976 which lead to very bad performance of banks and after that due to bad performance the banks again privatized in 1992. The first bank providing services on Islamic principles was Meezan Bank which was established in 2002 and was a full fledge Islamic bank. Now the Pakistani banking sector is growing very rapidly day by day due to the actively participation of new partners from local and foreign countries which has increased the competition among the banks to get the large number of customers by means of provision of service quality and long term benefits. Now, in Pakistan there exist approximately 6 Islamic and 13 conventional banks that are providing products and services in the different geographical regions of all over the Pakistan. The banks are trying to provide high quality services in order to fulfill the customer expectations and are working in a very high competitive environment. In the view of Ahmad et al. (2010), in Pakistan, customers expect greater service quality from Islamic banks as compared to conventional banks. Now due to the greater availability of education, customers are very well known about the banks and are demand very high quality of services. If the customers are not satisfied with the services provided by the banks, they feel no hesitation to switch to other banks. Islamic banks are operating under the law of Sharia to expand their business and trade. The Islamic banks are expanding their size, network and structure due to the presence of microfinance banks and commercial banks all over the country. The monetary system of Pakistan has affected due to the emergence of Islamic banks. In Khan et al. (2008) opinion, conventional banks insure less stable financial sector as compared to Islamic banks. The difference between IBs and CBs is based on two Objects. One is Riba and other is the sharing of risk. In IBs income is based on trade and assets and the risk is transferred to Lender, borrower and banker. Whereas in CBs, the income is based on interest and bank acts just as intermediary between lender and borrower and the risk is wholly transferred to borrower.

According to Warde (2010) the decade of 1970 saw the emergence of so many Islamic banks namely Dubai Islamic Bank (1975), Kuwait Finance House (1977), Faisal Islamic Bank of Egypt (1977), Islamic Bank of Sudan (1977), Jordan Islamic Bank of Finance & Investment (1978), Bahrain Islamic Bank (1978) and Islamic International Bank for Investment.

Now Islamic banking has been established in more than 100 countries, with an estimated \$300 billion in assets that are increasing by 15 % a year, according to the Asian Banker (2005) a financial-services consultancy.

As the development in Islamic Banking the conventional banks has also started the Islamic banking windows and products. The 21st century is full of challenges, threats and opportunities for both IBs and CBs are trying the best to offer the Best quality services to its customers and products. Despite the fact that CBs has very long roots and a huge market share but IBs is a big threat for the conventional banks. IBs enjoyed the annual growth of 15%, which is higher than conventional banks (Areat, 2006). Moreover the International Monetary Fund (IMF) has reported that the value of Islamic Banking and Financing Industry was expected to grow US \$ 1 trillion by 2010 (Cihak and Hesse, 2008). According to SBP (2010), it shows that the share of Islamic banking during the quarter has increased to 6.4 percent as there was 3.2 percent growth in its assets compared to a decline in asset base of the conventional banks.

The central bank of Pakistan “State Bank of Pakistan” (SBP) is also encouraging the Islamic Banking as It is found that Islamic banking system is superior to conventional banking system as it ensures more stable financial sector (Khan,1986). SBP also writes in its Mission Statement as **“To promote and develop Islamic Banking industry in line with best international practices, ensuring Sharia Compliance and transparency.”**

The central bank of Pakistan (SBP) has started to concentrate on Islamic Banking in Pakistan since 2000 and first registered Islamic bank of Pakistan is Meezan Bank as full-fledged Islamic Bank. Now in Pakistan there are six full-fledged Islamic Banking and 12 conventional banks with the IBs services (SBP, 2013).

The purpose of research is to investigate the growth of Islamic Banking and the challenges being faced by the IBs. This study will also investigate variables that affect the customers’ satisfaction, customers’ trust and customers’ loyalty, how the service and attitude towards Islamic banking results in customer satisfaction and how the customers’ satisfaction of Islamic banking catches customers’ trust and customers’ loyalty and also how the customers’ trust linked the customers’ loyalty. This study has a great importance due to inceptions of Islamic Banking and barriers by CBs and will be helpful for the policy makers and upper management of Islamic banks in competing CBs and to offer competitive products and best services to make the customer satisfied, profitable and full fill their maximum needs with the help of Shariah Compliance.

2. Literature Review

2.1. Customer Satisfaction

Satisfaction is defined as “product and services or the features of product and services provides an agreeable level of consumption related to fulfillment.” (Oliver’s, 1997, p. 13).

Customer satisfaction is behavior, attitude or feeling a person has for any product and service related to quality attributes which leads to overall customers’ satisfaction. When customer is

satisfied he will repurchase the product and services and tells other customers optimistic things about the related product and services (Patterson and Spreng, 1997; Metawa and Almosawi, 1998). Therefore, customers' satisfaction works as an antecedent of future customer intentions (Cronin and Taylor, 1992). In order, customer satisfaction's measurement can provide supportive indications to managers for their services (Rizwan et al., 2013).

Therefore customer satisfaction has become the major focus point of marketing research in case of banking industries like other industries (Naser et al., 2002). The major reason behind this fact is that there is strong level of competition between the banks and it has become the powerful factor for determining the bank's competitiveness (Metawa and Almosawi, 1998). That's why, the literature related to customer satisfaction there are in abundance. (Anderson and Mittal, 2000; Patterson, 1995; Patterson and Spreng, 1997).

Attaining customer satisfaction is the most valuable thing for firms now-a-days (Jones and Sasser, 1995) because it helps to maximize profits, positive word of mouth, and minimum marketing related expenditures (Al-Hawari and Ward, 2006). Many previous studies concluded that there is significant positive relationship between customer satisfaction and financial performance (Wiele et al., 2002; Yeung et al., 2002).

2.2. Attitude towards Islamic banking, Customers' Satisfaction and Service Quality

Attitude towards Islamic banking is a liberal section for Muslim societies that is significant for predicting the behavior of Muslims towards Islamic banking. This is very important in providing basic measures to capture the attitude of Muslims towards Islamic banking (Lada et al., 2009).

According to the broader concept of religiosity, religious beliefs and behavior of persons towards Islamic banking is different and context specific. That's why, a logical argument is that Attitude towards Islamic banking is directly related, significant and direct antecedent for the prediction of the consumer behavior. Indirect support is given by the previous studies for the above mentioned argument. Dusuki and Abdullah (2006) concluded in their research is that consumer perception about Islamic financial principles is the main factor of choosing Islamic banks. However, Islamic financial principles conformation is not only the cause of selecting, choosing or patronizing the Islamic banks. Previous research also discussed many other factors like price, services, convenience, cost and benefits, reputation and image of banks which also influence the behavior of customers towards Islamic banking (Erol and El-Bdour, 1989; Gait and Worthington, 2008). So, from above discussion we find it clear that customer satisfaction can be achieved through attitude of customers towards Islamic banking (Mian & Rizwan, 2013).

Nonetheless, the investigation of causal relationship between the factors that influence the Islamic banking selection and religious attitudes towards Islamic banking is yet needed. Attitude towards Islamic banking influence the customer perception towards service quality and customer satisfaction towards these quality services that are provided by the Islamic banks. Previous research showed that general attitudes toward a salient object could generate similar attitudes toward broader, related objects, a result commonly referred as the "halo

effect” (Beckwith and Lehmann, 1975; Holbrook, 1983; Kardes et al., 2004). Therefore, we can anticipate that more a customer evaluates positively the commitment of banks for the conformation of Sharia laws; more the possibility of attribute to influence behavior, attitude and other related attributes patronizing a bank.

H₁: There is significant positive relationship between attitude towards Islamic banking and perceived service quality.

H₂: There is significant positive relationship between attitude towards Islamic banking and customer satisfaction.

2.3. Service Quality and Customer Satisfaction:

For the measurement of service quality research on customer satisfaction is often closely associated (Jamal and Naser, 2002). Though, according to the difference between the service quality and customer satisfaction there has been some confusion. Conceptual and empirical overlap between the two concepts has been debated among service quality researchers (Rust and Oliver, 1994) but the past studies are consistent about the unique nature of each concept (Al-Hawari and Ward, 2006).

According to Zeithmal and Bitner (2000), satisfaction is more conceptual than service quality. It includes both cognitive and affective evaluations, while service quality evaluations are mainly a cognitive procedure (Tian-Cole and Crompton, 2003). Several past studies about services marketing literature have reported that satisfaction and service quality are strongly related (Alexandris et al., 2001; Caruana, 2002; Spreng and Chiou, 2002).

An overview of the current state of service quality and satisfaction research is provided, as each construct is more comprehensively discussed elsewhere (Howat et al., 1999; Johnson et al., 1995; Jones and Suh, 2000; Oliver, 1997). Satisfaction and service quality has casual relationship and both the variable are distinct constructs (McDougall and Levesque, 1994).

Madrigal (1995) used some aspects of Oliver’s (1997) consumer satisfaction theory to examine the relationship between disconfirmation of expectancies and enjoyment, and enjoyment to satisfaction. He found that expectancy disconfirmation explained about 16 percent of the variance in enjoyment and enjoyment explained a little over 12 percent of the variance in satisfaction.

In marketing literature the concept of service quality has been studied frequently. (Anderson and Sullivan, 1993; Levesque and McDougall, 1996; Rust and Oliver, 1994; McDougall and Levesque, 2000; Taylor and Baker, 1994). From the last three decades efforts have been exerted to understand and identify service quality. Lewis and Booms (1983) define the service quality as following:

Service quality is a measure of well delivered services that matches the expectations of customers (Parasuraman et al., 1985, p. 42).

H₃. There is a significant positive relationship between service quality and customers’

satisfaction.

2.4. Customers' Satisfaction and Customers' Trust:

Trust is positive feeling of someone about anything or trust is captured when related product and service is fulfilling someone expectations again and again. Trust is a complicated concept because it is not easy for scholars to be agree on one or common definition of trust (Ibrahim et al., 2009; Rousseau et al., 1998). However, It does not frighten the researchers from exerting much time and efforts to understand the concept of its diverse approaches (Chopra and Wallace, 2003; Krauter-Grabner and Kaluscha, 2002). For instance, according to marketing perspective, Rousseau et al. (1998) give definition of trust as “a psychological composition of intention to accept something on the basis of expected intentions and behavior of others (p. 395). According to Cheung and Lee (2001) trust is a degree of confidence of customers in case of exchanging something. On the basis of above definition of trust Ribbink et al. (2004) defined trust as level of confidence of customers in exchanging products and services themselves or through exchange channel (p. 447). According to previous research papers customers' trust plays a important role for the success of business management(Ibrahim et al., 2009; Kim et al., 2009). Additionally, minimum or no level of trust is the enormous reason for not purchasing from the related vendors (Lee and Turban, 2001). So it is not a surprising thing to find that trust plays a vital role in business environment, where consumer safety and privacy are more important concerns (Anderson and Swaminathan, 2011). Trust appeared as a conceptual variable in many studies sometimes as an antecedent and sometimes as a consequence of other related variables. For instance, it leads to service quality and satisfaction as a consequence and follow loyalty as an antecedent in many previous studies (Harris and Goode, 2004; Ribbink et al., 2004; Sahadev and Purani, 2008).

In case of retailing business, Pavlou and Fygenson (2006) concluded that satisfaction shows significant relationship with trust through a superior service provider. Other studies suggest that satisfaction and trust are closely related with each other and satisfaction acts as a major driver of trust (Ribbink et al., 2004; Sahadev and Purani, 2008).

Therefore on the basis of above discussion following hypothesis are generated to test the relationship of satisfaction and trust in the context of Islamic banking:

H₄: There is a significant positive relationship between customers' satisfaction and customers' trust.

2.5. Customers' Satisfaction and Customers' Loyalty:

Loyalty is using product and services again and again of an organization, if a customer using product and services again and again of an organization it means customers' loyalty is achieved. Repurchasing behavior of the customer show that customer is satisfied with the product and services which leads to customers' loyalty.

Loyalty is “a Strong or deep commitment of customer towards a related product and service is generated by his repurchasing behavior while ignoring other factors that leads to brand switching” (Oliver, 1999, p. 34). A Strong attitude and a strong commitment towards brand is an essential condition for significant loyalty of customers (Jacoby and Chestnut, 1978).

Acquiring new customers is primarily a costly exercise. Therefore, retaining exiting customers by investing in enhancing brand value and loyalty is still considered as one of the most effective business strategy (Kim et al., 2004).

Customers’ loyalty is followed by customer satisfaction. If the customer has attitude towards Islamic banking and pleased with the product and services provided by an organization, means he is satisfied. And satisfaction leads to loyalty of the customer. According to above discussion following hypothesis is generated.

H₅: There is a significant positive relationship between customers’ satisfaction and customers’ loyalty.

2.6. Customers’ Trust and Customers’ Loyalty:

Trust is very important and basic variable for any organization which is operation human transaction. Trust is a sign which show customer confidence about quality and reliability of the product and service provide by the related organization(Garbarino and Johnson, 1999). Trust creates loyalty that’s why it is considered as an antecedents of loyalty mainly when the consumer expects comparatively high degree of risk (Anderson and Srinivasan, 2003; Gefen and Straub, 2000; Reichheld and Schefter, 2000). When consumers’ trust on product and services of an organization or its brands, it is helpful for consumers’ loyalty and generating positive word of mouth (Kassim and Abdullah, 2010). Customers’ trust and customers’ commitment are vital factors that have significant effect on the performance of the organization. The image of the bank is very important to capture market shares and also helpfulfor development of trust between banks and the customers (Flavian et al, 2005). According to latter studies about the relationship between trust and loyalty in business environment, it is not easy to build and maintain relationship between customers and organization (Chopra and Wallace, 2003; Krauter- Grabner and Kaluscha, 2002). That’s why it is a reasonable logic to accept the relationship between and trust and loyalty for customers of Islamic banks.

H₆: There is a significant positive relationship between customers’trust and customers’ loyalty.

3. Research Model



4. Research Methodology

4.1 Population and Sample

The population selected for the current study was a Muslim community belonging to Bahawalpur City that is able of taking rational decisions in the choice of Islamic banks. A total of 200 questionnaires related to the current study were randomly distributed to those persons that were visiting the bank's branches operating at Islamic principles (means pure Islamic banks) during the last week of May, 2013. It was observed that customers belonging to Bahawalpur usually visit their respective banks near the end of month for the purpose of checking their bank account regarding salaries payments and making withdrawals and deposits. Four Islamic banks in Bahawalpur (Pakistan) were selected for the current study which is Meezan Bank Limited, Dubai Islamic Bank, Al-Baraka Islamic Bank and Bank Islami. The filled questionnaires returned by the respondents were 163. Six questionnaires among the returned questionnaires were no not properly filled and were not used in the analysis. So 157 questionnaires used for the analysis. 24.2% questionnaires were filled by the female customers of Islamic banks and 75.8% by the male customers, comprising a rate of 78.5% of total questionnaires distributed (Table 3).

Before the distribution of the questionnaires among the respondents of the study that are Islamic bank's customers, they have been well informed about the purpose of the study. They were also convinced that their responses regarding the study would be kept secret and confidential completely. They were also informed that no distinguishable information regarding the individuals would be published or disclosed and the results of the study would be published as aggregate in the form of summary.

Data has been entered for the purpose of final analysis when 157 questionnaires completely filled were received. The data collected from the questionnaires returned then put into SPSS Ver.20 for the final analysis.

4.2 Research Instrument

The survey instrument used for the current study focuses on two major objectives: First objective is to assess the relationship of all the variables used in the current study of customer satisfaction, customer trust and customer loyalty in Islamic banking. The second objective is to get the information regarding the different characteristics of the current study's respondents that in the future can be used to evaluate and understand the respondent's variations in multiple categories.

The questionnaire used for the study is divided into two sections. The first section identifies and detects the demographic characteristics of the respondents like name, gender, age, income, education, employment and the respondent's bank. The 2nd section of the questionnaire focuses on all the variables of the study like independent and dependent variables. This questionnaire contains 4 items to measure Customer Trust, 3 items to measure Customer Satisfaction, 4 items to measure Customer Loyalty, 4 items to measure the Attitude towards Islamic Banking, and 10 items to measure the Service Quality in Islamic Banks. The scales used for the current study are taken from the previous published data and literature (Table 1).

The first variable of the study is customer trust and the scales to measure are taken from Ribbink et al. (2004). The next two variables are customer satisfaction and customer loyalty. The scales of measure are taken from Kassim and Abdullah (2010). The fourth variable is attitude towards Islamic banking and the scales of measure are taken from Lada et al. (2009). The last variable is service quality and the scale of measure is taken from Awan et al. (2011).

The responses to the survey instrument for variables were used on a 5-point Likert type scale that is as follows: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly Agree.

Table 1:Scales of the study

No.	Variable	Items	Reference
1	Customer Trust	I am prepared to give private information to my bank	Ribbink et al. (2004)
		I am willing to give my credit card number to my bank	
		My bank is professional in banking operations	
		My bank always fulfil its promises	
	Customer Satisfaction	I am generally pleased with my bank's services	Kassim and Abdullah (2010)
		Overall I am satisfied with specific experience with the bank	

		I am satisfied with my decision to purchase from this bank	
2	Customer Loyalty	I will recommend my bank to other people	Kassim and Abdullah (2010)
		I would recommend my bank's website to others	
		I intend to continue using my bank's services	
		I prefer my bank on others	
3	Attitude towards Islamic banking	Choosing Islamic banking is a good idea	Lada et al. (2009)
		I like to choose Islamic banking services	
		Most people who are important to me choosing the Islamic banking	
		My family member prefer Islamic banking services	
4	Service Quality	My bank's employees are always willing to help me	Awan et al. (2011)
		My bank's employees never too busy to respond to requests	
		My bank's employees understand my specific needs	
		My bank is able to conduct transactions immediately	
		My bank issues error-free bills, statements and other documents	
		I feel safe in my transaction with my bank	
		My bank's business hours are convenient to me	
		Bank provides clear guidance and information to use facilities	
My bank gives me individual attention			

		My bank's employees give me personal attention	
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4.3 Reliability analysis

As the items used in the questionnaire comprising every dimension were to be adopted and used in the afterward analysis, it was very important to check the reliability or internal consistency of the above mentioned items. That's why, a very well accepted measure of internal consistency or reliability, Cronbach's coefficient alpha, was calculated for the dimensions used in the survey. For the current study, each and every dimension is displaying the value of Cronbach's alpha that is well above the acceptable and recommended value of 0.50 presented by Nunnally (1970), and 0.60 as recommended by Moss et al. (1998). The reliability analysis made in SPSS shows that the dimensions used in the survey instrument are consistent internally and reliable to measure the opinions of respondents of the study. (Table 2).

Table: 2 Reliability of scales of measurement

Scales	Items	Cronbach's alpha
Customer Trust	4	0.737
Customer Satisfaction	3	0.814
Customer Loyalty	4	0.796
Attitude towards Islamic Banking	4	0.833
Service Quality	10	0.760

5. Data Analysis and Findings

5.1 Profile of the respondents

Demographic and personal information of the respondents like gender, age, education, income, status and bank of the respondent are shown in the following table (Table 3).

Table: 3 Profile of the respondents

	Category	Frequency	Percentage
Variable			
Gender	Male	38	24.2
	Female	119	75.8
Age	Below 25 years	19	12.1

	25-35 years	82	52.2
	35-45 years	51	32.5
	45-55 years	5	3.2
Income (Rs. Per month)	Below 15000	13	8.3
	15000-25000	64	40.8
	25000-35000	50	31.8
	35000-45000	15	9.6
	45000-55000	8	5.1
	Above 55000	7	4.5
Education	Matriculation	9	5.7
	Intermediate	23	14.6
	Bachelors	73	46.5
	Masters	46	29.3
	MS/M.Phil.	4	2.5
	Ph.D.	2	1.3
Status	Student	21	13.4
	Employed	59	37.6
	Businessman	61	38.9
	Unemployed	1	.6
	House Wife	15	9.6
Respondent's Bank	Meezan Bank	39	24.8
	Bank Islami	31	19.7
	Dubai Islamic Bank	50	31.8
	Bank Al-Baraka	37	23.6

5.2 Attitude towards Islamic banking and service quality

As per the results of the study, the variable attitude towards Islamic banking have a significant and positive relationship with perceived service quality ($\beta=0.584$) and ($p<0.001$).

It means the attitude towards Islamic banking contributes more than 58% to service quality (perceived). The results of the study validate the hypothesis 1.

5.3 Attitude towards Islamic banking, service quality and customer satisfaction

The results from the regression analysis show that variables attitude towards Islamic banking and service quality (perceived) have a significant and positive relationship with customer satisfaction. Specifically, attitude towards Islamic banking has a significant and positive relationship with customer satisfaction ($\beta=0.522$) and ($p<0.001$). This means that the variable attitude towards Islamic banking contributes towards customer satisfaction more than 52%. The regression results also predict that service quality (perceived) also have a significant and positive relationship with customer satisfaction ($\beta=0.233$) and ($p<0.005$) showing that service quality (perceived) contributes more than 23% towards customer satisfaction. The above result validate the hypothesis 2 and 3.

5.4 Customer satisfaction, customer trust and customer loyalty

The regression analysis of the variables shows that customer satisfaction has a positive and significant relationship with customer trust and customer loyalty. Specifically, customer satisfaction has a significant and positive relationship towards customer loyalty ($\beta=0.625$) and ($p<0.001$) which means that customer satisfaction contributes more than 62% towards customer loyalty. On the other hand customer satisfaction has a significant and positive relationship with customer trust ($\beta=0.495$) and ($p<0.001$). It means that customer satisfaction contributes more than 49% towards customer trust. The results of the study validate the hypothesis 4 and 5.

5.5 Customer trust and customer loyalty

The analysis of the study shows that there exists a significant and positive relationship of customer trust towards customer loyalty ($\beta=0.442$) and ($p<0.001$). It means that customer trust contributes more than 44% towards customer loyalty. The above analysis validate the hypothesis 6.

Table: 4 Regression results

Hypothesis	Model Variables	S. Coefficients	Significance	Results
H1	Attitude towards IB>P_SQ	0.584	0.000	Supported
H2	Attitude towards IB>CS	0.522	0.000	
H3	P_SQ>CS	0.233	0.002	Supported
H4	CS>Customer Trust	0.495	0.000	Supported
H5	CS>Customer Loyalty	0.538	0.000	
H6	Customer Trust>Customer Loyalty	0.176	0.014	Supported

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6. Discussion

The objective the current study is to test and imply an absolute model of the service quality regarding the Islamic banks. The current study enhances and expands the present literature by assimilating the important but in previous studies the less used concept of attitude towards Islamic banking in a previously used model of satisfaction, service quality, loyalty and trust. This concept allows the researcher to settle the debate whether the religious attitudes of the consumer can significantly and positively influence their judgment regarding the functional performance of the bank like overall satisfaction and service quality with the Islamic banking experience.

The H1 and H2 used in the research framework of current study specifically implies a positive impact of consumer's attitude towards Islamic banking on consumer's perceived service quality and overall customer satisfaction with banking services provided. For both the hypothesis, their standardized coefficients were significant statistically and meaningful practically, that's why showing empirical evidence regarding casual relation between customer's perceptions regarding bank's compliance with business related attitudes. Previous researches and literature shows that the general attitude towards a critical object could generate alike attitude towards broader, relevant objects, a result usually referred as the "halo effect" (Beckwith and Lehmann, 1975; Holbrook, 1983; Kardes et al., 2004). So the results of the present study support and suggest the attitude that when a customer positively adjudicate the bank's commitment to compliance to sharia law, it changes her/his perceived judgment of service quality of the bank and overall customer satisfaction with the service provider or bank.

Furthermore, the results from the present study are compatible with previous literature and studies which suggest that customer's regularity of Islamic banks in usually influence by their religious beliefs (Gait and Worthington, 2008; Metawa and Al-Mossawi, 1998; Naser et al., 1999; Othman and Owen, 2002).

Despite this, it is relatively important to note that alternatively of a worldwide concept like religiosity, the present research is a rare effort to explore a more relevant and specific concept of attitude towards Islamic banking relative to religiosity, as an introductory of customer satisfaction and service quality in the Islamic banking services context. As previously discussed in the preceding paragraphs, it is quite possible that the customers having very high commitment regarding their religion might perceive the Islamic banking services as non-Islamic on the basis that their mechanism and provision of services in not according to the religious principles of Islam.

The results of the current study regarding the third hypothesis show that perceived service quality of customer positively and significantly influences the customer satisfaction with the bank. This supports the general consensus among the scholars and researchers that perceptions of customers towards the service quality of the firm enhances the satisfaction of the customers with the firm providing the services. This result coincides with the findings of the previous researches and literature in the context of online banking (Kassim and Abdullah, 2010). In the investigation made by Kassim and Abdullah (2010), they used the dimensions of e-service quality as separate variable and the findings shows that responsiveness and customizations failed to affect customer satisfaction in online banking. In our research, we have included these dimensions to reflect variables of service quality and the findings show a significant and positive causal relationship between the above mentioned two variables. On the other hand, a broader support in the previous literature and research is available for this linkage in e-retailing context (Anderson and Srinivasan, 2003; Ribbink et al., 2004).

The findings of the research conclude that there exists causal relationship between trust and loyalty, and satisfaction and trust which is statistically significant. These findings of the current study suggest that increase in satisfaction and trust will also cause the customer's loyalty towards the firms.

Similarly, the customer satisfaction also has significant effect on customer's loyalty towards the organization and supports the acceptance of H6. Customer satisfaction has direct impact on the loyalty of the customer towards business and an increase in satisfaction of customer also causes the customer loyalty to be increased.

7. Conclusion

The objective of the research was primarily to establish the casual relationship between marketing oriented and religious concepts empirically in the context of Islamic banking context. The results of the current study indicate that there is positive impact of attitude towards Islamic banking on the customer's perceived service quality and his/her satisfaction with the services provided by the Islamic banks. It means the variable attitude towards Islamic banking enhances the perception of the customer about the quality of services provided by the bank and customer satisfaction with the Islamic banking services. The results suggests that the consumer's attitude towards Islamic banking serves as halo effect in the context of Islamic banking. On the other hand, the significant relationships among the remaining of the marketing driven behavioral and attitudinal measures presented in the research model also provide the valuable and useful information regarding the Islamic banking context.

First, if we examine the magnitudes of standardized coefficients for different relationships that are established in our research model, it will become clear that in general the relationship among the marketing driven concepts is somewhere stronger than the relationship among religious and market driven concepts and with some relationships it is low relatively. Secondly, the results of the study show that there is direct impact of attitude towards Islamic banking on customer satisfaction with the services provided by the Islamic banks and yields the high standardized coefficient of 0.522. From these results it is clear that

the fulfillment of the customer's religious needs by the Islamic banks will be good enough to ensure the customer satisfaction regarding the products and services provided by the Islamic banks. But it is not the only factor which contributes towards customer satisfaction, other non-Islamic factors also contribute towards customer satisfaction.

8. Managerial implications

In order to achieve the purpose of competitiveness in the Islamic banking sector, the Islamic banks must focus their marketing efforts on the promotion of image and the usefulness of the services provided by the bank. It is recommended that the Islamic banks should focus on the provision of services in compliance with Sharia laws as attitude towards Islamic banks has strong impact on the customer satisfaction as evident from the current study.

The study shows that the managers of the Islamic banks must design their marketing mix in such an efficient way that it links and reinforce both the market driven and religious concepts for their corporate brand.

The findings of the current study are more important for those banks that are operating purely on the Islamic mode of financing and are facing the tough competition from the conventional banks which are also offering the products and services according to Sharia principles of Islam. As a first mover, these conventional banks have usually have longer existence in the country due to which they have global reach as compared to Islamic banks. In this way the commercial banks can leverage their present brand equity for the purpose of promoting their Islamic banking products which are newly developed.

9. Limitations and Future Research Directions

The convenience sampling in itself is one important shortcoming of the current research as the sample was collected using convenience sampling and selecting the customer which were visiting the banks in the last days of a month. There may be other customer that are not visiting the banks in the last days of month and their responses are not included in the study.

There is a very important role of time in the development of customer trust and loyalty. In the current study, the tenure of the relationship among the customers and the bank is not examined because several banks which are based on pure Islamic banking are recently established in Bahawalpur. On the other hand, the current study only includes the Islamic banks from the city of Bahawalpur, so the results of the study can only be generalized in the Bahawalpur.

The research model presented in the current study offers numerous opportunities to expand the current study in different perspectives. In the upcoming researches, the researchers can include many other many other marketing concepts like consumer based brand equity, credibility and corporate brand image as important concepts. The extrinsic and intrinsic religiosity antecedents can also be added in the concept of attitude towards Islamic banking. Future research can also take in account the comparison of conventional banks having the Islamic banking branches and Islamic banks based on the current study variables. In the same way the local and international commercial banks having Islamic banking services can also

be compared. The research can be expanded by taking into account the more Islamic banks from different geographical regions from Pakistan to generalize the results to overall industry of Islamic banks.

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