ANTECEDENTS OF CUSTOMER LOYALTY:
AN EMPIRICAL INVESTIGATION IN
THE INDONESIAN ISLAMIC BANKING INDUSTRY

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ABSTRACT

There has been a significant growth in the market share of Islamic banking in countries like Indonesia over the past decade. However, the Islamic banking industry in Indonesia is facing fierce competition from conventional banks. Accordingly, there has been calls for examining factors impacting customer loyalty for maintaining Islamic banks' profitability and sustainability.

While past scholarly work has focused on explaining customer loyalty towards Islamic banks from organisational perspective focusing on the role of service quality and bank reputation in enhancing customer loyalty, relatively less attention has been paid to understanding the role of customers' self-related variables such as Islamic banking literacy, self-brand connection and religiosity in explaining customer loyalty. Past studies have also ignored the potential interplay between the organisational and self-related variables in explaining customer loyalty within the Islamic banking sector. Taking insights from multiple theoretical domains, this research aimed to develop a deeper understanding of customer loyalty towards Islamic banks in Indonesia and investigated both the individual as well as the combined effects of organisational and self-related variables in predicting customer loyalty. An extensive review of literature led to the development of a conceptual model of customer loyalty within the Indonesian Islamic banking perspective.

The research employed a mixed methods approach involving both qualitative and quantitative approaches. Using a discussion guide, 25 in-depth interviews were conducted with customers of Islamic banks in Indonesia. All interview sessions were voice-recorded, transcribed, and analysed using a content analysis. Insights from in-depth interviews and wider academic literature were combined to develop an online questionnaire which was then used to collect data from 289 customers of Islamic banks in Indonesia. The Structural Equation Modelling approach was utilised to analyse quantitative data which included estimating both the Measurement Model and the Structural Model estimation for testing the conceptual model.

Findings from qualitative phase point towards a deeply entrenched religious-self that 3motivated Islamic bank patronage and usage behaviour. The same religious-self also significantly underpinned customer loyalty towards Islamic banks in Indonesia. Findings from the quantitative phases show that customer loyalty is predicted by service quality, trust, commitment and Islamic banking literacy. Moreover, service quality is in turn impacted by corporate reputation and self-brand connection. Also, commitment is impacted by Islamic banking literacy, corporate reputation and self-brand connection. Similarly customer trust is impacted by corporate reputation and self-brand connection. Finally, Islamic banking literacy, religiosity and corporate reputation significantly predict customer self-brand connection.

The study is the first of its kind and makes a strong contribution towards a customer relationship marketing theory, particularly customer loyalty literature by providing deeper insights into how and in what sense customer loyalty is developed in a Muslim majority country such as Indonesia using both faith and non-faith perspectives. It is also novel in combining the effects of both organisation and self-related variables and thus makes a strong contribution to not only the customer loyalty literature but also to the customer self-brand connection literature. The study discusses important theoretical and managerial implications and suggests further research agenda.

Keywords: loyalty, commitment, service quality, trust, customer-based corporate reputation, self-brand connection, religiosity, Islamic banking literacy, Islamic banking, Indonesia, Muslim.

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DEDICATION

To my Mother for her continuous prayers, and to my late Father, who could not see this thesis completed. May Allah grant both of them the highest rank in paradise.

To my son, Chalid, the apple of my eye (Thank you for your love and support, and for believing in me).

To my extended family, both from my Mother's side (Idham Chalid Family) and my Father's side (Djalal Shiddiq Family).

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LIST OF ABBREVIATIONS

AGFI	Adjusted Goodness of Fit Index
AMOS	Analysis of Moment Structures
AVE	Average Variance Extracted
CB	Conventional Banking
CBR	Customer-Based Corporate Reputation
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
CMIN	Chi-Square
CO	Customer Orientation
CR	Composite Reliability
CSR	Corporate Social Responsibility
EFA	Exploratory Factor Analysis
GE	Good Employer
GFI	Goodness of Fit Index
IB	Islamic Banking
IBL	Islamic Banking Literacy
IDI	In-depth Interview
IFI	Incremental Fit Index
KMO	Kaiser-Meyer-Olin
MLE	Maximum Likelihood Estimation
MSV	Maximum Shared Variance
NNFI	Non-Normed Fit Index
ORV	Organisational-Related Variables
PCLOSE	P-Value for the Test of Close Fit
PSQ	Product and Service Quality
RFSC	Reliable and Financially Strong Company
RMSEA	Root Mean Square Error of Approximation
SBC	Self-Brand Connection
SEM	Structural Equation Modelling
SER	Social and Environmental Responsibility
SPSS	Statatistical Package for Social Sciences
SQ	Service Quality
SRV	Self-Related Variables
SSB	Sharia Supervisory Board
TLI	Tucker-Lewis Index
WOM	Word of Mouth

Chapter 1 Introduction

1.1 Introduction

The aim of this research is to explore the antecedents of customer loyalty within the Indonesian Islamic banking (IB) industry. This chapter consists of seven sections. Section 1.2 discusses the background and context of the present study, followed by section 1.3, which highlights the significance of the research. Section 1.4 elaborates the research aim, and then section 1.5 identifies the research questions and objectives. Section 1.6 presents the research methodology, and section 1.7 discusses the research's contributions. Section 1.8 provides the thesis structure. Finally, a summary of Chapter 1 is provided in Section 1.9.

1.2 Research Background and Context

Prior to joining the PhD program at Cardiff University, the researcher had opened a bank account with one of the largest Islamic banks in Indonesia as a supplementary account to her existing conventional arrangements. At that time, she did not have adequate knowledge about IB, and her only motivation for doing so was to shift her reliance gradually from using conventional banks and thus be a more obedient Muslim by striving to avoid usury and interest. The author was the first person in her extended family to become a customer of an Islamic bank despite the strong Islamic values that her family upholds. She had heard stories from family and friends who thought that Islamic banking (IB) was no different from its conventional counterpart except for the "Islamic" label attached to it. These observations triggered a personal interest in understanding the financial experiences of Indonesian customers with both Islamic and conventional banks.

The IB industry has grown in terms of asset holding by 150 per cent since 2006 (Abduh, Kassim, & Dahari 2013) and at an annual rate of 15-20 per cent worldwide, thereby indicating a high demand for Sharia-compliant banking services (Kabir & Worthington 2017). Islamic banks were more resilient than conventional banks in relation to the detrimental effects of the 2007-2008 Global Financial Crisis (GFC) in terms of asset growth, credit growth, profitability and external rating (Hasan & Dridi 2010).

Islamic banks aim to appeal specifically to Muslim customer markets (Williams & Sharma 2005; Alserhan 2010), as they meet the needs of those who demand Sharia-compliant financial services (Belk 2013). However, Alserhan (2010) argues that they are now expanding their presence, in order to attract customers from other markets (i.e. non-Muslims). Accordingly, the IB industry has been growing dramatically, particularly in Muslim

countries, with most of its assets concentrated in Malaysia and Middle Eastern countries (i.e. Iran, Saudi Arabia and United Arab Emirates); however, there is huge potential of growth in other countries, including Indonesia, Sudan, Bangladesh, Egypt, Turkey, Nigeria and Senegal (Cham 2018; Islamic Finance Country Index 2019).

The IB industry has also seen growth in non-Muslim countries, with total assets in Islamic financial institutions reaching USD 900 billion globally between 2006 and 2011 (*Financial Times* 2011). By end of 2013, 147 Islamic banks operated globally and had increased their total assets by 44.9 per cent and net income by 6 per cent since 2010 (Cham 2018). Similarly, the IB sector is increasing in importance in Western countries, especially in the UK with more than USD 18 billion in IB assets, thereby leading the way in the non-Muslim world and making it the centre for Islamic finance in Europe (Mansour et al. 2010).

In order to understand further the research background and context, the following sections explain the key principles behind IB and finance.

1.2.1. IB and Finance

IB and finance is based on Sharia principles. The sector provides commercial services that follow conventional governance and management rules but also fundamentally comply with Sharia (Kettell 2011) and the Islamic ethos or value system (Ayub 2007).

Sharia is Islamic law based on the Muslim Holy Book Qur'an and the *Sunnah* of the Prophet Muhammad (i.e. his documented teachings, advice, traditions and behaviours) (Mansour et al. 2010). Sharia's main objectives are to establish justice, educate individuals and benefit society, and therefore it regulates every aspect of a Muslim's life (Sandikci & Jafari 2013) as illustrated in Figure 1.1 (Schoon 2016).

With regards to the Islamic ethos and value system, Ayub (2007) posits that IB and finance institutions comply (e.g. in terms of fairness, transparency, mutual consent and justice) in order for the Islamic economy to ensure ethical, equitable and sustainable economic growth and social welfare (Idris et al. 2011). This philosophy drives the activities and service deliveries found in the industry. Having outlined the definition and the philosophy of IB and finance, the next section looks at its principles and most common products.

Figure 1.1. Dimensions of Islam
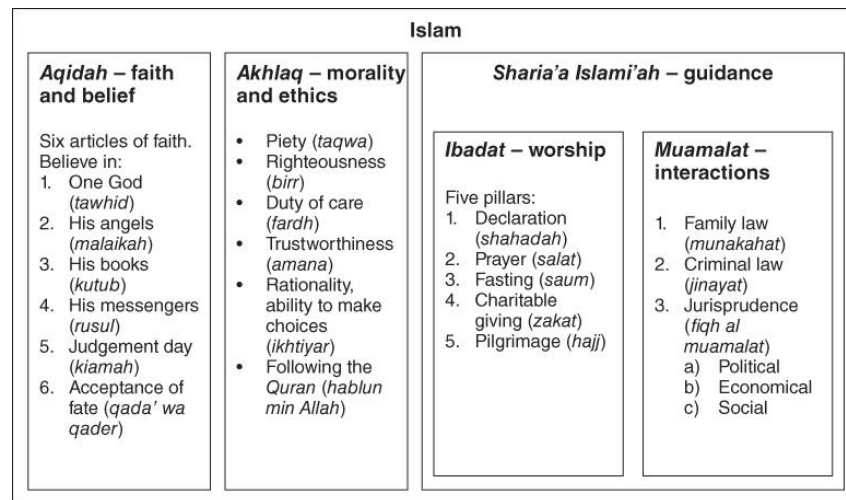
Source: Schoon (2016).

1.2.2. Principles and Products of IB

Islamic banks operate very much like their conventional counterparts except for a number of Sharia compliance aspects (Ayub 2007). According to Beck et al. (2013), five principles differentiate IB from the conventional banking (CB) system: first, the prohibition of *riba* or usury, which is generally defined as interest (Newaz et al. 2016). Second, the prohibition of absolute risk or uncertainty (*gharar*), which is defined as speculation and gambling. Third, the prohibition of financing for sectors that are contrary to Islamic law (i.e. non-halal, unethical and illicit sectors) such as industries that produce or operate in pork, alcohol, drugs, weapons, prostitution and terrorism (Hussein 2010). Fourth, partnership system between banks and depositors/borrowers, which is based on profit-loss/risk-sharing. Finally, the principle of real economic transaction, which requires all transactions to be backed by a tangible asset (Newaz et al. 2016). With regards to the partnership system, this offers the most common products, which are strictly based on the principle of profit-loss-sharing between the bank and depositors/borrowers; examples in this regard include *mudaraba*, *musharaka*, *murabaha* and *ijarah* (Beck et al. 2013).

Mudaraba contracts are characterised by financing provided by the bank to a business on behalf of a depositor (Gunputh 2014), based on a predetermined profit-sharing ratio. M*usharaka* contracts share profits and losses among all investors, one of which is the bank (Beck et al. 2013). Losses are shared based on the proportion of investment, and profits are based on a predetermined percentage following mutual consensus amongst all parties (Mehtab et al. 2015). *Musharaka* resembles business financing products such as

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partnerships or joint ventures with a profit-loss sharing scheme (Mehtab et al. 2015). *Murabaha* resembles a cost-plus financing product in the CB system (i.e. housing or vehicle credit), but it requires the bank to purchase the goods (Shahid et al. 2015) from third parties on behalf of the client and then sell it to the client at a marked-up price that covers any costs and makes a profit (Beck et al. 2013).

Similar to *murabaha*, *ijarah* resembles operating leases in CB. Under a *ijarah* contract, the bank has ownership of an investment good, for which the client pays a monthly rental fee. The bank transfers ownership of the investment good when the client has paid off the cost of the good plus a predetermined level of profit (Chapra et al. 2018), or the bank sells the asset to the client (Schoon 2016).

In addition, another IB product is *amanah* or *qard*. If a client deposits money, they do not earn an interest rate, or called zero-return; nonetheless, they still make a profit for the bank. This product resembles demand deposits in conventional banks, but Islamic banks pay periodic bonuses into depositor accounts under an *amanah* or a *qard* contract (Belk et al. 2013). *Amanah* or *qard* are intended for welfare purposes, for instance to help the needy or a small-scale business that may be unable to obtain financing from other sources. The borrower is only required to pay back the amount borrowed plus a service charge (Belk et al. 2013).

1.2.3. IB in Indonesia

IB has grown rapidly in Indonesia, the most populous Muslim nation on earth. In total, 88 per cent of the country's populations are Muslims (Wilson et al., 2013), equivalent to 215 million people and accounting for 13 per cent of the total global Muslim population (National Islamic Finance Committee 2019). There has been a significant increase in Islamic bank accounts over the last few years, from almost 2 million in 2006 to more than 13 million in 2014, accompanied by a high increase in third-party funding, from almost USD 12 billion in 2004 to more than USD 180 billion in 2013 (Usman et al. 2015). In 2019, Indonesia ranked number one in terms of its leadership and potential in global IB and finance, overtaking Malaysia, which had dominated the Islamic Finance Country Index since 2011 (Islamic Finance Country Index 2019).

1.3 Justifications for and Significance of the Research

Over the past two decades, the amalgamation of regulatory amendments, financial innovation and technological improvements in the global banking industry has restructured the industry landscape and increased competition (Rice & Strahan 2010), indicated by aggressive product and service innovation across a broad range of financial instruments (Ghosh 2018). Such a highly competitive environment that is indicated by the rise of

services, technology, and information-oriented firms, has increased the prominence of relationship marketing (Hunt et al., 2006).

1.3.1 Relationship Marketing Theory

Relationship marketing (RM) is defined as "all marketing activities directed toward establishing, developing and maintaining successful relational exchanges" (Morgan & Hunt 1994, p. 22). Grönroos (1996, p. 11) asserts that "RM is to identify and establish, maintain, and enhance relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met; and that is done by a mutual exchange and a fulfilment of promises".

There are other perspectives on RM (Sheth & Parvatiyar 1995; Sheth 1994; Gummesson 1994; Berry & Parasuraman 1991; Berry 1983). However, all views of RM have one common element that firms are developing long-term relationships with their stakeholders to strive in the competition (Hunt 1997) by increasing their competitive advantage (Hunt et al., 2006).

From the customer's perspective, customers engage in relational exchanges with firms when they perceive that such exchanges and all marketing activities directed to them provide greater benefits than the costs. Hunt et al., (2006) identify the benefits to include the belief that a firm can be trusted to competently provide quality offerings, share values with the customers, decrease searching costs and the risk associated with the offerings, be consistent with moral obligations, customise customers' needs, wants and preferences.

Consequently, we can argue that a strategy that focuses attention and resources on developing a long-term relationship could result in a better understanding of customers' needs and wants, which in turn, could provide a competitive advantage for the firm by addressing the voice of customers and aligning it to the firm's offerings (Pressey & Tzokas 2006) in efficient and effective manners that offers value for certain market segments. That is, RM has the potential to improve a firm's position and financial performance in the market, including in the banking sector.

A highly competitive environment in the banking industry, including the IB sector, triggers the need for focusing on improving bank performances (e.g. profitability) through efficiency while competing for a share of the customer base (Cengiz et al. 2007). Consequently, Islamic banks have the urgency to focus more on retaining customers to develop long-term relationships with loyal customers than on acquiring new customers, because the cost of the latter is five times more expensive than retaining an existing client (Pfeifer 2005; Ofori et al. 2016). Accordingly, marketing scholars have emphasised the importance of retaining

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customer retention through customer loyalty strategies in enhancing a profitable and sustainable market position in a highly competitive IB market (Hasiri & Afghanpour 2017; Ofori et al., 2017).

However, the escalating competition in the IB sector may, in turn, dilute the potential for retaining IB customers at the ultimate level of profit in a sustainable manner (Jan 2018). To tackle such issues, Islamic banks need to carefully formulate and implement RM strategies which involve a process whereby Islamic banks build long-term relationships with their customers so that both parties work together toward specified goals. These goals are achieved by treating customers as partners and understanding their needs. In doing so, Islamic banks are required to exert initiatives beyond conventional banking norms that provide customers with the best services relative to their individual needs (Evans & Laskin 1994, p. 440). Citing to Grönroos (1996), therefore, Islamic banks must create unique RM strategies that can safeguard their market positions and profit.

Accordingly, given the distinctive features of Islamic banks and customer expectations (particularly Muslim customers), Islamic banks need to take RM strategies to the next level where they can secure IB customers' trust towards IBs concerning meeting customers' needs, wants and preferences that are consistent with customers' values, moral obligations and self-related aspects (Hunt et al., 2006; Escalas & Bettman 2003).

Underpinning the insights from the RM theory (Morgan & Hunt 1994; Grönroos 1996), this research extended existing research on RM and customer loyalty, that is emphasised on the links between RM theory and organisational-related variables (ORV) (Butt & Aftab 2013; Hidayat et al., 2015; Arshad et al., 2016; Tabrani et al., 2018; Shabbir et al., 2018). In doing so, the research investigated how and in what sense customer loyalty towards IBs can be enhanced through the involvement of self-related variables (SRV) (i.e., IBL, SBC and religiosity) in addition to ORV (i.e., CBR, SQ, trust, and commitment) that are strongly linked to the RM theoretical background. Therefore, using insights from the RM theory, this research investigates customer loyalty specifically in the IB sector as it can provide useful insights into understanding how and in what sense customer loyalty can be developed for providing competitive advantage.

1.3.2 Customer Loyalty in the IB Sector

Customer loyalty is defined as "a deeply held commitment to re-buy or re-patronise a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour" (Oliver 1997, p. 392). Many argue that product or service innovation and a focus on one-off transactions are no

longer sufficient on their own to drive enduring profitability and sustainability (Stan et al. 2013; Narteh & Kuada 2014).

Islamic banks face competition from other Islamic banks as well as conventional banks (Kamarulzaman & Madun 2013), when it comes to targeting customers and creating competitive advantage. Even some of the conventional banks have established IB windows or fully-fledged Islamic subsidiaries that provide Sharia-compliant services, thereby further escalating this competition (Choudhary 2001; Jan 2018). Such conventional banks often offer more innovative and attractive products and services in comparison with Islamic banks (Jan 2018), because they have stronger roots in the banking industry, and hence they are more popular and experienced (Souiden & Rani 2015; Suhartanto et al. 2018).

As a result, IB customers have a natural tendency to compare or contrast both types of banks, using their perceptions and experiences. This presents a huge strategic challenge to Islamic banks, as their customers may have higher expectations than those of conventional banks, particularly in terms of Sharia banking compliance (Souiden & Rani 2015).

High competition also forces Islamic banks to be more innovative in promoting Sharia-compatible financial products to the market and in tackling issues associated with the ways in which they operate (Jan 2018). At the same time, intense competition may threaten the sustainability or continuity of Islamic banks in the long term (Ariss 2010). The endurance of Islamic banks in the long term is a concern for both policymakers and practitioners (Kabir & Worthington 2017).

Maintaining existing customers in an era of advanced technology is very challenging, as customers are more sophisticated in the ways they gather information and then evaluate and compare alternative services (Asab 2019). As a result, there is huge potential for customers to switch to another bank that is perceived to offer better services (Abduh et al. 2013). Thus, focusing attention on developing loyalty strategies is critical to maintaining devoted customers and long-term customer relationships, both of which are key factors in Islamic banks' survival (Rehman 2012; Abduh et al. 2013).

In relation to loyalty strategies, for at least for two reasons, the IB industry may need to take a different approach instead of imitating CB providers. First, Islamic banks offer product and service features that are fundamentally different from those of their conventional counterparts (Beck et al., 2013). Second, customers of Islamic banks, who are predominantly Muslims, have unique expectations that are related not only to the functional aspects of banking, but also to Sharia compliance (Wilson et al., 2013). In this regard, these customers may switch to another bank if they experience any violations of Sharia

compliance (Abduh et al., 2013). Consequently, Islamic banks face different challenges from those of the conventional banks, and so different loyalty strategies are needed to address these issues.

In recent years, a growing body of scholarly work has focused on exploring customer loyalty within the IB sector. Findings highlight the importance of service quality (SQ), customer satisfaction (Kashif, Rehman, & Pileliene 2016), corporate reputation (Saleh, Quazi, & Keating 2017), trust, corporate image, religiosity (Suhartanto et al., 2018), commitment and customer intimacy (Tabrani, Amin, & Nizam, 2018) in enhancing customer loyalty. However, none of these studies explains customer loyalty from the perspective of IB customers. Moreover, prior research does not elaborate on how and in what sense customer loyalty towards Islamic banks can be explained by the interplay between organisation-related variables (e.g. SQ) and customer self-concept (e.g. Escalas and Bettman 2003; Sirgy 1997) underpinned by Islamic principles and ideology. Accordingly, this research is designed to provide a deeper understanding of how IB customers in Indonesia view customer loyalty, and how – and in what sense – a combination of ORV (i.e. SQ, corporate reputation, trust and commitment) and SRV (i.e. self-brand congruity, Islamic financial literacy and religiosity) can enhance it. The subsequent sections discuss the relevance of and rationale for investigating both ORV and SRV for the current study.

1.3.3 Organisational-Related Variables (ORV)

1.3.3.1 Service Quality

SQ is defined as 'a customer's judgement about a product's overall excellence or superiority and is similar to an attitude' (Zeithaml 2000; Parasuraman et al., 1985). Customers expect their banks to provide what they promise to deliver (Ladhari et al., 2011), and the survival of Islamic banks may depend on their service performance (Haron & Ahmad 2011) for retaining loyal customers (Baumann et al. 2012; Rehman 2012).

Meeting customer expectation is a challenging task for Islamic banks, because they are expected to deliver service quality in a conventional sense, but also in terms of compliance with religious beliefs (Wilson et al. 2013). Accordingly, Islamic banks are required to differentiate themselves based on service quality (Othman & Owen 2001) that can communicate authenticity – the notion of conformity to Islamic beliefs in service provisions (Butt & Aftab 2013).

Issues such as IB employees' competence in understanding IB terminology and in convincing Muslim customers that the bank offers authentic products and services (Beck et al. 2013) are important. The use of tangible evidence can also be a critical issue for a bank to be perceived as truly Islamic, as well as the empathy that is expressed by staff when

dealing with customers (Abdullrahim & Robson 2017). In addition, the extent to which transparency and fairness are promoted can assure customers, as they expect Islamic banks to promote these Islamic traits (Amin et al. 2013).

Despite this, most prior research exploring SQ within the IB context (Taap, Chong, Kumar & Fong 2011; Rehman 2012; Qureshi, Khan, Zaman & Khaqan 2014; Alshurideh et al., 2017; Alam & Noor 2020) uses scale items that are replicated from non-IB and non-banking contexts without sound justifications (Butt & Aftab 2013). Event those who have explored Sharia compliance (Othman & Owen 2001; Rehman 2012) and use of Islamic tangibles (Abdullrahim & Robson 2017) in service delivery have largely ignored to investigate how and in what sense service quality is perceived by Islamic bank customers and to what extent such perceptions underpin customer loyalty intentions. This current research is designed to investigate SQ, using insights from the Islamic faith and ideology to understand how Islamic banks can meet customers' expectations differently, compared to their conventional competitors. Such expectations may enhance or dilute customer preferences and loyalty.

1.3.3.2 Customer-Based Corporate Reputation

Scholars have defined customer-based corporate reputation (CBR) as 'the customer's overall evaluation of a firm based on his or her reactions to the firm's goods, services, communication activities, interactions with the firm and/or its representatives or constituencies (such as employees, management, or other customers) and/or known corporate activities' (Walsh & Beatty 2007, p.129).

Islamic banks in general deal with reputational problems, especially regarding how they are perceived as mimicking CB practices (Khan 2010; Ashraf, Robson & Sekhon 2015) and differ only in terms of the Arabic terminology they use in naming or communicating their products and services (Kuran 2007). In this respect, customers doubt Islamic banks' conformity with Islamic principles (Almahy, Al-Sahn and Beloucif 2014).

Researchers in the IB context have often treated corporate reputation as a single dimension (Amin et al. 2013; Saleh et al., 2017), and the terms of "corporate image" and "corporate reputation" are often defined inconsistently and used interchangeably (Bromley 2000; Barnett et al. 2006). Walsh et al. (2014) argue that unidimensional corporate reputation scales do not provide the conceptual richness required to express the meaning of reputation, and thus recent studies (Walsh et al., 2014; Chahal & Kumari 2014; Wepener & Boshoff 2015; Walsh et al., 2017; Cintamur & Yuksel 2018) have addressed this issue by introducing the customer-based corporate reputation (CBR) scale, which acknowledges the multidimensional approach of the construct.

Although the CBR concept (Walsh & Beatty (2007) has been employed in various consumer studies (Walsh, Bartikowski & Beatty 2014; Chahal & Kumari 2014; Wepener & Boshoff 2015; Walsh et al., 2017; Cintamur & Yuksel 2018), it has not been tested in the IB context. Moreover, none of these studies has used an exploratory research design in developing the measurement scale, which is yet to be tested in nomological models to examine the role of CBR in various important relational marketing variables. This current research, therefore, fills the gap in the literature by adapting the CBR scale to the IB context, using an exploratory research design and investigating how CBR may trigger loyalty among IB customers in Indonesia.

Moreover, customers may view corporate reputation not only as an evaluation of an Islamic bank's identity in terms of a banking service provider, but also as a clue as to whether it has the qualities or values that demonstrate truly Islamic principles and trustworthiness (Khan 2010). This may have implications for how customers develop trust in their Islamic banks, which may also explain why some customers are committed and loyal, while others are not or choose to bank with both Islamic and conventional institutions (Ashraf et al. 2015). Hence, the current research is designed to investigate how IB customers develop trust and commitment, using insights from Islamic faith and ideology to understand how Islamic banks can enhance these factors differently compared to their conventional counterparts. Furthermore, such phenomena may augment or dilute customer preferences and loyalty.

1.3.3.3 Trust and Commitment

Sharia compliance offered by Islamic banks has the potential to generate higher levels of trust and commitment. Scholarly work within marketing also acknowledges the role of trust in enhancing customer commitment and loyalty (Morgan & Hunt 1994) and defines trust as 'a willingness to rely on an exchange partner in whom one has confidence (Moorman, Deshpande, & Zaltman 1993, p. 82).

Trust in the IB context is seen as a symbol of moral values, honesty, equity and equality (Sauer 2002). Similarly, business ethics and Sharia compliance are considered as the pillars of trust when running IB operations (Kayed & Hassan 2011). Nonetheless, a majority of IB customers continue to believe that their banks are not truly authentic in terms of compliance with Sharia (Almahy, Al-Sahn, & Beloucif 2014). This may lead to a lack of trust, which could then trigger long-term relationship problems. However, there is a lack of research investigating how and in what sense trust contributes to customer loyalty and relationship-building with Islamic banks in Indonesia.

Prior research also highlights the importance of commitment to developing and maintaining lasting customer-firm relationships (Morgan & Hunt 1994; Aurier & N'Goala 2010; Tabrani et al. 2018). Commitment is defined as 'an enduring desire to maintain a valued relationship' (Palmatier, Dant, Grewal & Evans 2006, p. 138). The term "valued relationship" conforms with the belief that commitment exists only when both partners desire a durable relationship and are willing to maintain it because it is considered important (Morgan & Hunt 1994).

According to the relationship marketing literature, commitment consists of three components, including affective, calculative and normative commitment, which reflect motives for maintaining the relationship (Cater & Zabkar 2009; Fullerton 2011). Affective commitment involves an emotional bond between customers and a service provider, calculative commitment involves rational assessment based on economic consideration, while normative commitment involves social norms and the moral obligation of one party to another in a relationship (Cater & Cater 2010; Nusair et al. 2011).

A stream of research has explored the role of trust and commitment in the IB context. For example, Amin, Isa, & Fontaine (2013) report that customers establish relationships with Islamic banks because the image of the banks influences their trust perceptions that they are Sharia-compliant. Sumaedi, Juniarti, & Bakti (2015) report that the involvement of ego, which indicates the importance of an object to a person based on one's needs, values and interests (Lai & Chen 2011), has a significant role in building trust and commitment toward an Islamic bank. Arshad, Zahra, & Draz (2016) find that image has positive effects on trust, and thus trust on loyalty, but the effect of image on trust does not differ between customers of Islamic banks and conventional banks. However, none of these studies elaborates on the extent to which trust and commitment are driven by self-related motives in the context of the Islamic faith, its values and perspectives.

Accordingly, this research focuses on investigating the antecedents and outcomes of trust and commitment, which may help in explaining why and in what sense a majority of Muslims continue to bank with conventional banks despite having the opportunities to bank with Islamic banks (Wilson 2012). It could be that a lack of trust in terms of IB's Sharia authenticity and a lack of customer commitment (Almahy, Al-Sahn, & Beloucif 2014) keeps customers away. Furthermore, even when customers trust Islamic banks, it may not affect their affective commitment, which in turn may cause them to bank not only with an Islamic bank, but also with other banks (Sumaedi, Juniarti, & Bakti 2015).

As a result, there is a particular need to explore what trust in and commitment to an Islamic bank mean for customers in Indonesia with respect to their values, perspectives and identities as Muslims, and the extent to which these can influence their overall loyalty. Jamal, Yaacob, Bartikowski & Slater (2019) identify how and in what sense the Islamic faith

and ideology ground charitable behaviour, by considering that because Muslims view Islam as a way of life, they behave in a form of divine worship, including charitable behaviour. The same principle is likely applicable to the IB context; hence, this research aims to investigate the role of trust and commitment in shaping loyalty towards Islamic banks in Indonesia by considering the Islamic faith and ideology entrenched in the selves of IB customers (Jamal et al., 2019).

When it comes to understanding customers' trust and commitment towards Islamic banks, it may also be essential to explore how important Sharia compliance is for them and how they evaluate it, considering several aspects related to their selves, such as the Islamic faith and ideology. This is in line with prior studies, which demonstrated that Sharia compliance is the pillar of customer trust in Islamic banks (Kayed & Hassan 2011; Almahy, Al-Sahn, & Beloucif 2014), while trust is commonly known as the main driver of commitment in the long-term customer relationship (Morgan & Hunt 1994; Tabrani et al. 2018). Arguably, IB customers need to have a certain level of knowledge about Sharia compliance in terms of IB services prior to evaluating the authenticity of the institution. Therefore, trust and commitment issues are potentially related to customers' knowledge of the IB system. The following section briefly discusses the challenges faced by the IB industry with respect to SRV, including IB literacy, self-congruity/self-branding connections and religiosity.

1.3.4 Self-Related Variables (SRV)

1.3.4.1 IB Literacy

A key challenge for the IB industry is that many customers are unaware of IB terminology (Bley & Kuehn 2004) as well as the different features and principles compared to traditional counterparts (Beck et al., 2013). Prior studies report that Muslims in various countries lack literacy about IB products and services. For example, in Australia, they are aware of Islamic banks' existence, but they are unaware of their principles and basic functions (Rammal & Zurbruegg, 2007). In Thailand, the majority of bank customers are aware of prohibition of interest, but they are unaware of IB's products and services (Lateh et al. 2009). In Malaysia, many customers are aware of Islamic banks, but they have poor understanding of Islamic terminology and the difference between Islamic and conventional offerings (Hamid & Nordin 2001). Similarly, the majority of Muslims in Indonesia are not familiar with Arabic phrases, so they find the use of Arabic terminology in Islamic bank products difficult to understand, especially in terms of the features and benefits of IB, and thus these products are unattractive to them (Wilson et al. 2013). Moreover, such difficulties also lead to a poor understanding of the differences between Islamic and non-IB (Hamid & Nordin 2001; Bley & Kuehn 2003).

In many cases, customers doubt whether IB services are truly Islamic, as many of them do not understand the differences between IB services and CB services (Khan 2010). One can argue that customers' understanding of the IB system may influence their perceptions of Islamic banks, which may add to an already complex situation, because customers must understand not only what Islamic banks offer, but also how and in what sense they fulfil their promises and meet customer expectations, particularly in terms of being truly Sharia compliant and in line with customers' religious objectives (Metawa & Almossawi 1998; Dusuki & Abdullah 2007).

Hence, increasing customers' literacy about IB may reduce ambiguity and engender favourable perceptions (Abdullah & Anderson 2015). This signals the importance of educating customers about IB, especially in terms of concepts, terminology and IB principles, of which most customers are unaware.

Currently, very few studies have conceptualised or measured customer IB literacy (IBL), and there is no commonly accepted definition thereof. Nevertheless, we can associate IBL with Islamic financial literacy, defined as 'the ability of a person to use financial knowledge, skill and attitude in managing financial resources according to the Islamic teachings' (Rahim, Rashid & Hamed 2016, p. 2).

Regarding the conceptualisation and measurement of IBL, current studies are still in the early stages of development. For example, Bley & Kuehn (2004) reported that UAE participants' knowledge of IB was lower than that of non-IB, and the Arabic language played more of a role in enhancing IB knowledge than non-IB knowledge. Abdullah & Anderson (2015) determined the factors behind Islamic financial and banking literacy among Malaysian bankers. Zaman, Mehmood, Aftab, Siddique, & Ameen (2017) measured customers' IB literacy and their readiness to adopt Islamic banks. However, there is still very little understanding of the extent to which IBL contributes to building trust or commitment levels. In addition, we also do not know if it plays a role in strengthening relationships with Islamic banks – as manifested in customer loyalty levels.

Therefore, this research aims to fill these gaps in the literature by exploring how IB customers personally assess their IBL level and to what extent they are literate enough to understand IB provisions, as well as the extent to which the IBL in terms of IB concepts and terminology affects customers' loyalty and behaviours.

The IB system, with its unique features, is more complex than what the majority of people see as just an interest-free banking system (Khan 2010). This common view of IB has often placed Islamic banks in an inaccurate information setting, meaning they could be perceived as indistinguishable from conventional banks (Kuran 2007). As a result, customers may – or may not – view an Islamic bank as a representation of their self-identities (Kleine et al.

1995). This may have implications for how these customers develop a self-brand connection (SBC) (Escalas 2004). Therefore, the next section discusses these implications as a challenge faced by the IB industry with regards to self-congruity and SBC.

1.3.4.2 Self-Congruity and Self-Brand Connection

Self-concept is defined by Rosenberg (1979, p. 7) as 'the totality of the individual's thoughts and feelings that have reference to him- or herself as an object of thought' (Reed 2002, p. 235). Scholarly work reports that customers often purchase products or services that are seen as similar to their self-concept (Jamal and Al-Marri 2007). According to Sirgy & Chon, (1997) a customer's self-concept interacts with imagery associated with the typical product/service user, generating a subjective experience referred to as "self-image congruence." The social identity theory (Tajfel & Turner 1985) implies that customers may associate themselves with a service brand when they feel that there is a match between how they see themselves and how the organisation is presented by the service provider.

Self-image congruity influences customer behaviour through the motivation to satisfy customer needs in order to build consistency and confidence in their self-identity (Sirgy & Chon 1997). Furthermore, self-congruity theory has been extended to a brand context and consumer-brand relationship studies under the 'SBC' (Hammerl et al. 2016) concept, which is conceptualised as 'the extent to which individuals have incorporated a brand into their self-concept' (Escalas & Bettman 2003, p. 339). They do this in order to obtain social approval or to gain satisfaction from portraying a sound self-concept to others (Escalas & Bettman 2003).

This idea is supported by a stream of research dealing with customer interactions with service organisations such as charities (Jamal et al., 2019). From a conceptual perspective, Bennett (2013) highlights the need to investigate self-image congruency as a predictor of charitable donations. Hou & Reber (2011) find that as an individual's identification with a charitable organisation increases, one's charitable intentions and behaviours toward the organisation increase as well. Others argue that charities gain donors' loyalty and future support on the grounds of the donors' sense of identification when contributing to a specific charity (He et al., 2012; Yeh et al., 2016).

Similarly, Yaacob (2020) also highlights the significance of donor-charity congruency by following the social identity theory (Tajfel & Turner 1979; 1985), thereby underpinning the study by Ashforth and Mael (1989) which claims that an individual's aspiration to define him- or herself with respect to an organisation is a pattern of social identification and self-expression. Individuals who identify with a specific organisation see themselves as

psychologically associated with said organisation to the point where they share and experience its circumstances (Ashforth and Mael 1989; Bhattacharya et al., 1995), integrate their self-schema and the organisation's schema (Bergami & Bagozzi 2000; Bhattacharya & Sen 2003) and define themselves via the same characteristics as the individuals believe define the organisation (Dutton et al., 1994).

Moreover, Yaacob (2020) reports that donor-charity congruency enhances donors' confidence in a certain charity. This confidence is based upon their beliefs that individuals who donate to the same charity have the same characteristics as theirs, and the charity is perceived to have an image that is consistent with how the donors see themselves (self-image congruity). Therefore, donor-charity congruity builds up into a sense of identification with the charity (Sirgy 1982; Jamal & Al-Marri 2007), which in turn generates self-charity brand connections and altruistic behaviour (Escalas & Bettman 2005; Yaacob 2020).

The same principle may be applicable to the IB sector, as a study by Nemati, Ahmed & Khan (2018) reports that SBC (SBC) mediates the relationship between advertisement effectiveness and behavioural loyalty. Moreover, and in case of both self-image congruence and SBC, corporate image and identity play a key role in determining the extent to which customers integrate a corporate brand into their self-schemas. Within the context of IB, Hoq et al. (2010) suggest that bank image or identity plays a critical role in establishing long-lasting relationships between customers and banks. It is therefore possible that customers may bank with Islamic banks for the purpose of defining their self-identity, as they may perceive their self-schemas as psychologically congruent with these Islamic banks' image or identity.

However, Islamic banks face numerous challenges when it comes to managing corporate image and identity (Cengiz et al. 2007), particularly in terms of their Islamic authenticity or Sharia compliance. nonetheless, there is a lack of empirical research investigating the extent to which self-image congruence plays a role in shaping customer trust and commitment levels and – ultimately – customer loyalty.

When it comes to understanding how customers are connected to Islamic banks from the SBC perspective, there is also a need to examine factors such as religiosity, which can influence important life (McCullough and Willoughby 2009) and consumption decisions (Abdulrazak & Gbadamosi 2016). This is because a person with a high commitment to a religion is expected to incorporate it in his or her life and may use it as a basis on which they evaluate the world (Worthington et al. 2003). For this reason, the level of religious commitment is essential in helping to understand consumers and to comprehend how it influences their connection with a brand (Al-Abdulrazak & Gbadamosi 2017). Therefore, the next section discusses religiosity and how it may be a relevant issue in the IB industry.

1.3.4.3 Religiosity

Religiosity is defined as 'the faith that a person has in God (McDaniel & Burnett 1990) and greatly influences the beliefs and conducts of individuals' (Light et al. 1989 in Patwardhan, Keith & Vitell 2011, p. 62).

Another challenge for the IB industry is related to customers' religiosity. Religiosity forms religious self-identity, which in turn influences customers' intentions and behaviours when purchasing products that do not contradict their religious beliefs (Weaver & Angle 2002; Yun et al. 2008). Thus, religious Muslim customers are likely to choose Sharia-compliant products and be motivated to bank with Islamic banks (Mukhtar & Butt 2012).

Such motivation can be related to prior studies, which argue that religiosity is a main reason for Muslims customers using Islamic banks (Butt et al., 2011; Idris et al. 2011). Nevertheless, there is some inconsistency around this argument, in that a number of studies claim that religiosity is not a main reason for choosing Islamic banks (Marimuthu et al., 2010; Awan & Bukhari 2010).

It is plausible to argue that such inconsistency may exist because the Muslim market is neither a single segment nor homogenous (Usman et al., 2017). Besides, there is a distinction between levels of religiosity among Muslims, in that some of them are religious and others are less or not religious (Abou-Youssef et al., 2015; Fam et al., 2004), and thus their self-identities may vary depending on their religiosity levels. Consequently, a further investigation is needed to gain an in-depth understanding of what being religious means to IB customers and under which self-schema religious beliefs drive them to bank with their chosen institution. It is also unknown whether those customers who are less religious, but still Muslims, are motivated to bank with Islamic banks and in what circumstances. Moreover, a legitimate question is whether religiosity influences self-identity and triggers loyalty to an Islamic bank among Islamic customers in Indonesia.

While studies of customer religiosity in the IB context mainly focus on developing or modifying religiosity scales (Dali, Yousafzai, & Hamid 2019) and examining the role of religiosity on purchase or loyalty intention (Suhartanto et al. 2018), very few studies have identified the role of religious norms in the relationship between religiosity and the selection of an Islamic bank (Usman et al., 2017). Usman et al. (2017) also support prior studies that demonstrate inconsistencies in this regard (Marimuthu et al., 2010; Awan & Bukhari 2010).

Moreover, despite the growing attention to religiosity in consumer studies, this prior research focuses on a quantitative approach to developing the measurement scale, and thus it lacks exploration in terms of understanding what it means to be religious to various

customers on different religious levels, as well as in what sense being religious influences customer loyalty, attitudes and behaviours.

The present research fills this gap in the literature by exploring how IB customers describe their religiosity and the personal meaning attached to being religious. Additionally, it examines whether religiosity influences customers' self-identity and their connections with Islamic banks in terms of loyalty.

There are currently 1.8 billion Muslims in the world (Pew Report 2015), and with the Muslim consumer market growing at 15 per cent annually, it represents the fastest growing market segment worldwide (Alserhan 2010). Moreover, the United Nations Population Fund projects that the number of Muslims will grow from 1.8 billion to 2.76 billion by 2050, thereby creating a remarkable opportunity for businesses around the globe (Al-Kwifi, Farha, & Ahmed 2019). A large proportion of Muslims reside in Indonesia, Pakistan, India, Bangladesh, Iran and Turkey, accounting for 62 per cent of the world's Muslim population.

Over the past decades, some studies have investigated Muslim consumption behaviour and addressed various issues related to the Muslim market, such as the market orientation of Islamic banks (Zebal & Saber 2014), Muslim shopping behaviour (Osman et al., 2014) and Muslim clothing selection (Bachleda et al., 2014). However, the stream of research highlighting Islam's influences on consumers' self and behaviour has gained little attention from consumer researchers (Gayatri & Chew 2013), and it has not been studied in the context of IB among Indonesian Muslim customers. Hence, this provides a huge opportunity for future research.

In summary, this current research is significant in three ways in relation to the growing stream of IB customer research. First, it explores customer loyalty and associated factors, namely ORV (i.e. SQ, corporate reputation, trust and commitment) and SRV (i.e. IB literacy, SBC and religiosity) among Indonesian Muslim customers of Islamic banks. Second, it is the first in the IB literature to scrutinise the roles of SRV in predicting customer loyalty to Islamic banks and/or its ORV.

1.4 Research Aim

This research aims to develop a better understanding of customer loyalty from the perspectives of IB customers in Indonesia. It is also designed to investigate the extent to which a range of both ORV and SRV contribute to enhancing this customer loyalty. Having elaborated the justifications of the research in the previous section, the IB industry in Indonesia is believed to be facing fierce competition and customer loyalty issues. Prior studies in this regard mainly link customer loyalty issues to organisational aspects such as

SQ, trust, commitment and reputation (Butt & Aftab 2013; Hidayat et al., 2015; Arshad et al., 2016; Tabrani et al., 2018; Shabbir et al., 2018). On the other hand, a few studies provide reasonable arguments supporting the suggestion that loyalty issues are linked to customers' SRV, including levels of IB literacy, SBC and religiosity. However, the roles of such SRV in predicting customer loyalty and its ORV have not been studied in the IB sector, particularly in the context of Indonesian Muslim customers (Gayatri & Chew 2013), hence the aim of the current research.

1.5 Research Questions and Objectives

This study is designed to address the following research questions:

Research Question 1:
What is meant by loyalty, and what are the antecedents of loyalty from the perspectives of IB customers in Indonesia?
Research Question 2:
To what extent do SRV affect customer loyalty towards Islamic banks in Indonesia?
Research Question 3:
What are the roles of ORV in explaining customer loyalty towards Islamic banks in Indonesia?

This research is designed to address the following research objectives:

Research Objective 1:
To develop a better understanding of customer loyalty from the perspective of IB customers in Indonesia.
Research Objective 2:
To investigate the impacts of SRV on customer loyalty towards Islamic banks in Indonesia.
Research Objective 3:
To investigate the impacts of ORV on customer loyalty towards Islamic banks in Indonesia.
Research Objective 4:
To determine the combined effects of SRV and ORV in influencing customer loyalty towards Islamic banks in Indonesia.

1.6 Research Methodology

This section begins with a discussion of a research paradigm, because selecting which one to follow is fundamental, since it helps researchers develop ways to start research and conduct it by using selected research approaches (Gummesson 2003). Hudson & Ozanne

(1988) highlight that there are primarily two research paradigms that are widely discussed in the social sciences literature, namely positivism and interpretivism.

Positivism serves as a philosophy that makes rational considerations to develop knowledge, based on a premise that objective reality exists and is observable and measurable (Hussey & Hussey 1997; May 1998) through deductive research techniques (mainly quantitative approaches) to verify and support a theory (Guba & Lincoln 2005; Creswell & Creswell 2018).

On the other hand, interpretivism is a research philosophy that makes subjective interpretations of participants and researchers to understand certain things or situations (May 1998), based on their experiences and social perspectives (Bryman 2012; Crotty 1998). Interpretivists aim to understand and develop theory by using inductive research techniques (primarily qualitative approaches) using open-ended questions (Guba & Lincoln 2005).

Additionally, there is another research paradigm, i.e. pragmatism, which derives from a view that focuses on research questions and emphasises the use of pluralistic approaches to understand a phenomenon or a problem (Rossman & Wilson 1985). Pragmatists have a flexibility of choice regarding the research methods and approaches that fit their research objectives, using both quantitative and qualitative research assumptions (Cherryholmes 1992; Morgan 2007; Creswell & Creswell 2018). As a result, pragmatists are in a desirable position to apply an initially qualitative approach to provide some insights for the quantitative part of the research, and vice versa (Onwuegbuzie & Leech 2005, p. 383). Considering these postulations, the current research utilised the pragmatism paradigm, as it is the most suitable and valid research approach to help achieve the research objectives in which mixed methods or both qualitative and quantitative approaches are required.

Mixed methods research is 'the type of research in which a researcher or team of researchers combines elements of qualitative and quantitative research approaches (e.g. use of qualitative and quantitative viewpoints, data collection, analysis, inference techniques) for the broad purpose of breadth and depth of understanding and corroboration' (Johnson et al., 2007, p. 123). The present research employed the mixed method for several reasons, including the ability to bring attention to rigorous research (Woodruff 2003) and to use qualitative methods to complement quantitative analysis (Hunt 1994). When quantitative and qualitative methods are combined, it allows the researcher to triangulate findings for reciprocal corroboration and to offset their weaknesses by drawing on the strengths of both methods (Bryman 2006). In addition, each of these methods answers different research questions and addresses particular research objectives (Bryman 2006).

A quantitative approach is suitable for research that sets out, for example, to identify variables to study, to examine antecedents of outcome variables or to test hypotheses or variable relationships (Prince, Davies, Manolis & Tratner 2012), whereas the qualitative approach is suitable for research that involves a new phenomenon that needs to be explored and to generate in-depth and rich insights (Prince et al., 2012; Creswell and Creswell 2018).

Employing a mixed qualitative and quantitative approach helps in increasing the validity of findings, creating knowledge and informing the second data collection phase (Hurmerinta-Peltomaki & Nummela 2006). This is because a qualitative approach followed by a quantitative approach helps the researcher in this current study obtain detailed perspectives of the research participants, based on their standpoints and a deeper insight into their experiences through their stories, in order to draw conclusions for larger numbers of people, to analyse the data efficiently and to examine causal relationships and their effects (Creswell & Creswell 2018). On the other hand, using only a qualitative approach or a quantitative approach may be insufficient to derive knowledge about the research phenomenon or problem, and it may not sufficiently investigate personal meanings or deeply probe participants' perspectives (Creswell 2015). Therefore, studies that apply a mixed methods approach generate a broader and deeper understanding of the research problem than those that do not use both a qualitative and a quantitative approach (Hurmerinta-Peltomaki & Nummela 2006; McKim 2017).

In this sense, a mixed method or a pluralistic approach is more appropriate to use when the use of qualitative research or quantitative research alone is inadequate for acquiring a deeper understanding of the research problem, due to the weaknesses inherent in each approach. The main idea behind a mixed method approach is the integration of qualitative and quantitative data and results to reach justifiable and sound conclusions, with the aim of enhancing the relevance and credibility of research outcomes (Plano Clark & Ivankova 2016). This approach is derived from a pragmatism philosophical stance – a research paradigm that allows researchers to have freedom in selecting data analysis methods and procedures that best fit their research objectives, following a view of pragmatists that emphasises the need to provide the best insights to address research problems (Rossman & Wilson 1985; Creswell & Creswell 2018). Hence, a mixed method approach integrates both quantitative and qualitative research as a solid methodological foundation (Morgan 2007; Ivankova 2018).

Given the nature of the current study's research objectives (some needed to discover patterns through in-depth insights, while others are needed in model building and model testing, to assess theories and hypotheses), this study adopts a mixed methods approach

to meet the stated research objectives. In doing so, it provides more advantages than using either a qualitative approach or a quantitative approach only, for at least three reasons (Creswell & Creswell 2018). First, combining the qualitative and quantitative approaches enables researchers to draw different perspectives from open-ended and closed-ended data, to obtain more comprehensive information and views about the research problem. Second, it allows researchers to add qualitative information (e.g. the context of personal experiences, place and setting) to the quantitative information (Bryman 2006). Third, it enables researchers to carry out a preliminary exploration with participants through qualitative research, to ensure that relevant measures and instruments suit the participants being studied (Bryman 2006; Harrison & Reilly 2011). In short, a mixed methods approach can help researchers produce more transferable and scientifically sound results through the integration of qualitative information with quantitative outcomes, in order to inform and address the research problem (Ivankova and Wingo 2018).

In line with Arifine, Felix, & Furrer (2019) who adopted a sequential, qualitative-driven mixed method approach to obtain a deeper understanding of customer loyalty, this research also applied the same. It is required in order to obtain an in-depth understanding of the phenomenon being studied and to quantify how related attitudes and behaviours occur (McDonald & Lai 2011). The qualitative and quantitative phases were used in Arifine's study to expand on one another, in that the qualitative phase allowed the exploration of loyalty meanings and facets and informed the development of scale items for the qualitative phase (Arifine et al. 2019). Besides, such an approach is appropriate, given the quantitative phase contributes to the credibility and integrity of qualitative findings (Harrison and Reilly 2011).

Accordingly, the current study adopted a qualitative approach through in-depth interviews in the first data collection phase, primarily in order to obtain a deeper understanding of the roles of ORV and SRV in predicting loyalty among IB customers in Indonesia. Moreover, it was conducted to verify the reviewed literature at the initial stage of the research (see Chapter 2) and to inform measurement and loyalty model formulation (see Chapter 6).

When researchers aim at obtaining an in-depth understanding of research participants' perceptions of their lives (Schultze & Avital 2011; Schwandt 2001), in-depth semi-structured interviews are commonly employed, in order to penetrate a participant's perspective, establish rich descriptions of a particular phenomenon and analyse cultural patterns and themes (Patton 2002, p. 341; Warren 2002, p. 85).

An in-depth semi-structured interview evokes narratives that can be meaningful, as they transform questions about a particular topic into an invitation to tell a story (Hollway & Jefferson 1997). A semi-structured interview guide containing a set of predetermined, open-ended questions is developed by researchers in the initial stage of a qualitative study, to

obtain similar data patterns from all participants (Holloway & Wheeler 2010; Bridges, Gray, Box & Machin 2008). In-depth semi-structured interviews are usually administered in a flexible way, to establish a conversational interview style alongside the opportunity to vary the sequence and wording of the questions and to ask for further interpretation and delve into new questions that appear throughout the interview session that may not have been determined initially (Ryan, Coughlan & Cronin 2009; Griffee 2005; Corbetta 2003; Berg 2009; Power, Campbell, Kilcoyne, Kitchener, Waterman 2010).

During this phase, a total of 25 Indonesian customers of Islamic banks were seen in a series of in-depth semi-structured interviews. They met the sampling criteria, namely being an Indonesian Muslim, aged 18 and over and banking with an Islamic bank in Indonesia. All interview sessions were voice-recorded, transcribed and then analysed using a content analysis method (e.g. Schreier 2013; Boyatzis 1998; Willig 2013).

Content analysis aims to describe systematically the meanings behind qualitative data by assigning parts of this data to different categories to form a coding frame (Schreier 2013). The coding frame is at the centre of the method, as it contains all relevant descriptions and interpretations (Willig 2013). Furthermore, it is characterised by data reduction and a systematic process of extracting themes from the data (Schreier 2013). Some researchers label content analysis 'thematic analysis' (Boyatzis 1998; Willig 2013; Schreier 2013). According to Willing (2013), it is a themes-identifying process using qualitative data to capture meaning that is related to the research questions. Additionally, it builds relationships between such themes, which then helps researchers identify patterns in the qualitative data (Braun & Clarke 2006; Willing 2013).

Furthermore, a quantitative study (i.e. survey) was performed in the second data collection phase to examine the extent to which both ORV and SRV influence customer loyalty towards Islamic banks in Indonesia. This survey involved a total of 289 participants who completed an online survey via Qualtrics. The quantitative study started by formulating measurement scales of ORV (i.e. CBR, SQ, trust and commitment), SRV (i.e. IBL, religiosity and SBC) and customer loyalty, each of which was informed by the qualitative findings in the first phase of data collection. This was followed by running and analysing the measurement model through a set of thorough procedures (i.e. EFA, CFA and model fit tests), using SPSS and structural equation modelling (SEM).

The SEM approach was utilised to analyse quantitative data, using the Amos 25 software programme. This study followed the SEM procedural steps suggested by Hair et al. (2010) by applying two methodologies, namely measurement model estimation and structural model estimation. Thus, the measurement model estimation was followed by a structural model estimation to analyse the proposed customer loyalty model and the causal

relationships consisting of 18 hypotheses, in order to predict the drivers of loyalty towards Islamic banks among Indonesian customers.

1.7 Research Contributions

This study contributed to the literature by focusing on investigating IB loyalty-related issues in Indonesia. However, unlike past studies (Tabrani et al., 2018; Suhartanto et al., 2018; Shabbir et al., 2018; Thaker et al., 2019; Saleh et al., 2017), this research involved the philosophies and the essential features of IB perceived by customers, to distinguish the loyalty model in the IB sector (Alnaser et al., 2017; Arshad et al., 2016; Kashif et al., 2016; Hidayat et al., 2015; Butt & Aftab 2013) from the loyalty models in the traditional services industry (Yoo et al., 2000; Fullerton 2003; Jamal & Anastasiadou 2009; Ofori et al., 2017; Ghosh 2018; Omoregie et al., 2019; Arifine et al., 2019).

More specifically, this research developed, validated and tested a comprehensive model of customer loyalty in the IB sector in Indonesia that is unique from the existing customer relationship marketing and loyalty literature (Dick & Basu 1994; Zeithaml 2000; Fullerton 2003; Jamal & Anastasiadou 2009; Evanschitzky et al., 2012; Arifine et al., 2019; Arslan 2020). To date, empirical research on RM has focused mostly on a range of direct antecedent variables, such as SQ, corporate reputation, trust and commitment, to explain variations in a dependent variable, usually loyalty (Dick & Basu 1994; Coetzee et al. 2013; Morgan & Hunt 1994; Nguyen et al. 2013; Fullerton 2011; Bartikowski & Walsh 2011). However, no attempt has been made to investigate the direct effects of SRV on RM variables in explaining loyalty (Sharma & Patterson 2000). Moreover, past studies have not investigated the combined effects of ORV and SRV in explaining customer loyalty within the IB context.

The model complements relatively new variables that are classified into SRV (i.e. IB literacy, SBC and religiosity) with widely researched RM variables that are categorised into ORV (i.e. SQ, corporate reputation, trust, commitment and loyalty). It is developed to help the researcher investigate the combined effects of SRV and ORV in obtaining a deeper understanding of customer loyalty towards IB services among Indonesian customers.

This research provides both theoretical and practical contributions by presenting a sound analysis of customer loyalty towards Islamic banks in Indonesia from an RM theoretical stance – a topic of considerable academic and business interest. The detailed contributions of the present research are outlined as follows:

1.7.1. Islamic Banking Literacy

This research contributes to the literature by investigating the role of Islamic banking literacy (IBL) in explaining customer loyalty within the IB sector, which has not been studied. Whilst past studies have emphasised the importance of financial literacy in general (Lusardi & Mitchell 2011; Atkinson & Messy 2011; Allgood & Walstad 2013; Mende & van Doorn 2015), very few have explored its role within the IB context (Bley & Kuehn 2004; Abdullah & Anderson 2015; Zaman et al., 2017; Mahdzan et al., 2017; Albaity & Rahman 2019; Muslichah & Sanusi 2019). Accordingly, this research is the first of its kind that highlighted the importance of using a combination of SRV (i.e. IBL, SBC and religiosity) and ORV (i.e. SQ, CBR, trust, commitment and loyalty) in predicting loyalty towards Islamic banks among Indonesian Muslim customers.

IBL is conceptualised from the customers' faith-based perspectives by narrowing down the concept of Islamic financial literacy (Albaity & Rahman 2019; Mahdzan et al., 2017; Zaman et al., 2017) to IBL. This study explored how IB customers perceived IBL through a qualitative study that revealed a general lack of awareness and understanding of IB concepts, features and principles among Islamic banks' customers. The lack of understanding of IB concepts was the main cause for customers' uncertain and sceptical feelings about whether Islamic banks could meet customers' expectations and deliver their promises, and in turn, created loyalty issues.

Due to the limited understanding of IB concepts among IB customers in Indonesia, the study identified a self-assessed approach as the most accurate approach to measuring customers' IBL. The particular approach was suitable for customers who had had low awareness of a product category (Park et al., 1994). The prior studies of IBL (Bley & Kuehn 2003; Zaman et al., 2017; Albaity & Rahman 2018) have overlooked the empirical ground for selecting the IBL measurement approach. This research contributed to the literature by measuring IBL using a self-assessed approach based on the combining insights derived from the qualitative study and the literature review (Lusardi & Tufano 2015; Disney & Gathergood 2013).

The research also contributed to the literature by examining the direct effects of IBL on CBR, SBC, commitment and loyalty which provided supports to the hypotheses for the first time, particularly in the context of non-luxury and faith-filled brands such as Islamic banks. Therefore, this research revealed a theoretical implication to the IB context that IBL appeared as one of the most prominent SRV that played essential roles in enhancing customer loyalty and its antecedents, including CBR, SBC and commitment.

1.7.2. Religiosity

This research contributed to the literature by extending the literature on religiosity that is focused on identifying religiosity measurements and its linkages with ORV (i.e., corporate image, trust and loyalty) (Abou-Youssef et al., 2015; Souiden & Rani 2015; Usman et al., 2015; Suhartanto et al., 2018). The current research adopted and refined the concepts of intrapersonal and interpersonal religiosity (Worthington et al., 2003; Jamal & Sharifuddin 2015) to the IB context. Religiosity in this study was conceptualised to be more contextual and used to examine the direct relationship between (Islamic) religiosity and SBC.

The researcher tested a hypothesis of the effect of religiosity on SBC. The finding demonstrates that customers' religiosity had shaped their self-concepts that influenced their responses to and evaluations of Islamic banks, which created strong connections between the customers and their Islamic banks. This finding revealed a positive relationship between religiosity and SBC which indicated that highly religious customers tended to have a strong SBC that was manifested in a strong identification with Islamic banks as a means to communicate and present themselves to others, and *vice versa* (Escalas & Bettman 2003).

The reported finding aligned with prior research suggesting that highly religious customers tended to secure their self-identity (i.e., as a religious self or Muslim) by engaging in Halal consumption behaviour (Mohd Suki & Mohd Suki 2015; Jamal & Sharifuddin 2014; Wilson & Liu 2010; Sandikci & Ger 2010). Thus, the research extended the literature on religiosity to the literature of SBC in the IB context to better understand how customers' religiosity is rooted in their religious selves, and in turn, influenced how they built connections with their Islamic banks.

1.7.3. Self-Brand Connection

This research contributed to the literature on SBC research (Dwivedi 2014; Dwivedi et al., 2016; Kwon & Mattila 2015; Lin et al., 2017; Nemati et al., 2018; Moliner et al. 2018; Harrigan et al., 2018; Chand & Fei 2020) by exploring how SBC was developed based on the IB customers' perspectives and extending the SBC literature (Liu & Minton 2018; Mathras et al., 2016; Minton & Kahle 2014; Escalas & Bettman 2003) to the IB context.

This research revealed that SBC involved a strong influence of religious values. In that case, IB customers articulated their self-concepts by validating and presenting themselves to others as Muslims through utilising Islamic banks of which values were aligned with their religious-self inclination (Liu & Minton 2018). The study also pointed that SBC was manifested in customers' confidence that Islamic banks helped them become who they wanted to be (i.e., practising Muslims) and share mutual aspects among Muslims (i.e.,

Islamic values, attitudes and the spirit of supporting Islamic banks) as they patronised Islamic banks.

As customers' SBC developed with their Islamic banks, they felt that their Islamic banks helped them become the type of person they wanted to be. They also believed that they shared mutual Islamic values, and the spirit of supporting Islamic banks with other Muslim customers as they patronised Islamic banks.

Moreover, the research contributed to the literature by testing the nomological networks of SBC with ORV (i.e., SQ, trust and commitment) which revealed that SBC was one of the SRV that played essential roles in enhancing the three ORV in the current IB loyalty framework. Although several studies have identified the consequents of SBC (Dwivedi et al. 2014; Lin et al. 2017), none of them have addressed the context of faith-related and non-luxury brands such as Islamic banks (Roy and Rabbanee 2015).

The research revealed and supported for the first time the direct positive effect of SBC on SQ. Customers' SBC with their Islamic banks enhanced their SQ evaluations, particularly in terms of tangibles and empathy aspects involving their Islamic banks, because the strong connections secluded them from negative attitudes as they tended to be more benevolent and forgiving in evaluating the banks (Ferraro et al., 2013; Chandler & Schwarz 2010; Hess et al., 2003).

In addition, this study also provided a novelty by examining the direct positive effects of SBC on trust and commitment which were all supported. It is reported that customers' SBC and willingness to engage in long-term relationships with Islamic banks enhanced their trust and commitment to their Islamic banks as such relationships had helped them verify and maintain their self-concepts. In this case, SBC enhanced customers' trust that was manifested in their confidence towards the Islamic banks' Sharia Supervisory Board (SSB) and trustworthy leaders who had ensured Islamic banks compliance with the IB principles, such as investing customers' money in excellent Halal venues. Moreover, SBC intensified customers' commitment that was embodied in their willingness to criticise their banks when the services were poor as an act of helping others, and maintain a good relationship with their banks to support the development of the Islamic economy. Therefore, this research serves as a ground-breaking study into understanding how SBC, that was rooted in customers' religious-self concepts, strongly influenced SQ, trust and commitment.

1.7.4. Customer-Based Corporate Reputation

The research contributed to the literature by conceptualising CBR based on a combination of functional aspects and faith-based aspects and examining the direct effects of CBR on SBC, SQ, trust and commitment, which filled the gap in the CBR literature by extending the

past research (Bartikowski & Walsh 2011; Walsh et al. 2009) to the IB context. Moreover, this research revealed a theoretical implication to the IB context that CBR had appeared as one of the most ORV that played essential roles in enhancing SRV (i.e., SBC) and other ORV (i.e., SQ, trust and commitment) in the IB loyalty framework.

CBR was conceptualised by extending the Walsh & Beatty's (2007) CBR concept that includes customer orientation (CO), good employer (GE), reliable and financially strong company (RFSC), product and service quality (PSQ), and social and environmental responsibility (SER). This study pointed that CO, RFSC and PSQ reflected functional aspects that aligned with the literature of bank reputation (Devlin & Gerrard 2004; Iqbal et al., 2018; Bushman & Wittenberg-Moerman 2012; Godlewski et al., 2012), whilst SER indicated faith-based aspects that were related to CSR activities and ethical matters. The later contributed a novelty as SER involved these aspects that have not been reported in the CBR literature (Walsh et al., 2014; Wepener & Boshoff 2015; Walsh et al., 2017; Cintamur & Yuksel 2018). In this research, customers highlighted the importance of CSR and ethical aspects on the ground of Islamic values that Muslims should act according to Islamic teaching and ethics that promote the equality between ones' relationships with God, humans and the environment (Mustafar & Borhan 2013; Kamri 2008; Ahmad 1999). Moreover, this research merged the initial five dimensions of CBR into three dimensions, including SER, competence, and customer and employee orientation.

The research also tested four hypotheses for the first time to examine the direct positive effects of CBR on SBC, SQ, trust and commitment in the IB sector which all came supported. Accordingly, the study provided a new insight into understanding how faith-based aspects that are combined with functional-banking aspects had influenced customers' perceptions of CBR involving Islamic banks and how it enhanced SBC, SQ, trust and commitment. More discussions about how CBR enhanced the four variables are discussed in Chapter 8.

1.7.5. Service Quality

This research contributed to the literature by conceptualising SQ based on a combination of customers' perceptions of Islamic banks from the views of traditional SQ dimensions and Islamic values. Whilst prior studies (Abdullrahim & Robson 2017; Othman & Owen 2001) treat a Sharia-compliance aspect as an extra dimension that complements the traditional SQ dimensions (i.e., tangibles, reliability, responsiveness, assurance and empathy), this research revealed that customers' SQ evaluations involved tangibles and empathy dimensions (i.e., Islamic architecture, prayer room availability, staff's modest appearance, and transaction delays to perform punctual prayers) that reflected how Islamic banks practised Islamic ambience, values and principles in the business.

They also evaluated SQ based on how Islamic banks were operated according to the Sharia compliance and Islamic business ethics which include how accurate they performed the services. Accordingly, the research contributed to the SQ literature by blending the evaluation of Sharia-compliance aspects into that of traditional SQ dimensions (i.e., tangibles and empathy), rather than evaluating them separately. In addition, this research added a novelty by examining the direct positive effect of SQ on loyalty that was supported and implied that tangibles and empathy dimensions enhanced customer loyalty manifested in customers' tendency to engage in a positive WOM (PWOM). The inclination to engage in a PWOM was influenced by the spirit to help others (i.e., to increase the knowledge of IB and engage in Islamic banks) as part of the characteristics of Islamic communities at large (Al-Krenawi & Graham 2002; Zeithaml et al., 1996).

1.7.6. Trust

This research contributed to the literature on trust by conceptualising trust based on IB customers' perspectives in Indonesia that were aligned with prior studies (Fullerton 2011; Sumaedi et al., 2015; Amin et al., 2013; Hoq et al., 2010). Trust was built on the customers' confidence in the extent to which their Islamic banks run the businesses according to the Sharia compliance and their funds were managed by leaders and the Sharia Supervisory Board with profound Islamic gestures (i.e., honesty, trustworthiness, good intentions) (Amin et al., 2013; Hoq et al., 2010).

Moreover, this research contributed to the existing literature by examining and supporting the direct positive effect of trust on loyalty in the frame of the IB sector that involved the distinct features of trust (Amin et al. 2013). Therefore, this research provided a new insight into understanding customer trust involving faith-based features that have enhanced loyalty towards an Islamic banks.

1.7.7. Commitment

This study provided a novelty to the literature of commitment by extending the traditional concept of multi-dimensional commitment (Fullerton 2011; Meyer et al., 2001) that were described in three forms (i.e., affective, continuance and normative commitment) to the IB context based on IB customers' perceptions.

In this study, affective commitment was revealed in two forms. Firstly, customers provided criticisms to their Islamic banks as an altruistic act that is highly valued in Islam in order to help improve the bank services (Chae et al., 2017; Erkmen & Hancer 2015; Bloemer et al., 2013; Fullerton 2011; Meyer et al., 2001). Secondly, they maintained friendly relationships and an emotional bond with their Islamic banks as a form of nurturing their passion for developing the Islamic economy to construct or strengthen their religious and moral

systems, values and Halal consumption styles (Khraim 2010; Muhammad & Mizerski 2010; Nora 2019).

Continuance commitment was revealed as an act to avoid the possible spiritual consequences of which they considered as the risk for switching to non-Islamic banks (Jamal & Sharifuddin 2015; Wilson & Liu 2010). These possible consequences were unique from the prior studies that highlighted switching costs, time, effort and emotional stress as the main motivations for engaging in a continuance commitment with their service providers (Cater & Cater 2010; Blut et al., 2016; Thuy et al., 2016).

Moreover, the research added a new insight to the conceptualisation of normative commitment (Fullerton 2011; Cater & Zabkar 2009; Bansal et al., 2004, Meyer et al., 2001) that was extended to the IB context. Normative commitment was developed on the guilty feelings for losing the benevolence that suited with customers' faith, such as the ability to observe Islamic norms, support Islamic banks, avoid usury and fulfil the obligations to paying loans.

Finally, the research contributed to the commitment literature by extending the prior studies (Tabrani et al., 2018; Hassan et al., 2012) and identifying its direct positive effect on loyalty that was manifested in customers' willingness to engage in PWOM and recommend their Islamic banks to others.

1.7.8. Loyalty

This research provided new insight into a deeper understanding of customer loyalty from IB customers' perspectives. It investigated the extent to which a range of SRV and ORV that were evaluated from the customers' faith perspectives had contributed to enhancing loyalty attitudes and behaviour, which have not been studied (Minton 2016; Shachar et al., 2011).

Overall, the research contributed to the literature by revealing qualitative findings that indicated a deeply entrenched religious self that motivated IB patronage and usage behaviour. The same religious self also significantly underpinned customer loyalty towards Islamic banks in Indonesia. In addition, the quantitative study revealed that customer loyalty was predicted by SQ, trust, commitment and IBL. Moreover, SQ was impacted by CBR and SBC. Also, commitment was impacted by IBL, CBR and SBC. Similarly, trust was impacted by CBR and SBC. Finally, IBL, religiosity and CBR significantly predicts SBC.

The research validates that commitment was the most crucial variable in predicting customer loyalty. The finding is aligned with (Hidayat et al., 2015) and demonstrated that customers' commitment mainly drove customer loyalty to keep using their Islamic banks if the banks complied with Sharia principles which also indicated the importance of a religious-

based bank selection's criterion to the customers. The finding also indicated CBR as the strongest predictor of commitment followed by IBL as the antecedent of CBR.

1.8 Thesis Structure

This thesis consists of eight chapters, which are briefly outlined in the following paragraphs and illustrated in Figure 1.1.

Chapter One introduces an overview of the research and includes brief discussions on the research background and context, justifications and significance of the research, research questions, research objectives, research methodology, research contributions and thesis structure.

Chapter Two reviews eight factors related to the challenges facing the IB industry in Indonesia, namely customer loyalty, SQ, corporate reputation/customer-based corporate reputation, trust, commitment, IB literacy, SBC and religiosity. This literature review helps build the theoretical foundation that is required to develop a conceptual framework and hypothesis propositions for the current research.

Chapter Three develops the hypotheses and the customer loyalty conceptual model. The process starts with a discussion on the variables reviewed in Chapter Two, particularly in relation to the relationships between these variables and their roles in enhancing customer loyalty. Considerable discussions then ensue regarding Islamic philosophies and the features of IB, to view the loyalty model in the IB sector differently compared to that of a traditional banking model in the literature. These discussions are followed by hypotheses and the conceptual model framework.

Chapter Four discusses the methodology employed in this current research, which is organised around the following major topics: research paradigms, research approaches, research designs, research questions, research methods and the procedures involved in qualitative and quantitative data analysis. This chapter aims to explain in detail how to obtain the research results according to the proposed conceptual framework and the hypotheses developed in Chapter Three, using a sound methodology.

Chapter Five mainly discusses the qualitative data collected from in-depth interviews to delve into participants' perceptions of factors related to their loyalty towards Islamic banks in the Indonesian context. This chapter is organised around major findings, including participants' profiles, bank usage and frequency patterns, participants' motivations for using Islamic banks and participants' perceptions of factors that are conceptualised as the antecedents of loyalty, thereby leading to the generation of major themes. These major

themes contribute to the creation of measurement items, which are then further discussed and tested in Chapter Six.

Chapter Six reports the findings of the quantitative data gathered in phase two of the data collection process. This chapter is organised around two main sections, namely the descriptive statistics section and the structural equation modelling (SEM) section. In the first section, discussions include participants' bank usage patterns, participants' selection criteria for Islamic banks and participants' demographic profiles. The second section reports the SEM analysis procedures, which include exploratory factor analysis (EFA), measurement model estimation using confirmatory factor analysis (CFA) and structural model estimation to test the proposed hypotheses.

Chapter Seven discusses and then justifies the research findings from Chapter Five and Chapter Six by linking them with the literature. The discussion then takes into consideration the more general relationships inherent in the propositions, so that a rich evaluation of the results in relation to the theoretical and conceptual background can be made.

Chapter Eight addresses the summary of key findings, theoretical contributions and implications, research implications for practice, research limitations, and makes some recommendations for future research. Finally, the chapter closes with the study's conclusions.

Figure 1.2. Thesis Structure

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┌─────────────────────────────┐
│        Chapter 1:           │
│        Introduction         │
└─────────────────────────────┘
              │
              ▼
┌─────────────────────────────┐
│        Chapter 2:           │
│ Loyalty, SQ, Trust,         │
│ Commitment,                 │
│ CBR, IBL, SBC and           │
│ Religiosity                 │
└─────────────────────────────┘
              │
              ▼
┌─────────────────────────────┐
│        Chapter 3:           │
│ Hypotheses & Conceptual     │
│ Model Development           │
└─────────────────────────────┘
              │
              ▼
┌─────────────────────────────┐
│        Chapter 4:           │
│        Methodology          │
└─────────────────────────────┘
              │
              ▼
┌─────────────────────────────┐
│        Chapter 5:           │
│ Qualitative Study &         │
│ Findings                    │
└─────────────────────────────┘
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              ▼
┌─────────────────────────────┐
│        Chapter 6:           │
│ Quantitative Study &        │
│ Findings                    │
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│        Chapter 7:           │
│        Discussion           │
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              ▼
┌─────────────────────────────┐
│        Chapter 8:           │
│ Contributions, Implications,│
│ Limitations and             │
│ Recommendations for Future  │
│ Research                    │
└─────────────────────────────┘
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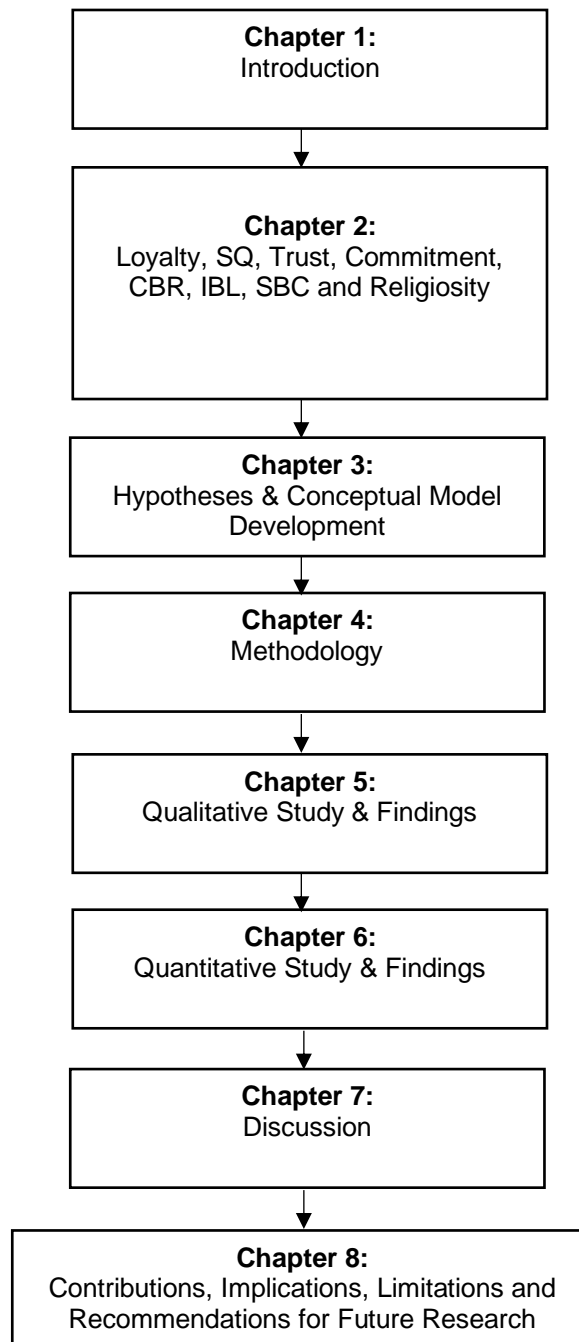
Source: Author (2022).

1.9 Chapter Summary

This chapter has provided an overview of this thesis. It has briefly discussed the research background and context, the justifications and significance of the research, research questions, research objectives, research methodology, research contributions and thesis structure. The following Chapter Two provides a literature review covering eight topics: customer loyalty, SQ, CBR, trust, commitment, IBL, SBC and religiosity.

Chapter 2 Literature Review

2.1. Introduction

This chapter aims to review the literature to propose a conceptual model of customer loyalty towards Islamic banks in the Indonesian context. More specifically, the chapter presents a review of the literature concerning customer loyalty, service quality, corporate reputation/customer-based corporate reputation, trust, commitment, IB literacy, self-brand connection, and religiosity. These constructs are reviewed based on the literature in traditional and IB contexts. A considerable discussion of the philosophical background of IB is presented to distinguish the essence of each construct from the traditional views. This discussion is vital in building the theoretical framework of customer loyalty in the IB context.

2.2. Customer Loyalty

2.2.1. Defining the Concept of Customer Loyalty

Customer loyalty has been studied extensively in various contexts, and thus many definitions of customer loyalty exist in the literature (Jacoby and Chestnut 1978). Initially, loyalty was measured by purchase quantity (Cunningham 1966) and purchase continuity (Kahn, Kalwani, and Morrison 1986). However, Jacoby and Chestnut (1978) suggested that a repetitive purchase was not a strong loyalty indicator because customers could be convenience seekers, coincidence buyers, or multi-brand loyalists. Others argued that repeat buying could be motivated by conditional contingencies, pointing to the notion of fake loyalty (Day 1969).

Dick and Basu (1994) also argued that the traditional measures such as frequency of purchase could not sufficiently explain how loyalty was constructed. They did not explain various reasons underlying the repurchase action. For example, the purchase frequency can be influenced by factors like stock availability, different consumption motives or assortment seeking. As a result, scholars incorporated attitude-based purchase behaviour into the loyalty framework to conceptualise and measure loyalty more accurately (Day 1969; Dick and Basu 1994; Oliver 1999). Dick & Basu (1994) viewed customer loyalty as "the strength of the relationship between an individual's relative attitude and repeat patronage. The relationship is seen as mediated by social norms and situational factors".

This attitude-based loyalty framework suggests that customers are involved in the cognition-affect-conation sequences in the loyalty development process (Dick and Basu 1994; Oliver 1999). According to Oliver (1999), this framework suggests that customer loyalty is initially formed in the cognitive stage. Customers choose one brand over the alternative brands because customers are informed by experience and prior knowledge from their previous purchases. Oliver (1999) adds that the next stage is the affective stage, where customers who feel satisfied with the transactions will like the brand, and the accumulation of satisfaction will develop affective loyalty.

These two types of loyalty (i.e., cognitive stage and affective stage) were still considered vulnerable to brand switching because customers could still switch to other brands despite showing satisfaction (Oliver 1999). On the other hand, customers in the conative stage accumulate positive feelings toward the brand from the previous stage, which instil commitment indicated by a behavioural intention to repurchase (Oliver 1999).

The attitude-based loyalty framework considers loyalty as a deep relationship between repurchase action and customer's attitude, influenced by social norms and situational aspects (Dick and Basu 1994). This definition of loyalty is congruent with Day (1969), who described loyalty as repurchasing actions represented by solid desire within the self (Day 1969). Likewise, Jacoby & Chestnut (1978) suggested that a combination of attitudinal and behavioural loyalty captured the concept of loyalty more adequately since the purchase intention or preference statement alone was inadequate for describing brand loyalty.

In the extant literature (Fullerton 2009; Watson et al., 2015), brand loyalty occurs when consumer's favourable attitudes for a brand are demonstrated in repurchase behaviour, in that the consumer's attitudes address factors associated with repeat purchasing behaviour other than those derived from habitual buying or lack of viable alternative situation. Customers who are behaviourally loyal and have favourable attitudes tend to remain loyal to the same brand, whereas those who have inconsistent attitudes are likely to change to other brands (Arifine, Felix, & Furrer 2019).

Beatty & Kahle (1988) suggested that the concept of brand loyalty is similar to brand commitment. Accordingly, brand loyalty is defined as "a deeply held commitment to rebuy or patronise a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour" (Oliver 1997, p. 392). Following these prior studies (Jacoby & Chestnut 1978; Beatty & Kahle 1988; Oliver 1997), brand loyalty is defined based on attitudinal statements of commitment without direct assessment of behaviour, assuming that brand commitment adequately represents loyalty.

The current research follows this loyalty conceptualisation in which the customer loyalty development process is mainly attitude-based and involves the cognition-affect-conation sequences (Dick and Basu 1994; Oliver 1999; Jacoby & Chestnut 1978; Beatty & Kahle 1988; Oliver 1997). Prior studies conducted within the IB context also follow this conceptualisation reporting that customers' commitment attitudes for constantly selecting a particular bank in the future represent loyalty (Amin et al., 2013; Tabrani et al., 2018).

2.2.2. Customer Loyalty and Marketing

Several studies have highlighted the importance of investigating customer loyalty within marketing in general (Aaker 1992; Reichheld 1996) and services marketing in particular (Bloemer et al. 1999; Caruana 2002; Asuncion et al. 2004) contexts. For example, it is argued that customer loyalty helps reduce marketing costs (Aaker 1991; Jamal & Anastasiadou., 2009; Ofori et al. 2017), enhances brand extensions and market share (Buzzell et al. 1975; Evanschitzky et al. 2012), encourages positive word of mouth and customer retention (Dick & Basu 1994; Ghosh 2018; Omoregie et al., 2019), reduces customer's price sensitivity (Keller 1993; Evanschitzky et al., 2012), and creates differentiation and competitive advantage (Aaker 1991; Arslan 2020).

Customers who are loyal to a specific brand indicate more favourable responses towards the brand than non-loyal customers who tend to switch between brands (Grover & Srinivasan 1992; Arifine et al., 2019). Similarly, Yoo et al. (2000) argue that loyal customers tend to purchase a brand and avoid switching to another brand regularly. These studies align with Zeithaml et al. (1996), who argue that encouraging customer loyalty can boost sales and customer share (Zeithaml 2000; Zeithaml et al. 1996).

Moreover, customer loyalty is essential when a business seeks to maintain a long-term relationship with its customers. Evanschitzky et al. (2012) demonstrate that loyalty influences customers' preferences toward a company over its competitors. This is because a loyal customer can develop an emotional connection with the corporate brand (Gundlach et al. 1995; Kumar et al. 1995) seeking a long-last relationship, and thus, develop a sense of attachment, identification, and cooperation with the brand (Fullerton 2003). A summary of some important consequences of customer loyalty is reported in Table 2.1.

Table 2.1 Consequents of Customer Loyalty

Consequents	Empirical Studies
Reducing marketing costs	Jamal & Anastasiadou 2009; Aaker 1991; Ofori et al., 2017.
Brand extensions/market share.	Buzzell et al., 1975; Evanschitzky et al., 2012.
Positive WOM/customer retention.	Dick & Basu 1994, Ghosh 2018; Omoregie et al., 2019.
Price sensitivity	Keller 1993; Evanschitzky et al., 2012.
Differentiation/competitive advantage	Aaker 1991; Arslan 2020.
Positive response toward the brand	Gover & Srinivasan 1992; Arifine et al., 2019.
Repurchase/brand switching intention	Yoo et al., 2000.
Boost sales and customer share	Zeithaml 2000; Zeithaml et al., 1996.
Long-term relationship	Gundlach et al., 1995; Kumar et al., 1995.
Customer attachment/identification/cooperative	Fullerton 2003.

Source: Compiled in this study (2022).

2.2.3. Customer Loyalty in the IB Sector

The IB sector is highly competitive in Indonesia, which means customers choose banking services with a range of service providers (i.e., Islamic window banks, full-fledged Islamic banks, and non-Islamic banks). Accordingly, attracting and retaining customers represents a crucial challenge for the industry (Kamarulzaman & Madun 2013; Kashif, Rehman & Pileliene 2016). The continuity of Islamic banks, in the long run, is an excellent concern for policymakers, practitioners (Kabir & Worthington 2017) and many points to the need for developing relevant customer loyalty strategies so that customers remain loyal to Islamic banks over a more extended period (Rehman 2012; Abduh et al. 2013).

Empirical studies within the IB context investigated customer loyalty and demonstrated significant direct and indirect effects of various constructs on customer loyalty. In terms of the antecedents of customer loyalty, prior studies found that satisfaction positively impacts customer loyalty (Hidayat et al., 2015; Kashif et al., 2016; Saleh et al., 2017; Alnaser et al., 2017; Thaker et al., 2019). In that case, these studies indicate that customer loyalty of Islamic banks can be achieved if they can satisfy their customers through effective customer service.

Studies also found that service quality directly affects customer loyalty (Butt & Aftab 2013; Hidayat et al., 2015; Fusva et al., 2020). The direct link between service quality and loyalty is built on the argument that the relationship between customers and IB services is strengthened due to customers' favourable evaluations about the services provided by Islamic banks (Butt & Aftab 2013).

Scholarly work also confirmed that there is a positive effect of customer trust on the loyalty of IB customers (Hidayat et al., 2015; Arshad et al., 2016; Suhartanto et al., 2018; Thaker

2019). This finding implies that customer trust in the transactions and services provided by Islamic banks is essential to attract and retain customers and build customer loyalty (Thaker 2019). In the IB context, trust is agreed as an essential factor in developing customer loyalty (Amin et al., 2013). This indicates that customers build relationships with Islamic banks because they believe that Islamic banks are sharia compliant (Tameme and Asutay, 2012).

Besides, the commitment-trust relationship theory (Morgan & Hunt 1994) triggered an investigation that found that commitment also has a direct and positive effect on customer loyalty in the IB context (Tabrani et al., 2018). Adding to that, Tabrani et al. (2018) suggest that customer intimacy can help Islamic banks build up relationships and prevent relationship terminations with customers, which is in line with Bugel et al. (2011). According to Tabrani et al.'s (2018) study, customers of Islamic banks build commitment and customer intimacy with Islamic banks because they trust that their Islamic banks are following sharia.

In addition to trust, commitment, and customer intimacy, loyalty is also positively influenced by religiosity or religious commitment (Suhartanto et al., 2018; Wahyuni & Fitriani 2017; Hidayat et al., 2015). Suhartanto et al. (2018) suggest that as IB customers indicate higher commitment levels to their religion, they become more loyal towards Islamic banks. This is in line with the finding that customers selected and became loyal to Islamic banks due to their religion and adherence to Islamic principles in their lives regardless of their satisfaction towards their Islamic banks' service quality (Hidayat et al., 2015).

Prior studies also confirmed the positive effect of perceived image on customer loyalty in the IB context (Arshad et al., 2016; Alnaser et al., 2017). However, none of these studies elaborated how perceived image was conceptualised and measured. Regarding the consequences of customer loyalty, no research was reported in the literature of IB services.

In terms of mediating variables, several studies have examined the roles of mediating constructs in customer loyalty of Islamic banks. For example, corporate image mediates the relationship between corporate social responsibility (CSR) and attitudinal loyalty and behavioural loyalty toward Islamic banks (Shabbir et al., 2018). Adding to that, the mediating role of trust in the relationship between religiosity and customer loyalty was confirmed by Suhartanto et al. (2018). The result of this study suggests that religiosity through strengthening trust towards Islamic banks affects loyalty (Suhartanto et al., 2018).

Meanwhile, Tabrani et al. (2018) reported that commitment and customer intimacy mediate the relationship between trust and loyalty. This finding indicates that customers' willingness to develop high commitment and intimacy is the consequence of trust that is formed when dealing with Islamic banks (Tabrani et al., 2018). Thaker et al. (2019) also found that mobile banking usability and customer service played significant roles in building customer loyalty through satisfaction among mobile banking customers. This result suggests that customers

will be loyal to an Islamic bank if the Islamic bank can provide usability of mobile banking services and satisfies the customers through effective customer service (Thaker et al., 2019).

While studies of customer loyalty in the IB context have received massive attention in the past years (see Table 2.2), these studies are mainly quantitative. None of them provides an in-depth explanation under which mechanism Islamic banks' customers respond to Islamic banks' religious value systems in terms of their loyalty attitudes and behaviours concerning their faith or ideological values. This is in line with prior studies, which argue that research understanding consumers' responses to religious brands is lacking despite many brands communicating their religious value systems (Minton 2016; Shachar et al., 2011).

Since Islamic banks are well-known for their religious value systems, it is crucial to understand how their customers perceive their communication strategies in terms of religious value systems. Religion contributes to many customers and businesses (Mathras et al., 2017). Accordingly, the Islamic values that are rooted in the customer's religion and shared with the firm may partially lead to a strong sense of belonging, customer affection and emotional attachment that may eventually lead to a higher degree of customer loyalty (Gbadamosi 2015) through a relationship between an Islamic bank as a brand with religious value systems and a Muslim customer who values Islam as his/her religion (Wright 2015).

The researcher of this research, in that case, recognised the importance of examining loyalty attitudes and behaviours and its main drivers from customers' perspectives in response to the religious value systems communicated by their Islamic banks (Liu & Minton 2018). For this reason, the rest of this chapter discusses the concepts and theories of the main drivers of customer loyalty in the IB context from the perspective of Islamic value systems in complement to the traditional perspective.

Having discussed the concept and the relevance of loyalty in this current research, the following section discusses service quality. According to the earlier discussion, service quality is predicted as one of the main drivers of customer loyalty and one of the challenges that need to be addressed in the IB context in Indonesia (see Chapter 1 section 1.3). Service quality is still relevant to this research because Islamic banks critically depend on their service performances to fight for their existence in the market (Haron & Ahmad 2011). In this regard, Islamic banks must deliver high-quality products and services to retain loyal customers (Rehman 2012).

Table 2.2 Empirical Studies of Customer Loyalty in the IB Sector

Author, Year	Country, Context	Method, Sample	Construct	Key Findings
Butt & Aftab (2013)	Pakistan; online IB.	A survey of 292 IB customers.	Service quality and trust.	Service quality (e-service quality) and trust have positive effects on customer loyalty.
Hidayat et al., (2015)	Indonesia; IB.	A survey of 150 IB customers.	Service quality, trust, religiosity, satisfaction.	Service quality, trust, religiosity, and satisfaction have significant and direct effects on customer loyalty.
Kashif et al. (2016).	Pakistan; IB	A survey of 300 IB customers.	Satisfaction.	Satisfaction has a significant and direct effect on customer loyalty.
Arshad et al. (2016).	Pakistan; CB and IB.	A survey of 200 CB and IB customers.	Bank image; trust.	The results identify that image and trust have positive effects on customer loyalty; no difference between CB and IB in the effect of image and trust on loyalty.
Alnaser et al. (2017).	Palestine; IB.	A survey of 500 IB customers.	Customer satisfaction; image.	Customer satisfaction and image have significant and positive effects on loyalty.
Saleh et al. (2017).	Bangladesh; CB and IB.	A survey of 229 customers of CBs and 225 customers of IBs.	Satisfaction.	Satisfaction has a significant and direct effect on customer loyalty.
Tabrani et al. (2018).	Indonesia; IB.	A survey of 200 IB customers.	Commitment; customer intimacy.	Commitment and customer intimacy have significant and positive relationships with loyalty.
Suhartanto et al. (2018).	Indonesia; IB.	A survey of 200 IB customers.	Religiosity; trust.	Religiosity and trust have direct and positive effects on customer loyalty.
Shabbir et al. (2018).	Pakistan; IB.	A survey of 350 IB customers.	Corporate image.	The corporate image plays the mediating effects in the relationships of CSR-attitudinal loyalty and CSR-behavioural loyalty.
Thaker et al. (2019).	Malaysia; Islamic mobile banking.	A survey of 250 IB customers.	Customer satisfaction; trust.	Customer satisfaction and trust have significant and positive effects on loyalty.

Source: Compiled in this study (2022).

2.3. Service Quality

2.3.1. Defining the Concept of Service Quality

There are several views of service quality definition in the literature (Martinez & Martinez 2010). Initially, service quality is defined as the disparity between customer expectations and customer perceptions of the actual service (Gronroos 1984; Parasuraman, Zeithaml, & Berry 1985). Customer expectations are shaped by several variables such as customer needs, marketing communications, corporate image, word of mouth, pricing, and personal factors (Martinez & Martinez 2010) whereas customer perceptions are shaped by how they view a bundle of actual services they receive (He & Jun 2010).

Gronroos (1984) views the disparity between customers' expectations and customers' perceptions of a service based on functional and technical quality aspects. Functional quality refers to the subjective perception of the service in terms of delivery and interactions during the service process. In contrast, technical quality refers to what the customer receives in the service performance (Martinez & Martinez 2010). Meanwhile, Parasuraman et al. (1985) view the disparity based on the SERVQUAL model consisting of five aspects of the service: tangibles, reliability, responsiveness, assurance, and empathy.

Regarding Parasuraman et al.'s service quality conceptualisation, Rodrigues et al. (2011) posit that tangibles measure the services' physical facilities and materials, while reliability refers to the service provider's ability to perform services accurately and dependably. Responsiveness indicates the firm's willingness to help and provide prompt services, whereas assurance reflects staff's courtesy and knowledge. Finally, empathy concerns showing individualised attention and care.

Despite the commonly used of the expectations-perceptions view of service quality or SERVQUAL model, this view has been widely criticised due to the use of customer expectations as the reduction factor of customer perceptions while customer perceptions rarely exceed their expectations (Babakus & Boller 1992; Al-Hawari et al. 2009). As opposed to the expectations-perceptions view (Gronroos et al., 1984 and Parasuraman et al., 1985), Cronin & Taylor (1992) proposed a perceptions-only assumption of service quality which has emerged as a more robust and efficient way of assessing service quality (Jayawardhena, Souchon, Farrell, & Glanville 2007). Furthermore, Cronin & Taylor (1994) conceptualised service quality based on Parasuraman et al.'s five aspects of service, focusing on customer perceptions of the actual service performance. According to this service quality assumption, service quality is defined as overall perceptions of customers' multiple dimensions of service experiences in terms of its excellence (Parasuraman, Berry, & Zeithaml 1988; Rust & Oliver; Bitner & Hubbert 1994). Therefore, this current research accepts the definition of service quality based on the perceptions-only assumption.

Having discussed how service quality is defined, the following section discusses the characteristics of services before discussing the importance of managing service quality in the section after.

2.3.2. Service Characteristics

There are four characteristics of services, including intangibility, heterogeneity, inseparability, and perishability (Parasuraman, Zeithaml, and Berry 1985; Zeithaml & Bitner 2003). The first characteristic is intangibility which relates to the lack of tangible property in a service provision (Bolton & Alba 2006). Although service provision often involves both tangible and intangible elements (Lovelock & Gummesson 2004; Ding & Keh 2017), service transformation is intangible because it depends on the integration of customers' resources, which initiates the transformation (Moeller 2010). Subsequently, services are offered or sold as a promise to perform any transformation in the future, and this promise is classified as intangible. Moeller adds that services are contrary to goods of which the product transformation is already completed as they are not dependent on customers' resources for completing the offering production unless they tailor their products. Due to the intangibility attribute, most services cannot be seen, touched, measured, or tested before the purchase provision (Edvardsson et al., 2005). Hence service organisations may find difficulties in understanding the way customers perceive and evaluate service quality in advance (Zeithaml 1981; Bolton & Alba 2006).

The second service characteristic is heterogeneity which refers to the incapability of a service company to deliver consistent performance and quality due to unique customer demands (Solomon & Stuart 2003; Blut et al. 2014) or the variety of the service personnel and service customisation when the service delivery is taking place (Parasuraman et al. 1985; Othman and Owen 2001). Booms and Bitner (1981) argue that what the service firm intends to deliver may differ from what the customer receives. Hence the consistency of service provided by the personnel is difficult to assure.

The third characteristic is inseparability which refers to the simultaneous service production and consumption processes (Parasuraman et al. 1985; Hoffman & Bateson 2011). This simultaneity requires customers' active or passive participation, which contributes to the quality-of-service performance, especially where customer participation is intensive, such as in doctor's consultation and haircut (Parasuraman et al. 1985; Bendapudi & Leone 2003; Blut, Beatty, Evanschitzky, Brock 2014).

The fourth service characteristic is perishability which refers to the inability to create and store services before purchasing due to the intangibility and inseparability characteristics

(Zeithaml & Bitner 2003). As a result, customers have difficulties assessing service offerings before the purchase is made (Blut et al., 2014).

These service firms' characteristics differentiate from manufacturing companies and cause services companies to emphasise different management principles compared to manufacturing companies. The management principles in service firms are different from those of manufacturing companies, mainly how they manage the quality (Bitran and Lojo 1993; Parasuraman et al. 1993; Zeithaml et al. 1996; Othman and Owen 2001).

In line with the discussion of four service characteristics, the early literature on service quality (Gronroos 1982; Lehtinen and Lehtinen 1982; Lewis and Booms 1983) suggests that measuring quality in service firms is distinguished from that of in manufacturing companies due to the service characteristics. They argue that service quality is more complicated for customers to evaluate than goods quality, which is mainly concerned about quality outcomes (He & Jun 2010). This is because service quality evaluation involves the whole service provision process until the service outcome is delivered to the customer, and the service cannot be evaluated before the service provision (Edvardsson et al., 2005; Ding & Keh 2017).

Having discussed service characteristics and how evaluating service quality is different to and more challenging than product quality, the following section discusses the importance of service quality and empirical studies of service quality in the IB sector.

2.3.3. Service Quality in the IB Sector

Maintaining service quality has become the main concern for marketers and scholars with the underlying pressure of managing service effectively. It plays a vital role in services industries, leading to numerous outcomes (Black, Childers, & Vincent 2014). For example, customer satisfaction (Yim et al., 2008; Baker et al., 2009), customer trust (Walsh & Beatty 2007; Chennet et al., 2010), intention to switch (Gounaris 2005; Montoya 2007; Yap & Sweeney 2007), patronage intentions (Molinari et al., 2008; Ruiz et al., 2008), behavioural intentions (Collier & Bienstock 2006; Dagger & Sweeney 2007), loyalty/WOM (Rauyruen & Miller 2007; Rosenbaum & Montoya 2007; Brodie et al., 2009; Iqbal, Ul-Hassan, & Habibah 2018), relationship quality (Giovanis, Athanasopoulou, & Tsoukatos 2015), financial performance (de Jong et al., 2006). Prior studies also examined antecedents of service quality, such as customer orientation (Baker et al., 2009; Walsh & Beatty 2007), perceived servicescape (Grewal et al., 2007; Pollack 2009), and employees' expertise (Dagger & Sweeney 2007; Vella et al., 2009). Table 2.3 presents the antecedents and outcomes of service quality in representative studies.

Table 2.3 Service Quality's Antecedents and Outcomes in the Service Sector

Construct	Definition	Empirical Studies
Antecedents		
Customer orientation	The extent to which a service provider understands its customers to provide superior value (Narver & Slater 1990).	Baker et al., 2009; Walsh & Beatty 2007.
Perceived servicescape	Customers' perceptions of the physical environment where the service provider and the customers interact, and the service is delivered (Bitner 1992).	Grewal et al., 2007; Pollack 2009.
Employees' expertise	Service providers or employees' knowledge, capabilities, and skills (Dagger & Sweeney 2007).	Dagger & Sweeney 2007; Vella et al., 2009.
Outcomes		
Customer satisfaction	The overall affective evaluation of service (Oliver 1997); the degree to which a service exceeds customer expectations (Bolton & Drew 1991).	Yim et al., 2008; Baker et al., 2009.
Customer trust	Customer confidence in the service provider's integrity and reliability (Palmatier et al. 2006)	Walsh & Beatty 2007; Chennet et al., 2010.
Intention to switch	Intentions of changing from a service provider to a competitor (Zeithaml et al. 1996).	Gounaris 2005; Montoya 2007; Yap & Sweeney 2007.
Patronage intentions	Intentions to use or buy again the service in the future (Zeithaml et al. 1996).	Molinari et al., 2008; Ruiz et al., 2008.
Behavioural intentions	Combination of intention to switch, patronage intentions, price insensitivity, and loyalty.	Collier & Bienstock 2006; Dagger & Sweeney 2007.
Loyalty/WOM	Likelihood to recommend the service provider and say positive word-of-mouth (Reichheld 2003; Zeithaml et al. 1996).	Rauyruen & Miller 2007; Rosenbaum & Montoya 2007; Brodie et al., 2009; Iqbal, Ul-Hassan, & Habibah 2018.
Relationship quality	Customers' continuous development of quality perceptions over time (Gronroos 2000).	Giovanis, Athanasopoulou, & Tsoukatos (2015).
Financial performance	Relative a company's sales compared to an industry's sales (Market share); a company's net financial gain after paying all expenses (profit).	de Jong et al., 2006.

Sources: Compiled in this study (2022).

Accordingly, service quality also plays a vital role in the banking industry (Stafford 1994 in Abdullrahim and Robson 2017). A competitive environment in the banking industry has put banks in a situation where they must increase the quality of services provided (Frimpong et al., 2016; Kabir & Worthington 2017). These studies align with Howcroft (1991), highlighting the importance of managing service quality in banking. Unlike managing quality in manufacturing firms which mostly requires an objective evaluation of technical specifications, managing service quality in banking requires consistent efforts to anticipate and satisfy customers' expectations because excellent service quality presents only if the customer perceives and values the service (Howcroft 1991). Prior studies suggest that service quality has a positive influence on customer satisfaction (Paul, Mittal, & Srivastav

2016; Narteh 2018), corporate reputation (Engizek & Yasin 2017), perceived price/performance ratio (Horn & Rudolf 2012), customer loyalty (Ngo & Nguyen 2016), and growth of assets (Horn & Rudolf 2012).

Similarly, managing service quality is also essential in the IB sector as it helps Islamic banks maintain banks' competitive advantage and attract more customers (Al-Tamimi and Al-Amiri 2003). Likewise, Othman and Owen (2001) argue that managing service quality becomes a key to corporate survival rather than treating it as an optional competitive strategy. For these reasons, studies of service quality outcomes in IB are increasing in number. For example, Sadek et al. (2010) developed and confirmed the SERVQUAL model by adapting the CARTER model, which was customised to assess conventional and Islamic banks' customers. Taap et al. (2011) identified tangibility, reliability, competence, and convenience as the dimensions of SQ. Qureshi et al. (2014) determined SQ dimensions for conventional banks and Islamic banks. The results of these comparative studies of SQ between conventional bank customers and Islamic bank customers indicate that the difference between the two exists and tend to be in terms of the degree of dominance.

Other studies developed SQ dimensions and examined the relationships between SQ and satisfaction or loyalty. For example, Rehman (2012) surveyed SQ perceptions of IB customers in three countries (i.e., Pakistan, UAE, and the UK) and found that Pakistan and UK customers appreciated assurance, reliability, and empathy dimensions of SQ more, and these dimensions have a significant influence on customer satisfaction. Among the UAE customers of IB, Rehman (2012) found that assurance and tangibles positively influence satisfaction. Butt & Aftab (2013) confirmed the positive role of attitude towards halal banking in e-SQ and identified the significant relationships between e-SQ and e-satisfaction/e-loyalty. Similar results were identified between the relationships of SQ and customer satisfaction (Saeed et al. 2014; Akhtar & Zaheer 2014; Abror et al., 2019; Alam & Al-Amri 2020) and loyalty (Saeed et al., 2014; Alshurideh et al., 2017). Table 2.4 summarises the empirical studies of service quality in the IB sector.

Table 2.4 Empirical Studies of Service Quality in the IB Sector

Author, Year	Country, Context	Method, Sample	Antecedents/ Outcomes	Key Findings
Sadek et al., (2010).	UK; CB and IB	A survey of CB and IB customers.	-	Using the CARTER model was customised for suitability of both CB and IB, compliance was very dominant for IB customers, while CB customers gave more importance to responsiveness and empathy.
Taap, Chong, Kumar, & Fong (2011).	Malaysia; CB and IB.	A survey of 231 CB customers, and 56 IB customers.	-	Identified four dimensions of SQ: tangibility, reliability, competence, and convenience. Competence and convenience were the dominant dimensions in both CB and IB. SERVQUAL between both banks indicates the difference in terms of degree not pattern.
Rehman (2012).	Pakistan, UAE, and UK; IB.	A survey of 225 IB customers.	Customer satisfaction.	Assurance, reliability, and empathy are significant SQ dimensions using the CARTER model and have positive influences on customer satisfaction in Pakistan and UK. In UAE, assurance, and tangibles play significant relationships with satisfaction.
Butt & Aftab (2013).	Pakistan; Online IB.	A survey of 292 IB customers.	Attitude towards halal banking; e-satisfaction and e-loyalty.	Attitude towards halal banking positively influences e-SQ. Moreover, e-SQ enhances e-satisfaction and e-loyalty.
Saeed et al., (2014).	Pakistan; IB.	A survey of 191 IB customers.	Customer satisfaction; Loyalty.	SQ positively influences customer satisfaction and loyalty.
Akhtar & Zaheer (2014).	Gulf countries; IB.	A survey of 185 IB customers.	Customer satisfaction.	The significant relationship between SQ and customer satisfaction.
Qureshi, Khan, Zaman, & Khaqan (2012).	Pakistan; CB and IB.	A survey of 513 IB and CB customers.	-	Determined SQ dimensions for CB (tangibles, responsiveness, and assurance), and IB (tangibles, reliability, responsiveness, assurance, and empathy).
Alshurideh et al., (2017).	Jordan; IB.	A survey of 293 IB customers.	-	Five SQ dimensions (tangibles, reliability, responsiveness, empathy, and assurance) have a positive influence on customer loyalty.
Abdullrahim & Robson (2017).	UK; IB and CB.	Mixed-methods approach: group discussions with 36 Muslim customers, and 350 customers of IB (32%) and CB (68%).	-	Identified five SQ dimensions: responsiveness, Islamic tangibles, credibility, reputation, and accessibility. Responsiveness is perceived as the most important factor for British Muslim customers. Results suggest the importance of the impact of culture on SERVQUAL.

Abror et al., (2019).	Indonesia; IB.	A survey of 335 IB customers.	-	SQ positively influences customer satisfaction. Religiosity has a negative moderating impact on the relationship between SQ and satisfaction.
Alam & Al-Amri (2020)	Oman; IB.	A survey of 100 IB customers.	-	Three SQ dimensions (reliability, responsiveness, and security) have a positive influence on customer satisfaction.

Source: Compiled in this study (2022).

Many studies deal with SQ in the IB sector; however, most of them used scale items that are replicated from non-IB or non-banking contexts (Butt & Aftab 2013). Only a few studies have added the Islamic-related dimensions in the SQ scale, such as sharia compliance (Rehman 2012) and Islamic tangibles (Abdullrahim & Robson 2017), which were adapted from the CARTER model constructed in a Muslim country (Othman & Owen 2001).

It is interesting to note that significant differences were identified in the importance of SQ dimensions between IB account holders and non-IB account holders in the UK (Abdullrahim & Robson 2017) and between western countries (i.e., UK) and Islamic countries (i.e., UAE, Kuwait, and Pakistan) (Othman & Owen 2001; Rehman 2012). Future studies of SQ in the IB sector have yet to consider involving the cultural and the Islamic context in developing SQ dimensions due to the importance of the impact of culture on SERVQUAL (Abdullrahim & Robson 2017). Moreover, adding the contextual SQ dimensions in IB customers' research may help explain how Muslim customers' perceptions of service quality affect their loyalty towards Islamic banks.

To the best of our knowledge, no study in the literature incorporates such contextual SQ measurement (i.e., Islamic dimension inclusion) in a more complex nomological relationship that includes constructs related to customer loyalty. Hence, this study aims to explore and investigate service quality from the perspective of IB customers considering Islamic banks' Islamic features to understand better how Muslim customers in Indonesia perceive Islamic banks and develop loyalty towards Islamic banks.

2.4. Trust

2.4.1. Defining the Concept of Trust

Trust is defined by Moorman, Zaltman and Deshpande (1992, p. 315) as "a willingness to rely on an exchange partner in whom one has confidence." However, little consensus has been formed on the definition of trust (Yamagishi & Yamagishi 1994) as the research of trust has subtle differences in opinions between scholars (Hobbs & Goddard 2015). Instead, various definitions of trust continue to be cited in the multidisciplinary research. Rousseau et al. (1998) suggest a definition of trust based on their evidence from cross-disciplinary literature that is a cognitive state consisting of the intention to accept dependency based upon positive expectations of the intentions or behaviour. Similarly, trust is defined as believing that an organisation or a person can be depended on to help a trustor achieve objectives because they are capable and have values and intentions consistent with that of the trustor (Greenberg 2014). Regardless of the scholars' underlying discipline, the critical

components of all definitions of trust are confident expectations and a willingness to be dependent or vulnerable (Mayer, Davis, & Schoorman 1995).

These critical components of trust definitions highlight many concepts of trust that other scholars have arrived conceptualised. For example, Petts (2008) posits that many trust studies revolve around five dimensions originally introduced by Renn & Levine (1991): competence, objectivity, fairness, consistency, and empathy. Furthermore, much of the trust literature classified trust into various categories such as generalised/personal trust (e.g., trust in others), institutional trust (e.g., trust in regulatory systems), calculative trust (e.g., trust evaluation based on rational thinking), and relational trust (e.g., yielded over time based on interactions, experience, and familiarity) (Rousseau et al., 1998; McKnight & Chervany 2002; Schoder & Haenlein 2004). Similarly, Earle (2010) categorised trust into two major dimensionalities, including relational trust (i.e., trust between oneself and another), and calculative trust (i.e., trust based on constraints of future behaviour and/or past behaviour of the other).

Such conceptual variety is mainly driven by empirical studies that define trust in narrow ways. According to Kasperson et al., (1992), these definitions of trust were narrow conceptualisations of trust as they do not include social behaviour aspects, such as cognitive trust (the ability to distinguish those who are trustworthy from those of are not), emotional trust (trust that emerges because of close relationships between individuals), and behavioural trust (to behave as if the unpredictable future actions of others were assured and certain). Therefore, our following discussion will be focused on the two categories of trust, including personal trust and institutional trust, which are mainly used to define trust in the interdisciplinary literature based on a personality trait (Rotter 1980) and a structural phenomenon, respectively (Shapiro 1987).

Personal trust concerns the personal knowledge about and familiarity with a partner stemming from a relationship between two parties or trustworthiness assumptions of the partner (Hohmann and Welter 2004). Hohmann and Welter (2004) suggest that personal trust is granted based on the thought that a partner will not disappoint a person who grants the trust, regardless of the availability of written contracts to regulate the situation. This definition is in line with Rotter (1967), who defines trust as an individual's total expectation that one can count on the other individual's word (Rotter 1967). There are fundamental concepts that build personal trust, including attitudes, a decision to count on the other, and an intention to trust a person (Castelfranchi and Falcone 2010).

On the other hand, Hohmann and Welter (2004) state that institutional trust concerns the institutional or organisational environment equipped with legal power. Similarly, Lewis and Weigert (1985) state that institutional trust concerns trustworthiness found upon institutional

parties or organisations instead of individuals or personal aspects. Likewise, Shapiro (1987) refers to trust as a function of assurances maintained by social structures, such as banking. The distinction between personal trust and institutional trust is presented in Table 2.5.

Table 2.5. The Distinction between Personal Trust and Institutional Trust

Personal trust	An individual's total expectation is that one can count on the other individual's word (Rotter 1967).
	Personal trust is granted based on the thought that a partner will not disappoint a person who grants the trust, regardless of the availability of written contracts to regulate the situation (Hohmann and Welter 2004).
	Personal trust is built on attitudes, a decision to count on the other, and an intention to trust a person (Castelfranchi and Falcone 2010).
Institutional trust	Institutional trust concerns with trustworthiness that is found upon institutional parties or organisations, instead of individuals or personal aspects (Lewis and Weigert 1985).
	Trust uses as a function of assurances maintained by social structures, such as banking (Shapiro 1987).
	Feelings of confidence and security on the part of customers that they can have some assurance that the company will look after them (Kumra & Mittal 2004).
	Confident expectations of the brand's reliability and intentions in situations entailing risk to the consumer (Delgado-Ballester 2004).
	Institutional trust concerns the institutional or organisational environment which is equipped with legal power (Hohmann and Welter 2004).

Sources: Compiled in this study (2022).

This current research follows the trust concept based on the stream of institutional trust literature as it involves an exchange in organisational settings (i.e., Islamic banks) from which the trustors or customers expect trustworthiness or a certain level of performance that can instil their trust towards the organisations in the IB context. Therefore, the concept of trust that is discussed in the following paragraphs refers to institutional trust.

In the banking context, trust is defined as a customer's confidence that a bank is honest, benevolent (Grayson et al. 2008) and reliable. conforms with the law and conveys the customer's general interests (Shim et al. 2013). Trust is also defined as customers' feelings of confidence, security, and assurance that the bank will look after them (Kumra and Mittal 2004 in Jarvinen 2014). Other studies found that trust in banking is sourced from customers' experiences with the bank, its reliability to serve customers and its ability to obey the regulations (Shim et al. 2013; Jarvinen 2014).

On the other hand, trust in the IB sector has distinct definitions and dimensions from conventional banking. Trust is defined as a customer's confidence that the Islamic bank as an institution performs according to the customer's expectations (Fullerton 2011; Sumaedi, Juniarti & Bakti 2015). Although Islamic banks offer similar services and products with their conventional counterparts, the customers of Islamic banks have different expectations of

their Islamic banks due to the differences of underlying principles between these two types of banks (Metwally 1997; Naser and Moutinho 1997; Warde 2000; Iqbal and Mirakhor 2007; Hoq et al. 2010).

Accordingly, one should acknowledge that trust in the IB context has a distinct definition from that of the conventional banking context. This is because trust in Islam is viewed as a moralistic obligation of every person in performing one's duties and all aspects of life (Amin et al., 2013). Thus, individuals, particularly Muslims, must perform their duties with honesty and devotion in building a relationship with others. This concept aligns with Ahmad (1997) that trust's bottom line is a responsibility, honesty, and commitment to performing activities in all aspects of individual life.

Since honesty is one of the mandatory personal conducts in Islam adopted from Islamic ethics, customers expect that Islamic banks perform their operations in gestures based on these Islamic traits (Iqbal and Mirakhor 2007 cited in Amin et al. 2013). Studies found that to build a good relationship the customers, Islamic banks should build customer's trust on the foundation of sincerity, honesty, ethical values, equity, and fairness (Ahmad 1997; Hanafi and Sallam 1997; Haron and Shanmugam 2001; Sauer 2002; Hoq et al. 2010).

In this regard, Islam encourages Muslims to trade on trust and integrity (Rodney 1997). Thus, the concept of trust in the IB context is viewed as representing honesty, trustworthiness, equality amongst humans, equity and ethical values that are built to strengthen the relationship between customers and banks (Ahmad 1997). Moreover, Othman & Owen (2001) posit that the operation of trust toward IB services is based on several pillars, including Islamic values, Islamic ethics, and compliance with Islamic principles.

Regarding the pillar of compliance with Islamic principles, customers of Islamic banks, particularly the Muslim customers, have highlighted the importance of compliance to Islamic principles more than other aspects (Amin et al., 2013). These customers have built a relationship with Islamic banks on trust because they perceived and believed that their banks complied with the Islamic principles (Metwally 1996; Metawa and Almossawi 1998; Naser et al. 1999; Othman and Owen 2002; Okumus 2005; Hoq et al. 2010). These customers' perceptions have driven the customers to develop a relationship with Islamic banks (Hoq et al., 2010). In this sense, Islamic banks that operated following Islamic principles were more likely to be trusted by Muslim customers (Amin et al., 2013). Compliance with the Islamic principles was highly concerned as the foundations of IB conducts from which customers' trust was developed (Ismail 1992; Othman and Owen 2001; Hoq et al. 2010).

Having discussed how trust is conceptualised in both the general and the IB context, the following section discusses the importance of trust in various contexts, including the IB sector.

2.4.2. Trust in the IB Sector

Trust in general is acknowledged as the foundation in building and maintaining successful relationships (Crosby et al. 1990; Doney and Canon 1997). According to Ganesan (1994), trust in business plays a vital role in the successful relationships between two parties where they share risks and rewards in their mutual relationships (Ganesan 1994). In the marketing field, trust is viewed as essential to build a mutually beneficial relationship with customers (Dayal et al. 2001) in various contexts, such as in services industries (Brunner, Markus, and Klaus 2008), e-commerce (Jevons and Gabbott 2000), and customer relationship management (Bruhn 2003).

Moreover, trust is more important in services industries (including banking services) because the characteristics of services industries are dominated by intangible elements in the value creation of the service performances (Lovelock and Wirtz 2011, p. 15). These characteristics cause the customers to only experience the services after the purchase, which poses more risks than purchasing tangible products. Likewise, the service providers also face risks because the success of relationships between the company and their customers is much dependent on how well they manage customers' trust (Morgan and Hunt 1994; Berry and Parasuraman 1991, p. 144). Given that, the literature affirms that trust plays a crucial role in developing and maintaining long-term relationships between service providers and customers (Morgan & Hunt 1994; Aurier & N'Goala 2010).

Regarding the importance of trust, empirical studies in various services contexts found positive links between trust and its antecedents and outcomes. As for the antecedents of trust, Kantsperger & Kunz (2010) confirmed that both propensity-to-trust and customer satisfaction in the banking industry positively affect customer trust. Chen, Dibb, & Keynes (2010) demonstrated that website quality positively influences trust in the e-commerce context. In the food services context, both customer brand engagement and advertisement/promotion significantly impact trust (Kwon et al., 2020). Perceived value was identified as a significant driver of trust in the telecom industry (Nikhashemi et al., 2020). In the home-sharing context, such as Airbnb, interaction style positively influences trust (Lu, Cai, & King 2020).

As for trust outcomes, empirical studies demonstrated that customer trust has a positive effect on loyalty in the banking context (Kantsperger & Kunz 2010) and the food services

context (Kwon et al., 2020). Pappas (2016) confirmed that customer trust significantly influences intention to purchase in the online tourism services context. Moreover, Nikhashemi et al. (2020) identified that customer trust positively influences both brand association and brand image in the telecom industry. Liang et al. (2018) found that customer trust has a significant relationship with switching intention in the Airbnb context. Customer trust positively affects corporate reputation in the South Korean electronics and telecommunication contexts (Park et al., 2014). Table 2.6 presents the compiled studies of trust's antecedents and outcomes in the service context.

Table 2.6 Trust's Antecedents and Outcomes in the Service Sector

Construct	Definition	Empirical Studies
Antecedents		
Propensity to trust.	General tendency and willingness of a person to rely on other persons or parties (Rotter 1980; Kennedy et al., 2000).	Kantsperger & Kunz (2010) – Banking context.
Customer satisfaction.	The degree to which a service exceeds customer expectations (Bolton & Drew 1991).	Kantsperger & Kunz (2010) – Banking context.
Website Quality.	Website usability, security and privacy assurance, speed of the download, website information quality, and website aesthetics.	Chen, Dibb, & Keynes (2010) – e-commerce context.
Consumer brand engagement.	A customer's motivational, brand-related, and context-dependent state of mind is characterised by a certain level of cognitive, emotional, and behavioural activity through direct interactions with brands (Hollebeek 2011).	Kwon, et al., (2020) – food service establishment.
Advertisement/promotion.	Customer's perception of advertisement/promotion (i.e., evokes a favourable impression, positive emotions, pleasant thoughts, being informative).	Kwon, et al., (2020) – food service establishment.
Perceived value.	Overall customers' perceptions of what they have been given and what they have received (Zeithaml 1988).	Nikhashemi, et al., (2020) – telecom industry.
Interaction style.	A holistic reflection of the manner through which two parties communicate with one another (Norton 1983).	Lu, Cai, & King (2020) – home-sharing (Airbnb) context.
Outcomes		
Customer loyalty.	A relative attitude-behaviour relationship, where a favourable correspondence between relative attitude and repeat patronage exists (Dick & Basu 1994).	Kantsperger & Kunz (2010) - Banking context; Kwon, et al., (2020) – food service establishment.
Intention to purchase.	The likelihood to purchase online products, to recommend to friends, and to make another purchase (Kim et al., 2008).	Pappas (2016) – online tourism services context.
Brand association.	The other informational nodes are linked to the brand node in a person's memory and contain the meaning of the brand for consumers (Keller 1993).	Nikhashemi, et al., (2020) – telecom industry.
Brand image.	A result of consumer's positive brand associations which can be considered the antecedents of brand equity (Tsai et al 2013).	Nikhashemi, et al., (2020) – telecom industry.
Switching intention.	The intention to change to other similar platforms.	Liang et al., (2018) – Airbnb context.
Corporate reputation.	An affective construct – the overall evaluation of a company (Fazio 1986).	Park et al., (2014) – South Korean electronics and telecommunications contexts.

Source: Compiled in this study (2022).

Accordingly, as part of banking services, Islamic banks also need to develop and maintain customer trust to maintain successful relationships with their customers and survive in the competition with their conventional counterparts (Aurier and N'Goala 2010). As a result, the attention of studying trust in the IB context has been increasing in number. As for the antecedents of trust, Hoq et al. (2010) and Amin et al. (2013) confirmed that corporate image has a positive relationship with customer trust among Muslim and non-Muslim customers of IB in Malaysia. Butt & Aftab (2013) found that customer satisfaction enhances customer trust in the Pakistani online IB context. Similarly, Rizwan et al. (2014) confirmed that customer satisfaction positively correlates with trust in the Pakistani IB context. Studies also identified constructs that have significant negative relationships with customer trust, for example, lack of specialists/experts and the cost or price of IB products/services (Mansour et al., (2016). Ashraf et al. (2015) found that low levels of staff's knowledge about Sharia compliance were linked to low levels of customers' trust and confidence.

Regarding the outcomes of trust, the literature records some constructs that have direct and positive relationships with customer trust such as loyalty (Hoq et al., 2010; Butt & Aftab 2013; Amin et al., 2013; Rizwan et al.), the decision for using the IB services (Usman 2015), ego involvement (Sumaedi et al., 2015), commitment (Tabrani et al. 2018; Sumaedi et al., 2015; Alberts-Lombard 2020), and customer intimacy (Tabrani et al., 2018). Table 2.7 presents the compiled empirical studies of trust in the IB sector.

Table 2.7 Empirical Studies of Trust in the IB Sector

Author, Year	Country, Context	Method, Sample	Antecedents/ Outcomes	Key Findings
Hoq et al., (2010).	Malaysia; IB and dual window IB among Muslim and non-Muslim customers.	A survey of 440 IB customers.	Corporate image; loyalty.	Corporate image has a positive relationship with trust. Trust leads to enhanced loyalty.
Butt & Aftab (2013).	Pakistan; online IB.	A survey of 292 IB customers.	Satisfaction/loyalty.	Trust mediates the relationship between satisfaction and loyalty.
Amin et al., (2013).	Malaysia; IB and dual window IB among Muslim and non-Muslim customers.	A survey of 315 Muslim IB customers and 125 non-Muslim customers.	Corporate Image/loyalty.	Significant differences occur in the effect of image on trust, and trust on customer loyalty between Muslim and non-Muslim customers.
Rizwan et al., (2014).	Pakistan; IB.	A survey of 200 IB customers.	Satisfaction/loyalty.	Satisfaction has a positive relationship with trust. Trust has a positive relationship with loyalty.
Usman (2015)	Indonesia; customers of IB, CB, and both bank types.	A survey of 375 customers of IB, CB, and both bank types (125 customers each).	The decision for using the IB services.	Participants have a relatively high degree of trust towards Islamic banks and it affects the decision for using IB services.
Ashraf et al., (2015).	Pakistan; IB.	Semi-structured interviews of 15 IB customers.	-	Levels of trust and confidence were not strong, and it was linked to knowledge levels about Islamic banks. A strong tie to religious practices drove them into using Islamic banks despite the levels of trust and confidence which were not strong. Staff's level of knowledge about sharia compliance determined the opportunity to build customer trust.
Sumaedi et al., (2015).	Indonesia; IB.	A survey of 100 customers of IB.	Ego involvement/ commitment.	Trust has a positive effect on ego involvement, affective commitment, and normative commitment. Trust has a negative relationship with calculative commitment.
Mansour et al., (2016).	Saudi Arabia and Tunisia; IB.	A survey of 350 customers in each country.	Lack of specialists/experts in	There is a strong negative relationship between lack of specialists/experts and trust. The cost of IB products/services have a negative effect on trust.

			IB; Cost of IB products/services.	
Tabrani et al., (2018).	Indonesia; IB.	A survey of 200 customers of IB.	Commitment, customer intimacy.	Trust has significant relationships with commitment and customer intimacy. Commitment and customer intimacy mediate the relationship between trust and loyalty.
Alberts-Lombard (2020)	African market; IB.	A survey of 350 customers of IB.	Commitment.	Trust has a positive effect on customer commitment.

Source: Compiled in this study (2022).

However, despite the abundance of studies on trust in various contexts within the services industry, there is no consensus on the trust model applicable to all marketing contexts (Cowles 1997), let alone the IB context. In this sense, studies on consumer trust have become imperative to be conducted in different markets or contexts (Blomqvist 1997). Hence, the findings of studies on trust can be varied depending on the context due to its contextual topic (Coulter & Coulter 2003).

Furthermore, to our best knowledge, studies of trust in the IB context have ignored trust development's emotional aspects. Dunning et al. (2012) suggest that trust's social or emotional aspects cannot be understated. Thus these aspects need to be addressed in terms of how it affects customers' decisions and behaviour. While trust research continues in the narrower trust context (Kasperson et al., 1992), this current study fills the gaps in the literature by exploring a deeper trust conceptualisation considering the emotional aspects of IB customers, mainly Muslim customers in Indonesia.

2.5. Commitment

2.5.1. Defining the Concept of Commitment

Commitment, in general, is defined as "an implicit or explicit pledge of relational continuity between exchange partners" (Gundlach et al., 1995). Gruen et al. (2000) view commitment as an attachment that one perceives towards a partner in a transaction situation. Similarly, Morgan & Hunt (1994) argue that commitment occurs when a party desires to continue a current relationship. Essentially, Fullerton (2003) and Bansal et al. (2004) defined commitment as an attitude towards maintaining a relationship with a partner.

Over the years, the understanding of commitment among relationship marketing scholars has developed. A commitment was previously regarded as a construct with a narrow interpretation (Morgan & Hunt 1994), but it is now viewed as a complex multidimensional construct. In the relationship marketing field of research, scholars have adopted a commitment construct from the organisational behaviour studies on the tradition of the organisational commitment research (Fullerton 2003; Bansal et al. 2004; Jones et al. 2008). Organisational commitment indicates an employee's relationship with an organisation, affecting one's decision to maintain his/her membership (Meyer & Allen 1997). Meyer et al. (2002) suggest three dimensions of organisational commitment: affective commitment, continuance commitment, and normative commitment. In consequence of this literature, this current research accepts this multidimensional construct of commitment, and thus the definitions of these commitment dimensions are discussed in the following paragraphs.

Affective commitment is conceptualised as the degree to which a customer feels a suitable attachment and identifies with a partner (Gruen et al. 2000; Fullerton 2003; Bansal et al. 2004). In the context of organisational behaviour, an individual that has an affective commitment to an organisation enjoys being affiliated and involved with it (Allen & Meyer 1990). Meanwhile, affective commitment in the relationship marketing context represents the emotional bond followed by the customer's commitment to the relationship with the service provider (Cater & Cater 2010). This emotional bond can be expressed as love (Fullerton 2003) or as a relationship with a brand or a service provider (Price & Arnould 1999; Jones et al. 2008).

Continuance commitment refers to the degree to which a customer feels trapped in a relationship with an organisational partner or bound to a relational partner (Fournier et al. 1998; Gruen et al. 2000; Fullerton 2003; Bansal et al. 2004). Continuance commitment has its roots in switching costs and dependence (Allen & Meyer 1990), and thus, it is also named as calculative commitment in other studies (Gilliland & Bello 2002; Gounaris 2005). Calculative commitment is a type of commitment where a customer assesses their relationship with a service provider based on economic or rational assessment, such as profit or loss encountered when maintaining or terminating the relationship (Cater & Cater 2010). Likewise, Fullerton et al. (2011) defined continuance commitment as a commitment state brought forward when a customer faces high economic or psychological switching costs from an alternative to the existing relationship. Hence, a customer will remain in a relationship if they think it would be costly to discontinue and build a new relationship with the alternative (Allen & Meyer 1990; Nusair et al. 2011).

Normative commitment links to a moral obligation and an obligation of one individual or party to the other individual or party in a relationship based on the social norms (Allen & Meyer 1990; Nusair et al. 2011). In the literature of services marketing studies, normative commitment is defined as the degree to which a customer experiences the feeling of guilt if they discontinue a relationship with a service provider (Cater & Zabkar 2009) and thus they feel obligated to do business with the service provider (Gruen et al. 2000; Bansal et al. 2004). This study is in line with the concept of normative commitment in the literature of organisational behaviour studies. In this regard, normative commitment may be built through a reciprocity concept that forces an influence on individual to feel obliged to repay an act of goodwill towards an organisation that support essential things to the individual (Cialdini 2001).

Accordingly, this current research follows the tradition of scholars of relationship marketing studies that refer to the organisational commitment theory (Allen & Meyer 1990) in conceptualising a multidimensional construct of commitment. Accordingly, this commitment

construct is composed of affective commitment, calculative commitment, and normative commitment, all of which indicate distinct customers' motives for maintaining a relationship with a service provider (Wetzels et al. 1998; Gounaris 2005; Cater & Zabkar 2009; Fullerton 2011; Teo & Soutar 2012).

2.5.2. Commitment in the IB Sector

Companies are facing external forces, such as changes in consumer needs, increased competition, an introduction of new trade forms and technologies, which have driven companies to pay extra attention to customer relationship matters in achieving customer loyalty (Iniesta & Sanchez 2002). However, companies need to achieve customer loyalty built on commitment as customer commitment enhances long-term loyalty (Bloemer & de Ruyter 1998). Thus, loyalty without commitment is considered fake loyalty (Day 1969; Dick & Basu 1994).

Maintaining a customer commitment is also helpful for companies as it would help them segment the market and apply distinct strategies toward each segment. For example, Hess and Story (2005) found that customers with solid commitment, as compared to those with less commitment, indicated significant different responses to companies' brand developments and premium pricing strategies. On the other hand, they argue that companies with less committed customers must depend on heavy sales promotions and competitive pricing strategies.

Commitment is considered one of the essential variables in the relationship marketing studies field (Dwyer et al. 1987; Morgan & Hunt 1994) and the critical mediating construct in successful relational transactions (Mathieu & Zajac 1990). Therefore, companies need to maintain a high level of commitment and pay attention to service quality, customer satisfaction, and trust, which allow both customers and companies to meet their expectations (Iniesta & Sanchez 2002) mutually.

Due to the crucial roles of customer commitment in achieving long-term customer relationships, empirical studies of customer commitment in the service sector have been increasing in number, particularly within the last decade. For example, Hur, Park, & Kim (2010) examined different types of benefits as the drivers of commitment in the mobile service industry and found that functional benefit, economic benefit, experiential benefit, and symbolic benefit positively affect customer commitment. Bartikowski & Walsh (2011) demonstrated that customer-based corporate reputation (CBR) played a positive role in enhancing commitment among the customers of French service firms. Similarly, the corporate image was the antecedent of commitment in the New Zealand travel industry

context (Richard & Zhang 2012). Chen (2012) confirmed that satisfaction significantly influences commitment in the e-service context. In the internet service providers context, Thaichon & Quach (2015) indicated that overall service quality positively affects commitment. Moreover, customers' sensory brand experience involving various stimulations influenced customer commitment in the banking context (Iglesias et al., 2019).

Concerning commitment outcomes, prior studies have also demonstrated that customer commitment has positive effects on various constructs. For example, Hur et al. (2010) determined that commitment has positive relationships with purchasing additional services and WOM in the mobile service industry context. The findings of a study in the e-service context by Chen (2012) indicate that commitment positively affects customer loyalty. Similarly, Thaichon & Quach (2015) confirmed positive relationships between commitment and both attitudinal loyalty and behavioural loyalty in the internet service providers' context. A study by Iglesias et al. (2019) demonstrates that commitment has a significant positive influence on brand equity in the banking context. Table 2.8 presents the antecedents and outcomes of commitment in the service sector.

Table 2.8 Antecedents and Outcomes of Commitment in the Service Sector

Construct	Definition	Empirical Studies
Antecedents		
Benefits	Functional benefit (technical advantage - Sweeney & Soutar 2001), economic benefit (price/value advantage - Gwinner et al., 1998; Lee et al., 2003), experiential benefit (pleasure acquired in the process of purchasing or using the services – Keller 1993), symbolic benefit (self-image, self-enhancement, or status projection advantage – Park et al., 1986).	Hur et al., (2010) – mobile service industry context.
Trust	Confidence in an exchange partner's reliability and integrity (Morgan & Hunt 1994).	Fullerton (2011) – Canadian service settings.
Customer-based corporate reputation	A customer's overall evaluation of a firm is based on his/her reactions to the firm's goods, services, interactions, and/or corporate activities (Walsh & Beatty 2007).	Bartikowski & Walsh (2011) – French service customers context.
Corporate image	The overall impression left on the minds of customers, as a gestalt and an idiosyncratic cognitive configuration (Gray & Balmer 1998).	Richard & Zhang (2012) – New Zealand travel industry context.
Satisfaction	Customer contentment concerning his/her prior purchase experiences with an e-commerce firm (Anderson & Srinivasan 2003).	Chen (2012) – e-service context.
Overall service quality	Customer's perception of the overall excellence or superiority of the service (Zeithaml 1988).	Thaichon & Quach (2015) – internet service providers' context.
Sensory brand experience	The tactile, visual, auditory, olfactory, and gustatory stimulations are generated by brands in customers (Hulten 2011).	Iglesias et al., (2019) – banking context.
Outcomes		
Purchase of additional services	Desire to purchase new supplementary services from the same mobile service company (Zeithaml et al., 1996).	Hur et al., (2010) – mobile service industry context.
Positive WOM	Desire to recommend the current mobile services to others (Reichheld 1996).	Hur et al., (2010) – mobile service industry context.
Loyalty	Customer's favourable attitude toward an e-business resulting in repeat buying behaviour (Anderson & Srinivasan 2003).	Chen (2012) – e-service context.
Attitudinal loyalty	Customer's predisposition towards a brand, which is a function of psychological processes (Jacoby & Chestnut 1978).	Thaichon & Quach (2015) – internet service providers' context.
Behavioural loyalty	Customer's tendency to repurchase is revealed through behaviour which can be measured, and which impacts directly on brand sales (Worthington et al., 2010).	Thaichon & Quach (2015) – internet service providers' context.
Brand equity	A set of brand assets and liabilities linked to a brand, its name, and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to the firm's customers (Aaker 1991).	Iglesias et al., (2019) – banking context.

Sources: Compiled in this study (2022).

With regards to the IB sector, customer commitment is also essential because not only do Islamic banks compete with conventional banks, but they also compete with Islamic window banks and full-fledged Islamic banks (Tabrani et al., 2018). They compete in the same segment market, seeking similar banking products and services, such as current accounts, saving accounts, home loans, credit cards, among others. (Naser et al. 1999; El-Din and Abdullah 2007; Sumaedi et al. 2015; Amin et al. 2017). The increasing competition among banking services players triggers Islamic banks to develop and maintain long-term relationships with their customers for long-term success and sustainability. This situation creates a cumulative concern among the IB scholars and practitioners, particularly regarding the extent to which customers of Islamic banks establish their commitment to the banks (Tabrani et al., 2018).

However, despite the importance of customer commitment in the IB services industry, only a few studies of commitment exist in the IB marketing literature. For example, Hanzaee & Mirvaisi (2011) confirmed that customer orientation of service employees and customer satisfaction have significant and positive influences on commitment in terms of the drivers of commitment. Sumaedi et al. (2015) demonstrated that ego involvement positively affects both normative commitment and affective commitment. Tabrani et al. (2018) identified that trust is a driver of commitment. This is in line with the theory of trust commitment (Morgan & Hunt 1994). Moreover, customer intimacy was found to be the driver of customer commitment (Nora 2019). Meanwhile, fewer studies have been done in investigating the outcomes of commitment in the IB services, such as customer retention (Hanzaee & Mirvaisi 2011), customer loyalty (Hassan et al., 2012; Tabrani et al., 2018), positive WOM (Sumaedi et al., 2015). Table 2.9 presents the empirical studies of commitment in the IB sector.

Numerous studies suggest that cultural and organisational aspects may influence the relationships between the customers and the companies (Bianchi & Saleh 2010; Yang & Gabrielsson 2017; Houjeir & Brennan 2017). Religion is a central component of culture that influences its followers in living their daily lives (Mokhlis and Spartks 2007) and shapes their moral and ethical values (Khraim 2010). In this case, the commitment structure among IB customers may be different from that of other business sectors since Islamic banks are faith brands. It may involve customers' religious perspectives and Islamic ethical values in evaluating and building a relationship with Islamic banks (Khraim 2010).

Table 2.9 Empirical Studies of Commitment in the IB Sector

Author, Year	Country, Context	Method, Sample	Antecedents/ Outcomes	Key Findings
Hanzaee & Mirvaisi (2011)	Iran; IB.	A survey of 296 IB customers.	Customer orientation of service employee; customer satisfaction; customer retention.	Customer orientation of service employees and satisfaction have positive influences on commitment. Commitment has a positive influence on customer retention.
Hassan et al., (2012)	Pakistan; IB.	A survey of 125 IB customers.	Customer loyalty	There is a significant relationship between commitment and loyalty.
Sumaedi et al., (2015)	Indonesia; IB.	A survey of 100 IB customers.	Ego involvement; WOM.	Ego involvement has positive effects on normative commitment and affective commitment. Affective commitment has a positive effect on WOM.
Tabrani et al., (2018)	Indonesia; IB.	A survey of 200 IB customers.	Trust; loyalty.	Commitment significantly mediates the relationship between trust and loyalty.
Nora (2019)	Indonesia; IB.	A survey of 175 IB customers.	Customer intimacy	Customer intimacy enhanced the relational commitment among IB customers.

Source: Compiled in this study (2022).

However, studies of commitment in the IB context have primarily ignored the aspects that shape customers' moral and ethical values that may affect the structure of their commitment towards the IB services. Sumaedi et al. (2015) have incorporated ego involvement in their study, which refers to the extent that an Islamic bank is relevant and essential for a customer due to his/her inherent values, needs, and interests. However, despite the significant influence of ego involvement on affective commitment and normative commitment in their study, the underlying values, needs, and interests regarding customers' religious perspectives are yet to be explored.

As a result, there is a particular need to explore what having a commitment to an Islamic bank is meant by customers of IB concerning their religious values, perspectives and identities as Muslim, and the extent to which these can impact their loyalty towards Islamic banks. This research, hence, needs to profoundly investigate the role of commitment in shaping loyalty towards Islamic banks by considering Islamic faith and ideology that are entrenched in the self of Indonesian customers.

2.6. IB Literacy

2.6.1. Defining Financial Literacy, Islamic Financial Literacy, and IB Literacy

Financial literacy is defined as "a measure of the degree to which one understands key financial concepts and possesses the ability and confidence to manage personal finances through appropriate short-term decision-making and sound, long-range financial planning, while mindful of life events and changing economic conditions." (Remund 2010, p. 284).

Financial literacy is understood as a customer's expertise related to how an individual successfully manages financial affairs (Alba & Hutchinson 1987). Over the past decades, scholars have interpreted financial literacy from various disciplines of knowledge (Beal & Delpachitra 2003; Hung et al., 2009; Huston 2010; Remund 2010; Lusardi & Mitchell 2011; Lusardi 2012; Lusardi & Mitchell 2014). Table 2.10 presents the various definitions of financial literacy.

Furthermore, financial literacy has been analysed in different contexts, such as the impact of financial literacy on individuals' inclination to take investment risks (Krische 2014), the impact of parents' financial socialisation on children (Van Campenhout 2015), financial literacy of the stock market (Sivaramakrishnan et al., 2017), the effect of financial literacy on attitudes toward personal saving (Dholakia et al., 2016), and on financial well-being (Bruggen et al., 2017).

Despite the abundance of studies on financial literacy (Huston 2010; Remund 2010; Walstad et al., 2010; Lusardi et al., 2010; Lusardi 2008), the scholars have not come up with a general agreement on the definition of financial literacy (Abdullah & Anderson 2015). In a way, Huston (2010) argues that financial literacy and financial knowledge terms tend to be used interchangeably. Nevertheless, they are different since financial literacy is an amalgamation of financial knowledge and the application of personal finance-related information. Instead, Huston (2010) argues that financial knowledge is the stock of information acquired through learning and action related to personal financial concepts and products.

This diverse range of studies and definitions of financial literacy have demonstrated the need to employ more comprehensible and more sound criteria in the definition and measurement of financial literacy (Remund, 2010). Financial literacy's accurate definition and measurement are essential when analysing its relations with other constructs (Huston, 2010).

Table 2.10. Definitions of Financial Literacy

Alba & Hutchinson 1987.	Consumer expertise pertaining to how one manages one's financial affairs successfully.
Beal & Delpachitra 2003.	The ability to make informed judgements and to take effective decisions regarding the use and management of money.
Hung et al., 2009.	The ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being.
Huston 2010.	A measure in which the individual understands major financial concepts and applies them in the management of their finances.
Remund 2010; Lusardi & Mitchell 2011; Fernandes et al., 2021.	A measure of the degree to which one understands key financial concepts and possesses the ability and confidence to manage personal finances through appropriate short-term decision-making and sound, long-range financial planning, while mindful of life events and changing economic conditions.
Lusardi 2012; Lusardi & Mitchell 2014.	The ability to make sound financial choices based on basic knowledge of financial concepts.

Sources: Compiled in this study (2022).

While research that defines financial literacy is abundant, minimal research on financial literacy has been conducted in Islamic finance (Rahim, Rashid and Hamed 2016). Studies related to customer knowledge of Islamic financial products or Islamic financial literacy have been attempted by few scholars (Hamid & Nordin 2001; Bley & Kuehn 2003; Hisan 2019; Hafizah & Rahim 2014; Md & Ahmad 2020), which generally suggest that customers

indicated limited knowledge on IB products. For example, Hamid & Nordin (2001) found that most Muslim respondents were aware of IB, but only less than a third of them were fully understood the difference between IB and conventional banking. Similarly, Bley & Kuehn (2003) found their respondents have better knowledge of conventional banking's terminology and concept rather than IB.

Although few studies have been undertaken to measure customers' knowledge of IB products (Hamid & Nordin 2001; Bley & Kuehn 2003) and Islamic financial literacy (Rahim, Rashid and Hamed 2016), no research has been undertaken specifically about IB literacy (Abdullah & Anderson 2015). The concept of Islamic financial literacy can be considered as newly brought into financial literacy. There is no general agreement on the meaning of Islamic financial literacy (Abdullah 2014) due to its novelty, let alone the IB literacy (Dinc et al., 2021). Therefore, the conceptualisation of IB literacy in this study is mainly reviewed and developed based on contemporary studies of financial literacy (Remund 2010; Lusardi 2012; Lusardi & Mitchell 2014; Fernandes et al., 2021), which is in line with Rahim et al., (2016) who defined Islamic financial literacy as "the ability of a person to use financial knowledge, skills and attitude in managing financial resources according to the Islamic teachings".

2.6.2. IB Literacy in the IB Sector

Research on financial literacy has become more critical today as financial industries offer more complex financial products (Lusardi & Tufano 2015). Bernheim (1995, 1998) was among the pioneers who reported customers' financial literacy levels. Another study reports that most participants fail to comprehend basic finance concepts, especially those linked to stocks, mutual funds, and bonds (Hilgert et al., 2003). More recent consumer studies also provide further evidence of low financial literacy levels (Lusardi & Mitchell 2008, 2011). This is followed by the increasing number of studies that examine financial literacy and its relationships with other constructs (Santini et al., 2019).

As for the antecedents, empirical studies demonstrated that financial literacy was influenced by factors including educational level (Silgoner et al., 2015), financial knowledge (Delavande et al., 2008), financial attitude (Hogarth & Hilgert 2002), financial behaviour (Henager & Mauldin 2015), household income (Silgoner et al., 2015), gender (Agarwal et al., 2009; Lusardi & Mitchell 2011), and investments (Fernandes et al., 2014; Chu et al., 2017). Furthermore, financial literacy is both positively and negatively related to consequential constructs (Santini et al., 2019), such as the behaviour of incurring avoidable credit and checking fees (Fernandes et al., 2014), the credit score (Mende & Van Doorn

2015), and willingness to take investment risks (Almenberg & Dreber 2015). Table 2.11 presents the empirical studies of antecedents and outcomes of financial literacy.

Table 2.11 Antecedents and Outcomes of Financial Literacy

Construct	Definition/Findings	Empirical Studies
Antecedents		
Educational level	Refers to education obtained through schools regularly established following educational requirements (Silgoner et al., 2015). Higher levels of schooling lead to higher levels of financial literacy (Chen & Volpe 1998; Lusardi & Mitchell 2011).	Chen & Volpe (1998); Lusardi & Mitchell (2011).
Financial attitude	Defined as a combination of concepts, information, and emotions that are linked to the predisposition to act favourably in financial matters (Hogarth & Hilgert 2002). Financial attitudes tend to increase financial literacy.	Hogarth & Hilgert (2002).
Financial knowledge	Is a type of human capital that is acquired through learning and affects individuals' ability to manage their income, expenses, and savings effectively (Delavande et al., 2008). Financial knowledge tends to increase financial literacy.	Lusardi & Mitchell (2011).
Financial behaviour	Is manifested when people have a goal, purpose, or motivation for saving (Henager & Mauldin 2015). Financial literacy depends directly on good/bad financial behaviour.	Atkinson & Messy (2012); Marcolin & Abraham 2006).
Household income	Refers to the respondents' family income level (Silgoner et al., 2015).	Hastings & Mitchell (2011); Atkinson & Messy (2012).
Gender	Men's financial literacy is increasing faster than that of women. Women generally have lower rates of financial literacy than men.	Agarwal et al., (2009); Lusardi & Mitchell (2011).
Investment variety	Described as a mix of investments made by the respondents' such as securities, savings, stocks, mutual funds, etc. (Fernandes et al., 2014; Chu et al., 2017). Making investments leads individuals to acquire more financial literacy (Remund 2010).	Remund 2010.
Outcomes		
The behaviour of incurring avoidable credit and checking fees.	Is the frequency of fees paid by the customer to the bank to use its financial services (Fornero & Monticone 2011). The effect of financial literacy reduces the behaviour of incurring avoidable credit and checking fees (Fernandes et al., 2014) or being charged a fee for exceeding a credit limit (Allgood & Walstad 2013).	Fornero & Monticone (2011); Allgood & Walstad (2013); Fernandes et al., (2014).
Credit score	Refers to a numerical value derived from analysing a person's credit files (Mende & van Doorn 2015). Financial literacy has an influence on credit scores which enables customers to access better loans, jobs, and lower insurance premiums.	Mende & van Doorn (2015).
Financial well-being	Is satisfaction with various aspects of a person's life associated with their financial situation (Prawitz et al., 2006). Having more financial literacy can generate financial well-being (Braunstein & Welch 2002).	Remund (2010); Braunstein & Welch (2002).
Willingness to take risks	Refers to the individual's willingness to take risks in general (Almenberg & Dreber 2015). Financial literacy increases financial knowledge, thus leading to risk diversification (Krische 2014).	Lusardi & Mitchell (2008); Krische 2014).

Sources: Santini et al., (2019).

Regarding financial behaviour, numerous research reports that financial literacy is crucial because it influences customer financial behaviour. Studies report that respondents with lower financial literacy levels indicate unfavourable financial behaviours such as the reduced likelihood of planning for retirement (Lusardi & Mitchell 2007, 2008, 2011), accumulating wealth or saving (Stango & Zinman 2009), participating in the stock market (Christelis et al., 2010; van Rooij et al., 2011; Yoong 2011) and selecting mutual funds or mortgages with lower costs (Hastings & Tejeda-Ashton 2008; Moore 2003).

Likewise, financial literacy, particularly IB literacy (IBL), is vital in the IB sector. Understanding the concepts or principles of Islamic finance or IB is pertinent as the instruments and assets of Islamic finance have different features and principles compared to the conventional ones (Beck et al., 2013). Thus, increased Islamic financial literacy will help transactions with a precise understanding, and in turn, increase customers' appreciation of the features and characteristics of Islamic financial services, including Islamic banks (Abdullah & Anderson 2015).

However, despite the importance of Islamic financial literacy, the attempt to study Islamic financial literacy, let alone the IBL, among the research community is very little and at its early stage of development compared to traditional financial literacy (Abdullah & Anderson 2015). The current literature of IBL is mainly focused on the scale development and the measurement of the IBL levels (Bley & Kuehn 2004), the relationship between IBL and IB services preference (Zaman et al., 2017; Bley & Kuehn 2004; Mahdzan et al., 2017) or the intention to use Islamic banks (Albaity & Rahman 2019; Muslichah & Sanusi 2019) which were done by to the adapting contemporary financial literacy studies (see Table 2.12). Therefore, this current research incorporates IBL to deeply explore how IBL is conceptualised, measured, and examined regarding its possible effects on other constructs that may contribute to loyalty attitude and behaviour toward Islamic banks.

Empirical studies of IBL suggest that customers of Islamic banks indicated a lack of knowledge concerning IB products (Bley & Kuehn 2004; Zaman et al., 2017). This is partly driven by using Arabic terminology in the names of IB products and thus complicate non-Arabic speaking customers in understanding what IB products are (Bley and Kuehn 2004). As a result, many customers were not fully understood the significant differences between IB and conventional banking (Bley and Kuehn 2004). Moreover, the IB system, with its unique features, is more complex than most people see as just the interest-free banking system (Khan 2010). This standard view of IB has often placed Islamic banks in an inaccurate information setting which would naturally cause Islamic banks to be perceived as indistinguishable from conventional banks (Kuran 1993).

In a worse case, many customers have a poor understanding of the IB system to the extent that they cannot distinguish Islamic banks from conventional banks, leading to a

reputational problem for Islamic banks (Almahy, Al-Sahn, & Beloucif 2014). This led to an issue in that many IB customers have raised doubts about whether Islamic banks were truly reputable and in compliance with Islamic principles (Erol et al., 1990; Khan 2010). Therefore, we can argue that customers' IBL levels may influence their perceptions of Islamic banks' reputation, and thus, the reputation of Islamic banks may vary depending on the IBL levels.

Table 2.12. Empirical Studies of Islamic Financial Literacy (IFL)/IB Literacy (IBL)

Author, Year	Country, Context	Method, Sample	Antecedents/ Outcomes	Key Findings
Bley & Kuehn (2004)	UAE; IB and CB.	A survey of 667 IB and CB customers.	Preference for IB services.	Knowledge of IB was lower than that of the CB. Religiosity was the strongest predictor of preference for IB services.
Abdullah & Anderson (2015)	Malaysia; IB.	A survey of 62 IB bankers.	Factors of Malaysian customers' IBL.	Findings reveal nine factors that determine the financial literacy of Islamic financial products and services.
Zaman et al., (2017)	Pakistan; IB.	A survey of 300 IB customers.	IB adoption.	The majority of the participants are not aware of the IB system. The rate of Islamic banks' adoption was influenced by Islamic financial literacy.
Mahdzan et al., (2017)	Malaysia; IB.	A survey of 200 MBA students.	IB adoption.	The level of understanding of IB concepts is below average. The understanding of IB concepts significantly influences the adoption of IB services.
Albaity & Rahman (2019)	UAE; IB.	A survey of 350 CB customers.	Intention to use IB.	The level of IFL was high across the respondents and differed significantly as a function of gender, income level and years of work experience. The findings showed that IFL, awareness, reputation, and attitude towards IB significantly influenced the intention to use IB.
Muslichah & Sanusi (2019)	Indonesia; IB.	A survey of 383 business owners.	Intention to use IB.	Intention to use IB products is influenced by religiosity, literacy, and attitude. IFL shows the greatest influence on the intention to use IB products.

Source: Compiled in this study (2022).

2.7. Corporate Reputation

2.7.1. Defining the Concept of Corporate Reputation

Walker (2010) argues that scholars used two methods of classifying corporate reputation's definitions in their studies. Firstly, these studies indicated which stakeholder group(s) the definitions were attributed to - internal stakeholder groups (i.e., employees, top management) or external stakeholder (i.e., customers, public, investors), or both. For example, Gray and Balmer (1998) define corporate reputation as the estimation of the company whether it is high or low repute by its constituents, in that case, both internal and external constituents. Meanwhile, Brown et al. (2006) define corporate reputation as the external stakeholders' perceptions of an organisation. Secondly, scholars implied whether the definitions of corporate reputation were attributed to actual or desired perceptions of the stakeholders. Accordingly, all scholars' definitions of corporate reputation were attributed to actual perceptions of the stakeholders (Bromley 2000; Barnett et al. 2006). In other words, the stakeholders defined corporate reputation based on their genuinely existing perceptions about a company.

Not only did scholars share common ways in defining corporate reputation, but they also distinguished corporate reputation from corporate identity and corporate image using the two methods discussed in the previous paragraph (Walker 2010). They distinguished the definitions of corporate reputation, corporate identity, and corporate image by indicating which stakeholder group the definitions were attributed to - internal stakeholder or external stakeholder and whether the definitions of corporate reputation were attributed to actual or desired stakeholders' perceptions. This occurs because these corporate terms (reputation, identity, and image) have drawn the attention of scholars during the last few decades (Abratt and Kleyn 2012). However, there is inconsistency in how these terms are defined (Bromley 2000), and they are often used interchangeably (Barnett et al. 2006).

Accordingly, most scholars defined corporate identity by indicating that its definitions were attributed to the internal stakeholders and actual perceptions of the stakeholders. For example, Davies et al. (2001) defined corporate identity as the employees' perceptions of the company. Similarly, Bromley (2000) defined corporate identity as how employees conceptualise their organisation based on their actual perceptions. On the other hand, most scholars defined corporate image by indicating that its definitions were attributed to the external stakeholders and desired perceptions of the stakeholders. For example, Lewellyn (2002) defined corporate image as a message conveyed from an organisation to its external stakeholder groups. Similarly, Brown et al. (2006) defined corporate image as what the organisation members wish others to perceive or believe others perceive the company.

Given that, Bromley (2000) differentiated these three concepts (i.e., reputation, identity, and image) based on who conceptualises the organisation (i.e., internal stakeholders, external

stakeholders, or both) and how they perceive the organisation (i.e., through actual perceptions or desired perceptions). This implies that when choosing between the concepts of corporate reputation, corporate identity, or corporate image, it is necessary to consider the purpose of the research, which stakeholder group to involve in the research and how the perceptions are made. These considerations are imperative as different stakeholders may hold different perceptions of the same firm based on several aspects, including economic, social, and personal background, needs (Fombrun 1996; Zinkhan et al. 2001), and the type of relationship with the firm (Dowling 2001). Taken together, since one of the purposes of this research is to examine how Islamic banks are genuinely perceived by their external stakeholders, particularly customers of Islamic banks, this research involves the concept of corporate reputation instead of corporate identity and corporate image.

Once the corporate reputation concept is accepted to be included in this research, it is necessary to acknowledge that having a precise definition of corporate reputation is critical for measuring the construct and developing the theory. However, Wartick (2002) identified several issues in the corporate reputation literature, and one of the major issues is a lack of definitional consensus. This occurs because the core research into corporate reputation is the evaluation of an organisation perceived by different stakeholders (Walker 2010; Fombrun 1996), including both internal and external stakeholders (Balmer and Greyser 2006).

This is followed by the notion that an organisation has internal stakeholders such as employees and external stakeholders including shareholders and customers (Fassin 2012). Consequently, each stakeholder group typically has different concerns in evaluating an organisation and thus can result in different perceptions of corporate reputation and its antecedents and consequences. For example, internal stakeholders such as top management tend to evaluate an organisation's reputation from the financial performance (Fryxell and Wang 1994). In contrast, external stakeholders such as customers are more concerned about the quality of products and services and the company's fairness (Page and Fearn 2005). Therefore, prior studies defined corporate reputation from different perspectives of stakeholder groups, which include external stakeholders' perspectives only (Bromley 2000; Rhee and Haunschild 2006; Walsh and Beatty 2007) or both internal and external stakeholders' perspectives (Fombrun and Van Riel 1997; Deephouse 2000; Carter 2006). Table 2.13 presents existing definitions of corporate reputation, which are classified into the internal or external stakeholders' perspectives.

Table 2.13. Existing Corporate-Reputation Definitions

Author(s)	Definition
Multiple or both internal and external stakeholders' perspectives	
Fombrun and Van Riel (1997)	A collective representation of a firm's past actions and results that describes the firm's ability to deliver valued outcomes to multiple stakeholders.
Deephouse (2000)	The evaluation of a firm by its stakeholders in terms of their affect, esteem, and knowledge.
Carter (2006)	A set of key characteristics is attributed to a firm by various stakeholders.
External stakeholders' perspectives	
Bromley (2000)	The way key external stakeholder groups or other interested parties conceptualise an organisation.
Rhee and Haunschild (2006)	The customer's subjective evaluation of the perceived quality of the producer.
Walsh and Beatty (2007)	The customer's overall evaluation of a firm based on his or her reactions to the firms' goods, services, communication activities, interactions with the firm and/or its representatives or constituencies (such as employees, management, or other customers), and/or known corporate activities.

Sources: Walsh and Beatty (2007), Walker (2010).

Despite the differences of corporate reputation definitions among scholars, these definitions share standard features from which two issues can be identified (Walsh and Beatty 2007). Firstly, corporate reputation was viewed as a collective phenomenon. Most authors who have defined corporate reputation appear to assume that all stakeholder groups share similar perceptions of a firm. Such assumptions tend to de-emphasise the significance of a specific segment, such as customers, who may differ from other stakeholder groups regarding expectations and perceptions toward a firm. For example, Fombrun and van Riel's (1997) definition of corporate reputation (see Table 2.13) indicates a firm's relative position perceived internally (i.e., employees) and externally (i.e., external stakeholders), which comprise subjective and collective assessments of reliability and trustworthiness of firms.

Secondly, the concept of corporate reputation rarely includes the elements of both direct and indirect interaction experiences. Thus, very few conceptual studies have associated corporate reputation with a combination of the perceived firms' actions and the customers' direct experiences with the firms. For example, Herbig and Milewicz (1993) argue that corporate reputation results from a service firm's previous actions, which are heard or directly experienced by customers. In that, reputation estimates a firm's consistency in its willingness and ability to act similarly continuously. Such estimation may include all

historical transactions of the firm and its consistency over time in fulfilling marketing signals conveyed by the firm (Herbig and Milewicz 1993).

2.7.2. Customer-Based Corporate Reputation

Customer-based corporate reputation (CBR) is defined by Walsh and Beatty (2007) as "customer's overall evaluation of a firm based on her/his reactions to the firm's goods, services, communication activities, interactions with the firm and its representatives or constituencies (such as employees, management, or other customers) and known corporate activities".

The empirical study of CBR was initiated by Walsh and Beatty (2007), who noted that despite the significant attention of corporate reputation among marketing scholars, the literature has primarily ignored studying corporate reputation from the perceptions of customers (Fombrun et al. 2000) and its links to important outcome variables (Jones et al. 2000). In addition, the CBR concept differs from other corporate reputation conceptualisations. Walsh and Beatty (2007) conceptualised perceptions about a firm, particularly from the customers' views and explicitly considered customers' personal experiences with a firm.

This initial study of CBR (Walsh and Beatty 2007) proposes a multidimensional construct including customer orientation, good employer, reliable and financially strong company, product and service quality, and social and environmental responsibility. Four of these CBR dimensions were built on Fombrun et al. (2000) work, which conceptualised a multi-stakeholder measure of corporate reputation through six dimensions: emotional appeal, products and services, vision and leadership, workplace environment, social and environmental responsibility, and financial performance. Although four dimensions in the study of Walsh and Beatty (2007) overlapped considerably with Fombrun's six-dimensional of corporate reputation, Walsh and Beatty (2007) distinguished the study from the prior studies (Fombrun et al. 2000) by capturing the views of customers in perceiving corporate reputation of the firms that they have had interacted.

In the study of Walsh and Beatty (2007), customer orientation is conceptualised as customers' perceptions of the extent to which a firm and its employees put customers at their centre of focus to satisfy customers' needs (Deshpande et al. 1993; Fombrun et al. 2000). A good employer is defined as customers' views of how well a firm is managed, how a firm treats employees, and how competent are the employees (Fombrun et al. 2000). A reliable and financially strong company is conceptualised as customers' judgements of a firm's competence, profitability, solidity, and potentials (Fombrun et al., 2000). Product and service quality is defined as customers' assessments of a firm's innovativeness and quality which they guarantee (Rogerson 1983). Finally, the social and environmental responsibility

captures customers' evaluations of a firm's perspectives and actions on social and environmental issues (Gassenheimer et al. 1998; Fombrun et al. 2000).

The study of Walsh and Beatty (2007) has initiated the development of empirical CBR research in two ways. Firstly, this study provides a multidimensional customer-based corporate reputation scale. This multidimensional scale addressed the issue of prior studies as to whether the corporate reputation construct was unidimensional or multidimensional. In that case, Walsh and Beatty's (2007) findings support the findings of Fombrun et al. (2000), which suggest the multidimensional construct to be the case in the corporate reputation scale-development work. Secondly, the study of Walsh and Beatty (2007) addressed the issue that the potential outcomes and correlations of corporate reputation with important variables remained largely ignored as prior studies have broadly focused on identifying causes of corporate reputation (Jones et al., 2000). In that, Walsh and Beatty (2007) examined and validated the relationships of CBR with important customer-outcome constructs, such as satisfaction, trust, loyalty, and word-of-mouth, which indicated that CBR dimensions were strongly associated with these consequences constructs, with notable exceptions.

This initial CBR work (Walsh and Beatty 2007) was subsequently followed by other scholars who refined the CBR measure and extended it to various service contexts, including retail-banking services and large service companies (Chahal and Kumari 2014; Wapener and Boshoff 2015; Cintamur and Yuksel 2018). In addition, other studies in various service contexts (i.e., fast-food chains, internet providers, retail banking and telecommunications, and fashion retailers) have used the CBR measure (Walsh and Beatty 2007; Walsh et al. 2009) to address the shortcoming of prior studies in identifying the essential customer-outcomes of CBR (Jones et al. 2000). These studies examined the potential CBR consequences, and they found the positive relationships between CBR and important customer-outcome constructs such as trust, commitment, loyalty intention, perceived risk, and customer citizenship behaviours (Walsh et al. 2009; Bartikowski and Walsh 2011; Bartikowski et al. 2011; Walsh et al. 2014; Walsh et al. 2017). Table 2.14 presents the synthesis of these studies that summarises the authors, year of publications, CBR consequences, key findings, and the study contexts.

Table 2.14. Empirical Studies of CBR in the Service Sector

Author, Year	Construct	Key Findings	Study Contexts
Walsh et al., (2009)	Trust, re-patronage intention, and loyalty.	CBR positively affects trust, re-patronage intention, and loyalty.	UK fast-food and Germany internet service contexts.
Bartikowski & Walsh (2011)	Commitment, loyalty intentions, customer citizenship behaviours (CCBs)	CBR positively affects commitment, loyalty intentions, and CCB. Commitment and loyalty intentions mediate the relationship between CBR and CCBs.	French service company.
Bartikowski et al., (2011)	Affective and intentional customer loyalty	CBR positively affects both affective and intentional customer loyalty in France, UK, and US.	Retailing and fast-food services in France, UK, and US contexts.
Walsh et al., (2014)	Loyalty intention, spending, the share of wallet, and customer feedback.	CBR positively affects loyalty intentions, spending, the share of wallet, and customer feedback. Commitment mediates the relationships between CBR and all consequences variables in both contexts, with exception of the share of wallet in a higher-risk services context.	French lower-risk service providers (retailing, fast-food) and higher-risk service providers (banking, telecommunications).
Chahal & Kumari (2014)	-	Developed and validated a new CBR measure consisting of 9 items and 2 dimensions (customer orientation and emotional appeal).	Indian banking services.
Wepener & Boshoff (2015)	-	Developed and validated a new CBR measure consisting of 19 items and 5 dimensions (emotional appeal, corporate performance, social engagement, good employer, and service points).	Airlines and banking.
Walsh et al., (2017)	Perceived risk, trust, and commitment.	CBR positively affects perceived risk and trust. Perceived risk and trust mediate the indirect relationship between CBR and commitment. Gender moderates the relationship between CBR and trust.	German fashion retailers.
Cintamur & Yuksel (2018)	-	Developed and validated a new CBR measure consisting of 20 items and 4 dimensions (customer orientation, financial performance and financially strong company, social and environmental responsibility, and trust).	Turkish banking services.

Sources: Walsh et al. 2011; Walsh et al. 2014.

However, it is interesting to note that most of the prior CBR studies were conducted in developed countries, such as US, UK, Germany, and France (Walsh et al., 2009; Bartikowski & Walsh 2011; Bartikowski et al., 2011), while very few were carried out in emerging countries, such as India (Chahal & Kumari 2014) and Turkey (Cintamur & Yuksel 2018). Accordingly, the CBR scales in use today were primarily developed in highly industrialised countries (Terblanche 2014). Thus, when applying these CBR scales, researchers should consider that the context and cultural differences may affect the content validity and construct validity (Boshoff and Sarstedt et al., 2013).

For example, cultural differences, particularly uncertainty avoidance, reflects a society's tolerance for ambiguity and uncertainty (Hofstede 2001) and may affect customers' perceptions of a firm's reputation (Bartikowski et al. 2011). A study by Bartikowski et al. (2011) demonstrates that uncertainty avoidance moderates the relationships between CBR and affective and intentional loyalties. The results indicate no statistical difference in the UK and the French contexts, whereas the difference between the US and the French contexts existed.

This may occur as people from countries with higher uncertainty avoidance, such as France and UK, tend to avoid ambiguous situations and are resistant to change than Americans who have lower uncertainty avoidance (Hofstede 1980; Hofstede 2001). As a result, people from countries with higher uncertainty avoidance tended to rely more on corporate reputation in shaping their attitudes and behaviours (Bartikowski et al., 2011).

Despite the significance of cultural values and norms in influencing people's attitudes and behaviours, how cultural values and norms influence the relationship between corporate reputation and customer-outcome variables has received little attention (De Mooij 2004). In addition, this current research must discuss CBR concerning the philosophical background of IB, which may influence several aspects, such as customers' values, norms, self-concept and how they perceive or make a relationship with an Islamic bank.

2.7.3. Customer-Based Corporate Reputation in the IB Sector

Zinkhan et al. (2001) argue that customers often lack firm-related information, and their capabilities to collect such accurate information when they interact with a firm is limited. In this regard, corporate reputation serves as an indicator that customers surrogate to inform them about the quality of goods and services. This argument aligns with Fombrun & Shanley (1990) that corporate reputation indicates a firm's essential characteristics to boost its economic and non-economic status in a competitive market situation. As a result, companies with an excellent corporate reputation may achieve a competitive advantage

expected to attract more customers (Gardberg & Fombrun 2002; Gotsi & Wilson 2001; Groenland 2002). Moreover, corporate reputation also plays a vital role in enhancing customer-outcome variables, such as satisfaction, word of mouth, trust, and loyalty (Walsh et al. 2009; Caruana & Ewing 2009; Shamma & Hassan 2009), customers' behavioural intentions (Bartikowski & Walsh 2011) and commitment (Ali et al. 2015).

In the service context, the intangibility characteristic of service induces corporate reputation to play a strategic role because evaluating a service before a purchase is complicated (Bromley 2001; Hardaker and Fill 2005). This high-level intangibility of service tends to involve customers with unclear and incomplete evaluations (Wang et al. 2003) and thus increases the perceived risks and complications of the decision-making process of the service (Arsun 2018). As such, customers tend to look upon the firm's reputation to evaluate the firm's service quality and to decrease uncertainties of the service (Walsh et al., 2014).

A good corporate reputation positively affects customers' trust and leads to positive perceived value (Hodovic et al., 2011). This occurs because the intangible and high-risk nature of banking services poses difficulties for its customers to assess the services, leading them to rely more on corporate reputation to reduce the perceived risks of the services (Walsh and Beatty 2007; Walsh et al. 2014). Moreover, given the repetitive banking crises, the bank's reputation has become a critical issue for managers, firms, investors, and customers (Gaultier-Gaillard & Pratlong 2011). Corporate reputation has a significant role in reducing uncertainties and risks perceived by customers in choosing a banking service provider (Cintamur and Yuksel 2018).

In addition to that, empirical studies demonstrated CBR's consequences, which indicate the importance of CBR in various services contexts. For example, Walsh, Beatty, & Shiu (2009) confirmed that CBR positively affects customer trust, re-patronage intention, and loyalty. Bartikowski & Walsh (2011) demonstrated that CBR positively affects customer commitment and loyalty intention. In another study, Bartikowski et al. (2011) found that CBR significantly influences affective and intentional loyalty in UK, France, and US services contexts. Walsh et al. (2014) confirmed that CBR positively affects loyalty intention, commitment, customer spending, customer share of wallet, and customer feedback. Moreover, Walsh et al. (2017) identified that CBR has positive relationships with perceived risk and customer trust (see Table 2.14).

In the IB context, customers of Islamic banks may pose different uncertainties when choosing Islamic banks compared to choosing the conventional counterparts. This may occur as Islamic banks are philosophically different from any other capitalist corporations such as conventional banks. They are perceived or expected to be more ethical, more socially responsible, and Sharia-compliant (Jawadi, Cheffou, and Jawadi 2016). Thus, it is

plausible to argue that customers have higher expectations toward Islamic banks about the CBR dimensions, including a better customer orientation, a better employer/management, a more reliable and financially strong company, better products/service quality, and more responsible towards social and environmental issues.

Moreover, customers, today may pose even higher uncertainty as Islamic banks deal with perception and reputational problems, especially regarding how they are perceived as mimicking conventional banking practices. Their conformity to Islamic principles is in doubt (Almahy, Al-Sahn, and Beloucif 2014). As a result, Islamic banks attempt to address this issue by enhancing their reputation among society through CSR-based activities (Sujana 2015) and Sharia-compliant reports (Belal et al. 2015).

Islamic banks should be extra cautious in addressing such reputational problems as customers are the most influential stakeholder group (Walsh and Beatty 2007). This can be done by using CBR measure to assess customers' perceptions of corporate reputation as reputation is a contextual phenomenon and thus should be measured in a single industry and stakeholder group (Wartick 2002; Cintamur and Yuksel 2018). In that manner, CBR should be conceptualised differently compared to the traditional CBR in the non-IB context. This consideration is fundamental as customers' perceptions of Islamic banks can be influenced by the underlying values of IB that they acknowledge through the banks' actions or direct experiences (see Walsh and Beatty 2007).

However, despite the importance of addressing reputational problems and tailoring the reputation assessment from Islamic banks' customers, very few studies of corporate reputation have been conducted. For example, Almahy, Al-Sahn, & Beloucif (2014) conducted a survey among banking customers in Bahrain and identified a scale to measure the corporate reputation of Islamic banks. Similarly, Selvanathan et al. (2018) surveyed Malaysian customers to determine the positive relationship between bank reputation and customers' selection of Islamic banks (see Table 2.15).

Table 2.15 Empirical Studies of Corporate Reputation in the IB Sector

Author, Year	Country, Context	Method, Sample	Antecedents/ Outcomes	Key Findings
Almahy et al., (2014)	Bahrain; banking customers.	A survey of 150 customers.	-	Developed and validated a scale to measure corporate reputation (not CBR) of Islamic banks.
Selvanathan et al., (2018)	Malaysia; Malaysian customers.	A survey using non-probability sampling around the Selangor area.	Customers' selection in choosing Islamic banks.	Bank reputation has a positive relationship with choosing Islamic banks.

Source: Compiled in this study (2022).

To the best of our knowledge, no attempt has been made to conceptualise and measure corporate reputation using the CBR approach (Walsh & Beatty 2007) in the IB context, let alone examining the consequences of CBR. Therefore, this present study is the first of its kind to explore the corporate reputation of Islamic banks using the CBR approach and examine its potential nomological relationships with other constructs.

However, when it comes to making a long-term relationship with an Islamic bank, customers may view an Islamic bank's reputation as a representation or not a representation of their self-identities (Kleine et al. 1995). Therefore, Islamic banks' reputation may imply how they connect with an Islamic bank and shape their self-identities (Escalas 2003).

2.8. Self-Brand Connection

2.8.1. Defining the Concept of Self-Congruity Theory and Self-Brand Connection

Self-concept is defined as "the totality of the individual's thoughts and feelings having reference to himself as an object" (Sirgy 1982; Wylie 1989) or can be defined as "a cognitive appraisal of the attributes about oneself" (Hattie 1992 cited in Abe, Bagozzi and Sadarangani 1996). Building a self-concept is one of the customers' psychological needs that can be satisfied with belongings and brands to present themselves (Escalas & Bettman 2003) and allowing them to distinguish their individualities from others (Ball & Tasaki 1992; Belk 1988; Fournier 1998; Richins 1994).

In satisfying the needs of building a self-concept, customers utilise brand associations of the brands they want to use to present themselves and relate it to their self-concept (Escalas 2003). Brand associations are defined as the brand-related information that contains the meaning of the brand for consumers that is retained in memory (Aaker 1998). The meaning that consumers associate with a brand can be obtained from the brand image or brand personality that develops over time from the marketing activities and society (Keller 2008) and from personal experiences consumers may have with the brand (Escalas 2004). Other literature mentions that a positive brand image is developed through creating favourable, unique, strong user imagery and psychological benefits of a brand in the consumer's memory (Keller 1993). User imagery refers to a typical brand user associated with demographic and psychographic aspects, whilst psychological benefits encompass social approval, personal expression, and self-esteem (Aaker 1991).

To satisfy the needs of building a self-concept, consumers are involved in a cognitive match between their self-concept and user imagery, which is conceptualised as self-image congruence (Sirgy 1997). Self-image congruence generates a subjective experience, explains, and predicts different aspects of consumer behaviour (Sirgy 1997), including

brand attitude, purchase intention, product use, brand adoption, among others (Claiborne and Sirgy 1990). Self-image congruence influences consumer behaviour through their motivations to satisfy their self-consistency and self-esteem (Sirgy 1997).

This effect of self-image congruence on consumer behaviour has been described by self-congruity theory (Sirgy 1986). The theory suggests that consumer behaviour is partially determined by the result of a psychological comparison between the user imagery and the consumer's self-concept, categorised as high or low self-congruity (Sirgy 1997). Notably, a consumer experiences high self-congruity when he or she perceives that the product-user imagery matches his or her self-concept.

The marketing literature has identified four dimensions of self-concept to explain and predict consumer behaviour (Dolich 1969; Sirgy 1982). These dimensions consist of actual self-concept (how an individual sees oneself), ideal self-concept (how an individual would like to see oneself), social self-concept (how an individual thinks other sees oneself), and ideal social self-concept (how an individual would like to be seen by others). According to Heath and Scott (1998), these dimensions of self-concept can explain the reasons and the mechanisms of consumers behaviour and their interactions with reference groups, brands, and salespersons, which can contribute to marketers developing marketing strategies to appeal to different target markets with different self-concepts.

Furthermore, scholars have extended research on self-concept and self-congruity to a brand context (Escalas and Bettman 2003) or called self-brand connection (Escalas 2004), which recently has gained attention in the consumer-brand relationship studies (Hammerl et al. 2016). Self-brand connection is conceptualised as the degree to which consumers have integrated a brand into their self-concept (Escalas and Bettman 2003). According to Schlenker (1980) in Escalas and Bettman (2003), consumers manage their presentations of self in various situations or roles to obtain positive feedback from others. They are motivated to build a good impression by adopting brand associations of the brands they are using to obtain social approval and satisfaction of portraying an ideal self-concept to themselves (Schlenker 1980).

2.8.2. Self-Brand Connection in the IB Sector

Prior studies discuss consumers value and purchase brands for different motives or reasons (Muniz 1997; Escalas and Bettman 2003). First, they are motivated to obtain functional or tangible benefits from the product or brand attributes (e.g., smart TVs provide entertainment and sunscreen adds UV protection to the skin). Second, they look for what is beyond the sum of brand attributes or psychological benefits to which they form a meaningful

relationship with a product or brand. Further studies support these arguments in which consumers build relationships with brands to obtain both functional and emotional benefits, enabling them to look and feel better and behave consistently with valued ideology (MacInnis et al., 2009; Dwivedi et al. 2016).

Consumers seek psychological benefits from possessions and brands because it can help them satisfy their needs to frame their self-concept and present and distinguish their identity from others (Escalas and Bettman 2003). This affirmation about psychological benefits aligns with consumer studies on the importance of possessions and brands. The studies suggest that a consumer's preference towards a particular product or brand often depends on its meaning to the consumer, utilised to define, enhance, and express their self-concept (Levy 1959; Dwivedi 2014; Hammerl et al. 2016). This meaning has its roots in the culturally established world, moving into products or brands through subcultural groups, reference groups, the media and word of mouth (McCracken 1986). Then, the meaning shifts from the brands to the consumers as they develop their identities based on the conformity between the brand meaning and their self-identities.

Consumers value the meaning of a brand not just for its role in portraying a self but also for its ability in helping consumers frame their self-identities and reinforce the way they think about themselves (McCracken 1989). In addition to that, brands can also complete a social purpose by mirroring consumers' social ties with their families, cultural groups, and communities (Reignen, Foster, Brown & Seidman 1984; Wallendorf & Arnould 1988). These studies align with the concept of self-brand connections in a way that consumers as social beings utilise brands to build an identity that is congruence to their self-concept or that is according to what they wish or what they do not wish to become (Escalas and Bettman 2003; 2005; 2017).

This connection between consumers and brands is conceptualised as a meaningful SBC (Escalas 1997). Escalas and Bettman (2003) argued that the closer a brand is linked to the self, the more meaningful the brand associations can be. As a result, consumers with strong SBCs will maintain their favourable view of the brand because their solid and meaningful bond with the brand insulates them against negative behaviour as individual brand users (Escalas 2004; Ferraro et al. 2013). This makes SBC an essential concept in consumer research because it works as a mechanism that links the self-concept and the brand, and it also captures an essential part of self-concept development (Escalas and Bettman 2003).

When it comes to the adoption of IB services, customers may find Islamic banks important and wish to define their self-concepts by associating themselves to Islamic banks to the extent that their self-concepts are identified by the attributes represented by the Islamic banks, which is in line with the social identity theory (Tajfel & Turner 1985). Social identity

theory implies that individuals wish to define themselves as a form of self-expression by associating themselves to an organisation to the degree to which the self is identified by the attributes the individuals believe represent the organisation (Dutton et al., 1994).

This notion aligns with Liu & Minton (2018). They argue that consumers can find religious brands important as they portray the religious symbolism and the positive features of religious brands. Prior studies identified that religious brands are associated with better quality and operating standards, more assertive moral conduct, and more positive business behaviour than non-religious brands (Dotson & Hyatt 2000; Taylor et al., 2010; Minton 2015; Minton & Kahle 2017). Further, Mathras et al. (2017) argue that consumers view religious brands as necessary because religion is the core value in many consumers' lives. Thus religious brands are expected and perceived to have core values that match consumers' innate branded-self disposition. This perception of religious brands leads to a more intense connection between the brands and the self (Liu and Minton 2018).

Prior studies demonstrate significant relationships between SBC and various constructs in multiple services contexts. In terms of the drivers of SBC, studies found that SBC was influenced by satisfaction (Dwivedi 2014; Dwivedi et al., 2016), perceived value (Lin et al., 2017; Dwivedi 2014), endorser credibility (Dwivedi et al., 2016), customer engagement (Moliner et al., 2018; Harrigan et al., 2018), and advertisement effectiveness (Nemati et al., 2018). Additionally, studies also identified consequences of SBC which indicate the important roles of SBC in the services sector, including brand relationship quality (Dwivedi 2014; Dwivedi et al., 2016), emotional attachment (Kwon & Mattila 2015), positive WOM (Kwon & Mattila 2015), brand loyalty (Lin et al., 2017), customer advocacy (Moliner et al., 2018), and behavioural brand loyalty (Nemati et al., 2018). Table 2.16 presents the antecedents and consequences of SBC in the service sector.

However, despite the relevance of SBC in the IB context, the research of SBC in the IB services sector remains ignored mainly as there is only one study that has been conducted to examine SBC in the IB context (Nemati et al., 2018). Nemati et al. (2018) reported that SBC mediated advertisement effectiveness and behavioural loyalty. However, this study is yet to further elaborate on the measurement scales and the rationale of the findings. Due to the early-stage development of SBC research in the IB context, this current study fills the gap by deeply exploring SBC and its relevance in explaining customer loyalty in the IB sector.

To better understand how customers build connections with Islamic banks from the SBC perspective, this research incorporates religiosity because the level of religious commitment is essential in helping to understand customers (Muniz & Schau 2005). As a result, the extent to which customers of Islamic banks uphold and observe Islamic values is considered

necessary. This notion is based on the ground that Islam as religion plays an inseparable role in all aspects of life and affects an individual to the extent that they emphasise the importance of Islamic values and practices to seek God's mercy and blessings (Spilka et al. 2003 in Rafiki and Ahmad 2014). Therefore, having discussed SBC in terms of concept, empirical studies, and its relevance with this current research, the next section discusses religiosity since according to the earlier discussion, religiosity is predicted as one of the drivers of customer loyalty and one of the challenges that need to be addressed in the IB context in Indonesia (see Chapter 1 section 1.3).

Table 2.16 Antecedents and Outcomes of Self-Brand Connection in the Service Sector

Construct	Definition	Empirical Studies/Context
Antecedents		
Satisfaction	Performance of service about customer expectations (Oliver 1999).	Dwivedi (2014) – telecom services; Dwivedi et al., (2016) – telecom services.
Perceived value	A benefit versus cost trade-off, the concept is subjective in nature, possessing an emotive and relational element (Butz & Goodstein 1996).	Dwivedi (2014) – telecom services; Lin et al., (2017) – green product and service brands.
Endorser credibility	Customer evaluations of a celebrity endorser's level of trustworthiness, expertise, and attractiveness (Ohanian 1990).	Dwivedi et al., (2016) – telecom services.
Customer engagement	An attitude that generates certain behaviours or consequences such as referrals and/or recommendations of specific products/services/brands (Brodie et al., 2011).	Moliner et al., (2018) – banking services; Harrigan et al., (2018) – tourism services.
Advertisement effectiveness	Implies a non-personal communication of product information by a specifically paid sponsor via mass media. It is an effort to influence the behaviour of customers (Courtland & Bovee 1987).	Nemati et al., (2018) – IB services.
Outcomes		
Brand relationship quality	Manifests through relationship-oriented behaviours such as the development of trust and commitment towards a brand, and perception of receiving social benefits (Grégoire et al., 2009; Morgan & Hunt, 1994).	Dwivedi (2014) – telecom services; Dwivedi et al., (2016) – telecom services.
Emotional Attachment	An emotional-laden attachment and a target-specific bond between a person and a specific object (Bowlby 1979).	Kwon & Mattila (2015) – hospitality brands.
Positive WOM	Customer behaviour for informally communicating their experiences in purchasing or consuming a product to others (Palmatier et al., 2006).	Kwon & Mattila (2015) – hospitality brands.
Brand loyalty	Deeply held dispositional commitment, which induces users to resist situational influences and marketing efforts that might have the potential to cause brand switching behaviours (Oliver 1999).	Lin et al., (2017) – green product and service brands.
Customer advocacy	A customer becomes an ambassador for the brand, spreading positive WOM, and convincing others to use it (Chakravarty et al., 2010).	Moliner et al., (2018) – banking services.
Behavioural brand loyalty	Customers' tendency to repurchase is revealed through behaviour that can be measured, and which impacts directly on brand sales (Worthington et al., 2010).	Nemati et al., (2018) – IB services.
Intention to purchase	Consumers who wish to develop their self-concept may decide to buy counterfeit luxury brands.	Chand & Fei (2020).

Sources: Compiled in this study (2022).

2.9. Religiosity

2.9.1. Understanding the Concept of Religiosity

Religiosity is defined as "a faith that a person has in God (McDaniel & Burnett 1990) and greatly influences the beliefs and conducts of individuals (Light et al. 1989)". Other studies defined religiosity as the extent to which a person maintains and observes beliefs that connect with religious affiliation and values (Essoo & Dibb 2004; Vitell 2009). Similarly, Fam et al. (2004) defined religiosity as a person's commitment level to a specific religious group. Geser (2009) and King (1967) suggest a more inclusive definition of religiosity. This complex construct comprises affective feelings of spirituality, cognitive values and beliefs, and behaviours and commitment such as church or prayer attendance. Accordingly, religiosity is primarily used in assessing individuals' devoutness, commitment and adherence to religious beliefs and values as a continuous rather than a disparate variable (Beit-Hallahmi & Argyle 1997).

There is no consensus in conceptualising the dimensionality and the measurement of religiosity. Literature shows diverse approaches in identifying religiosity using a multidimensional approach (Abou-Youssef et al., 2015; Souiden & Rani 2015; Suhartanto et al., 2018) and a unidimensional approach (Alam et al., 2011). Traditionally, religiosity was conceptualised as a discrete multidimensional construct (Allport & Ross 1967; King & Hunt 1972; O'Connell 1975; Taai 1985) that consists of many distinct aspects of religion that influence an individual's daily activities. For example, beliefs, attitudes, practices, rituals, values, involvement, experiences, knowledge, affiliation and fear of divine punishment (Bjarnason 2007; Vitell 2009; Souiden & Rani 2015; Usman et al., 2017; Suhartanto et al., 2018).

Other scholars who view religiosity as a multidimensional construct classified religiosity as a continuum, rather than discrete (Beit-Hallahmi & Argyle 1997). For example, Allport & Ross (1967) and Albehairi and Demerdash's (1988) report that religiosity consists of intrinsic and extrinsic dimensions. As a continuum, intrinsic and extrinsic dimensions are more complex in explaining religiosity than other discrete multidimensions such as practices and beliefs dimensions that are self-explanatory (Khan et al., 2015).

Intrinsic religiosity is driven by beliefs incorporated within the self and influence individuals to live their lives according to those beliefs (Khan et al., 2015). Meanwhile, extrinsic religiosity does not involve beliefs or spirituality (Vitell et al. 2005) as it is concerned with how the society perceives an individual's religion, and it is used as a means to boost the person's sense of belonging, social status and social acceptance (Abou-Youssef et al. 2015). Due to the arbitrary characteristics between the two, intrinsic religiosity influences

consumer behaviour more than extrinsic religiosity does. It associates with achieving religious spirituality and practices in daily life as a goal (Khan et al., 2015).

Similarly, other studies also follow the two continuum multidimensions tradition, including intrapersonal religiosity and interpersonal religiosity (Worthington et al., 2003; Jamal & Sharifuddin 2015). Intrapersonal religiosity indicates spiritual commitment level on belief and personal religious experience at an individual level. In contrast, interpersonal religiosity refers to an individual's spiritual commitment to the extent to which a person is involved in religious activities at a social or collective level (Worthington et al., 2003). However, some recent research measures religiosity using a single dimension (Rehman & Shabir 2010; Alam et al., 2011). This indicates that there is a diversity in conceptualising and measuring religiosity.

Moreover, the measurement scales of religiosity can vary from a religion or a study to another. Despite the growing body of literature involving religiosity and its effects on cross-cultural marketing decisions, studies that measure Islamic religiosity are scant (Shukor & Jamal 2013). Additionally, measuring Islamic religiosity is relatively new compared to measuring Christian religiosity in research. It requires different scales to effectively reflect the concept of Islamic religiosity based on the understanding of Muslims (Krauss et al., 2005). Given that, it is essential to understand the concept of Islam before understanding Islamic religiosity. The following section will discuss Islam and its relation to Muslims' lives and consumptions.

2.9.2. Islam, Islamic Ethics and Consumptions

Islam is defined as "a total way of life resulting from a state of submission to one God whereby all acts in life are considered a form of divine worship" (El-Bassiouny 2014, p. 43). Islam also refers to a holistic system regulating all aspects, including religion, social, economy, culture and politics, covering all elements such as material, spiritual, individual, and societal (Hasan 2009). Accordingly, El-Bassiouny (2014) suggests that Islam promotes a balance between spiritual and material well-being through clear guidance for all humankind in life, leading to eternity in the Hereafter. Specifically, Gleason (1997), cited in Gunn (2003), describes that Muslims emphasise that Islam is a way of life where there is no discrepancy between doctrine and life, between thinking and actions, and between saying and deeds. He also states that Islam is a living doctrine, and thus it demands an individual's total commitment.

Islamic ethics is entrenched in The Qur'an and The Hadith or Sunnah, which deal with Islamic values, beliefs, and practices (Arslan 2005) to distinguish what is right from what is

wrong (Beekun 1997). Implementing Islamic ethics is crucial as it is a message from Allah to His Messenger, Prophet Muhammad (Peace be upon him), promoting the importance of good conduct in Islam. Hence, Muslims who wish to be granted Allah's blessings should implement the core values of Islamic ethics as instructed in The Qur'an and The Hadith (Ahmad 2006).

Islamic ethics inspire confidence and social business responsibilities (Ali 2005). Other behavioural traits that every Muslim should observe to worship God include hardworking, dedication, creativity, commitment, cooperation, and avoidance of wealth accumulation by taking advantage of the weaknesses of other humans for one's gain (Yousef 2001). Moreover, Muslims are encouraged by Prophet Muhammad to maximise their abilities when they work (Ali 2005). Table 2.17 summarises more comprehensive Islamic ethics that are sourced from the Qur'an, all of which can be applied in the workplace (Ali 1988).

Table 2.17. Islamic Ethics and The Qur'an References

Islamic Work Ethics	References (Qur'an Verses)
Agreements and promises	Ar-Rad:25; Al-Qasas:28; Yunus:71
Consideration for others	An-Nisaa':36; Al-Mumtahina:9
Consultation	Ash-Shura:38; Taha:103; Al-Kahf:22
Continuous improvement	Al-Araf:42
Cooperation	Al-Hujraat:9; Maryaam:96
Equality and unity	Al-Isra':35
Fairness in dealings	Al-Anaam:152; Al-Mumtahina:8; An-Najm:32; Al-Maida:8
Fairness in wages	Al-Imran:57; Saba':37
Hard work	Al-Anaam:135; An-Nahl:97
Helping others	Yunus:41
Honesty	Al-Muminun:8
Humble	Hud:23
Patience	Hud:11
Righteous/Intention	Al-Baqara:25, 62 and 225; At-Taubah: 105; As-Saff:8; Al-Qasas:19
Social order	Al-Imran:110; Al-Baqara:273
Truth	Al-Anfal:27; Yunus:61; An-Nur:8

Source: Ali (1988).

Regarding the application of Islamic ethics, some principles shape the Muslims' traits either in the business aspect or the other aspects of life (Jamaluddin 2003), for example, the devotion to God, truthful words, a committed heart, and rightful deeds (Angha 2002). Accordingly, Table 2.18 summarises the practices of Islamic ethics in a business situation or at a workplace which refer to The Qur'an.

Table 2.18. Practices of Islamic Ethics and The Qur'an References

Subject	References (Qur'an Verses)
The importance of remembrance of Allah (do prayers while in trade and sales engagement).	An-Nur:37; Fatir:29.
Seeking wealth with the aim of the Hereafter to avoid mischievous actions.	Al-Qasas:77.
The importance of training, learning, and development.	Ghafir:58; Al-Baqarah:30-33; Al-Mujadila:11; Luqman:20.
Treat human resources in the way of God with trust and responsibility.	An-Nisaa':58-59.
Understanding a contract and meet the conditions.	Al-Araf:85.
Economic or business performance.	An-Nahl:97.
Accurate information and prohibition of giving false assertions, unfounded accusations, and false testimonies.	Al-Baqarah:42; At-Taubah:16.
Mutual consultation and consent.	Al-Qasas:26-28.

Source: Ali (1988); Ahmad (2006); Rivai et al. (2012).

In implementing Islamic ethics, Muslims are motivated by iman (faith) which determines their conscience and guides their behaviours (Rafiki and Wahab 2014). All Muslims' decisions, including business decisions, must be led by their iman, which means their decisions should comply with Islamic law, engage in halal (permissible) matters, or abstain from haram (forbidden) matters (Alawneh 1998). Despite each Muslim's freedom in making decisions, Islam provides a framework for those guided by iman to make moral choices based on the Islamic principles (Ali and Gibbs 1998).

Regarding consumption, Islam is viewed as a religion that encompasses all aspects of life and thus can influence consumers (Abdulrazak & Gbadamosi 2017). Hence, religious reasons become the primary motivations for Muslims in consuming products that comply with Islamic values (Hong & Lee 2014). Accordingly, the literature has documented the roles of religious factors in affecting customers' attitudes and preferences, for example, those toward IB (Metwally 1996; Dahari et al. 2015).

A segment of consumers who adhere to the Islamic faith is defined as the Muslim markets. When it comes to a consumption lifestyle, Muslim consumers require lawful products or called halal in Arabic terms. According to Alserhan (2010), halal is a concept that reassures a Muslim to consume products that advocate virtue in all aspects of life, produced in a healthy environment and safe for consumption. The halal term comprises a faith system and rules of conduct and behaviour that become part of pious Muslims' everyday living as an affirmation of Islamic identity, a viewpoint, and achievement of spiritual purity (El-Bassiouny 2013). As a result, halal becomes an essential requirement that these markets should meet in every aspect of life, including consumption. In contrast, other aspects such

as functional features become differentiation factors. El-Bassiouny (2013) also argues that non-halal products intended for Muslim markets will most possibly be unsuccessful despite the packaging and offers.

Furthermore, Minkus-McKenna (2007) reports that approximately 70 per cent of worldwide Muslim populations act following the halal standards. As the demand for halal products continues to grow globally, the halal industry is continuously expanding, encompassing products from meat, medicines, cosmetics, and saving accounts (Power & Gatsiounis 2007). This industry is divided into three industry categories, including food, services, and lifestyles, and is currently concentrated in the finance and food sectors (Alserhan 2010). Albeit these products or brands with their halal characteristics are primarily intended to attract the Muslim markets, many consumers from non-halal markets are attracted to these halal brands regarding the high-quality and ethical impressions which these brands have created (Williams & Sharma 2005; Power & Abdullah 2009; Alserhan 2010). The following section will discuss the importance of religiosity in the IB sector.

2.9.3. Religiosity in the IB Sector

Numerous studies found that individuals with high religious commitment or religiosity levels tended to evaluate their lives based on their religious principles (Worthington 1988). Weaver and Agle (2002) found that religiosity has an influence both on attitudes and behaviour. They argue that religion instils role expectations that form religious self-identity that influence an individual's behaviour. Accordingly, Sood & Nasu (1995) argues that the extent to which religion affects an individual's attitudes and behaviours rely upon one's religiosity level and the priority one puts on the religion. As such, the degree of religiosity affects consumer behaviour as they found that consumers with low religiosity levels displayed different buying behaviours compared to those with high religiosity levels (Jamal & Sharifuddin 2015).

Similarly, Lindridge (2005) argues that religiosity plays a significant role in framing an individual's perceptions and intentions. Other studies report the significance of religiosity on shopping behaviour (Sood & Nasu 1995), cultural identity (Lindridge 2005), attitudes toward materialism (Cleveland & Chang 2009) and consumers' adoption of product information (Choi, Kale & Shin 2010).

Recent studies of religiosity identified the consequences of religiosity, such as ethical judgement (Flurry & Parker 2011; Putrevu & Swimberghek 2013) in the US Christian consumers. They found that among Christian consumers in the US, those that indicated higher religiosity negatively judged businesses as being unethical as they supported issues

in conflict with the consumers' values. Religiosity also can trigger consumer switching behaviour as it appeared among Korean and US consumers who belong to various faith/non-faith communities, such as Buddhist, Catholic, Protestant, and nonreligious communities (Choi et al., 2013). Islam & Chandrasekaran (2019) suggest that higher religiosity levels led to firmer beliefs in interest-of-collectivism values such as universalism, tradition, conformity, security, and benevolence. Additionally, religiosity caused an effect on consumer environmental predisposition, which determined vegan purchasing intentions among Christian and Buddhist consumers in Italy (Raggiotto et al., 2018). Religiosity also enhanced ethical consumer behaviour among Christian consumers in Germany and Muslim consumers in Turkey. A stronger connection between religiosity and ethical behaviour appeared among the latter group (Schneider et al., 2011).

Similarly, in the Muslim consumer studies, religiosity is viewed as more than just a religion, and it plays a significant role in shaping attitude and consumption behaviour (Newaz, Fam and Sharma 2016). Religiosity also influences what the Muslim consumers like and dislike (Rehman & Shabbir 2010) and their consideration of purchasing products that do not contradict their religious beliefs (Yun et al. 2008).

Since numerous studies support that religiosity has a significant role in shaping consumer behaviour, religiosity is viewed as a fundamental construct and one of the renowned predictors of understanding consumer intention to purchase halal products or brands, including IB services (Mukhtar & Butt 2012). As such, understanding the relationships between religiosity and consumers' buying behaviour is likely to help develop effective strategies for various religious markets, including the IB market (Essoo & Dibb 2004; Bobokhonov & Brito 2015).

Nevertheless, studies related to religiosity in the IB sector is under-researched as very little has been done to deeply understand the concept of religiosity among the IB customers (Sandikci & Jafari 2013). The current state of the Islamic religiosity literature is predominated with studies that measured religiosity using measurement scales developed by Worthington et al. (2003) and Allport & Ross (1967). Worthington et al. (2003) designed a scale to measure the level of a person's adherence to his/her religious beliefs, values, and practices in daily life called the Religious Commitment Inventory. Allport & Ross (1967) constructed intrinsic and extrinsic scales to identify religiosity previously mentioned in this chapter. However, none of these scales was developed to precisely measure Islamic religiosity (Alhazmi 2019; Tang & Li 2015). Hence they may not accurately measure religiosity in the context of Islam.

Moreover, the majority of these studies were conducted using a survey method in identifying religiosity and its relationships with other constructs, such as attitude towards Islamic banks (Souiden & Rani 2015); religious norms, trust, information source, the decision for using IB (Usman et al., 2015); and image, trust, and loyalty intention (Suhartanto et al., 2018). Very few studies reported using a mixed-method approach to deeply explore religiosity, develop robust religiosity scales and measure its impact on consumer behaviour. For example, Abou-Yousseff et al. (2015) demonstrate the impact of religiosity on customer attitudes toward IB in Egypt using qualitative and quantitative approaches. However, instead of developing a more contextual religiosity scale, Abou-Yousseff et al. (2015) employed a scale that is a combination of the intrinsic/extrinsic scales (Allport & Ross 1967) and Islamic doctrinal measures (Ji & Ibrahim 2007). Table 2.19 presents empirical studies of religiosity in the IB sector.

Table 2.19 Empirical Studies of Religiosity in the IB Sector

Author, Year	Country, Context	Method, Sample	Antecedents/ Outcomes	Key Findings
Abou-Yousseff et al., (2015).	Egypt; IB.	A qualitative study of 20 respondents, and a quantitative study of 400 respondents of Muslim customers.	Attitudes toward IB.	Religiosity has an impact on customer attitudes toward IB in Egypt.
Souiden & Rani (2015).	Tunisia; IB.	A survey of 217 Tunisian customers.	Attitude towards Islamic banks.	The higher the religious belief, the more favourable a person's attitude towards Islamic banks.
Usman et al., (2015)	Indonesia; IB.	A survey of 363 IB customers.	Religious norms; trust; information source; decision for using IB services.	Religiosity indirectly affects the decision for using IB services through religiosity norms, trust, and information sources.
Suhartanto et al., (2018)	Indonesia; IB.	A survey of 200 IB customers.	Image; trust; loyalty intention.	Religiosity has a direct effect on loyalty intention. Also, trust and image mediated the relationship between religiosity and loyalty intention.

Source: Compiled in this study (2022).

2.10. Summary of Chapter

Chapter Two has discussed the theoretical foundation of eight factors that enhance long-term customer relationships with Islamic banks in the Indonesian context. These constructs have been reviewed in this chapter based on prior empirical studies of the corresponding constructs, discussed earlier in Chapter 1 as the challenges that need to be addressed in the IB context in Indonesia. This chapter also discussed the constructs based on their relevance to the IB sector to distinguish them from the essential features of the loyalty model in the traditional or non-IB context. Further, the following chapter (Chapter 3 – Conceptual Framework) discusses the nomological relationships between these constructs and the hypotheses propositions.

Chapter 3 Hypotheses & Conceptual Model Development

3.1. Introduction

This chapter aims to develop a conceptual model of Indonesian customer loyalty to Islamic banks. It starts by outlining a number of hypothesis propositions and then leads on to conceptual model-building in section 3.2. This conceptual model combines the effects of customers' self-related and ORV in predicting customer loyalty. SRV include Islamic banking literacy (IBL), self-brand connection (SBC) and religiosity, whilst ORV consist of service quality (SQ), customer-based corporate reputation (CBR), trust and commitment. Finally, a summary of the chapter is provided in section 3.3.

3.2. Hypotheses and Conceptual Model Development

The research hypotheses in this study are proposed by using literature-based insights to address research objectives 2, 3 and 4, each designed to investigate the impact of self-related and ORV on customer loyalty to Islamic banks in Indonesia, as well as their relationships. A conceptual model of this research is presented in Figure 3.1 at the end of section 3.2.

3.2.1. Roles of Self-Related Variables

3.2.1.1. Islamic Banking Literacy and Customer-Based Corporate Reputation

The significance of Islamic banking literacy (IBL) in the sector was discussed in section 2.6.2. However, since the literature on IBL is only in the very early stage of development (Abdullah & Anderson 2015), research on the subject and its nomological network with relational marketing constructs remains unexplored. Due to this limitation, the conceptualisation of IBL in this study mainly follows studies of literacy (Remund 2010; Lusardi 2012; Lusardi & Mitchell 2014; Fernandes et al., 2014; Rahim, Rashid and Hamed 2016; Hamid & Nordin 2001; Bley & Kuehn 2003) in the context of both contemporary finance and Islamic finance, which are adapted to the Islamic banking context.

Prior research suggests that increased literacy in terms of Islamic finance helps customers understand and evaluate the features and characteristics of Islamic financial services when dealing with such institutions (Abdullah and Anderson 2015). As a result, when discussing

customer IB literacy, we can use the same reasoning that it can help customers understand related service features and characteristics (Abdullah & Anderson 2015).

IB services' features and characteristics are unique and far more complex than the image perceived by the majority of people, i.e. that it is purely an interest-free banking system (Khan 2010). This common view of IB has often placed Islamic banks in a biased information setting, naturally resulting in them being perceived as indistinguishable from conventional banks (Kuran 1993). In a worse case, many customers have a poor understanding of the IB system, as indicated by low IB literacy levels, to the extent that they cannot distinguish between Islamic banks and their conventional counterparts, thereby leading to a reputational problem for the former (Almahy et al., 2014). These assertions (Kuran 1993; Khan 2010; Almahy et al., 2014) indicate that lower levels of IB literacy can negatively affect how Islamic banks' reputations are perceived by customers.

Prior studies suggest that literacy around Islamic finance can enable customers, particularly Muslims, to understand whether these financial institutions are Sharia-compliant and strengthen the foundation of morality and ethics (Dinc, Cetin, Bulut & Jahangir 2020; Bhatti 2020). Accordingly, we can argue that a certain level of customer literacy may help customers objectively evaluate Islamic banks' products and service features, which in turn may reduce disinformation (Kuran 1993).

In other words, objective customers' evaluations of an Islamic bank regarding its products and service features can point to accurate evaluations of CBR, whereby CBR is conceptualised as a multidimensional construct of which one of its dimensions is product and service quality (Walsh and Beatty 2007). This reasoning is also in line with Tseng & Wu (2014), who demonstrated that customer knowledge has a positive effect on customers' perceptions of a firm's service performance. Given these rationales, this research proposes and anticipates that IBL has a positive relationship with CBR. Therefore, the following hypothesis is suggested:

H_1: A significant positive relationship exists between IBL and Islamic bank CBR.

3.2.1.2. Islamic Banking Literacy and Self-Brand Connection

A stream of research, which is currently investigating the impact of customer knowledge and expertise on customers' purchase decisions (e.g. Bettman and Park, 1980; Oliver 1980), argues that consumer product knowledge plays a crucial role during all of the stages of the customer decision-making process. When it comes to the financial services industry, it seems plausible to argue that financial services customers are varied in critical respects, including their level of expertise, which, according to Devlin (2002), may have implications

for their selection behaviour. Moreover, understanding customers based on their levels of perceived knowledge may help in providing insights into the potential for diversity in customer knowledge and engagement in the selection process (Harrison 1994).

According to the earlier section 2.6.2, Islamic banks have different features and principles compared to conventional banks (Khan 2010; Beck et al., 2013); hence, literacy of Islamic banking is crucial in helping customers understand the differences between the two (Abdullah & Anderson 2015). Customers' understanding of IB features and principles may influence how they perceive Islamic banks differently from conventional banks in terms of how the former deliver their promises to meet patrons' expectations, particularly in terms of Sharia or religious matters (Metawa & Almossawi 1998; Dusuki & Abdullah 2007). This may have some implications for their perspectives about Islamic banks, not only from the functional aspects, but also from the emotional aspects in terms of the extent to which these institutions represent their identities (Kleine et al., 1995).

When an Islamic bank is recognised by its customers as truly Islamic and Sharia-compliant, we can argue that it may create an opportunity for customers to reflect on the bank's identity and possibility help them in conveying the important aspects of their self-concepts. This logic is adopted from Lin, Lobo, & Leckie (2017), who suggested that customers are willing to associate themselves with a green brand if the brand adequately transfers values that fulfil their goals, such as social and environmental objectives (Lin et al., 2017). This assertion is in line with social exchange theory (Blau 1964), which suggests that customers tend to develop a favourable relationship with a brand when the brand meets their goals (Dwivedi 2014).

In this case, Lin et al. (2017) argue that in order to fulfil such goals, customers need clear information about the green brand, to be convinced that it offers values and benefits that are greater than the alternatives. Once they obtain clear information about a brand, stronger customer identification can be achieved when the brand enhances personal relevance (Einwiller et al., 2006).

Arguably, with a certain level of knowledge about Islamic banking and its service features, a Islamic bank's customers can acquire clear information and evaluate whether it is relevant for them in relation to meeting their goals (Dwivedi 2014), including defining, enhancing and presenting their self-concept to others (Levy 1959; Dwivedi 2014; Hammerl et al., 2016; Escalas & Bettman 2003). This is in line with a discussion in the previous section that a certain level of literacy can help customers objectively evaluate products and services, which in turn may reduce misinformation and misperceptions about Islamic banks (Kuran 1993; Kleine et al., 1995; Khan 2010; Almahy et al., 2014).

Where customers consider Islamic banks meaningful and important to their self-schemas, they are likely to define their self-concepts by associating or incorporating themselves with Islamic banks to the extent that their self-concepts are identified by the attributes represented by these companies. This notion runs in parallel with social identity theory (Tajfel & Turner 1985; Dutton et al., 1994) and the self-brand connection concept (Escalas & Bettman 2005), both of which are relevant to this current research (as discussed in section 2.8.2).

Self-brand connection is rooted in social identity theory (Tajfel & Turner 1985), which explains that the need to define an individual's self-concept is developed because they need to distinguish themselves from others in social settings – and thus they tend to build a relationship with groups that have the sort of unique dimensions they value (Ahearne et al. 2005). Such a self-definition process is influenced by an individual's involvement in membership groups in a social setting (Tajfel and Turner 1979).

The nature of self-definition is described by Tajfel (1981) as "that part of a person's self-concept which roots in the knowledge of one's group membership or a social group in conjunction with the emotional and value significance attributed to that group". In other words, an individual's self-definition is strengthened when they become a member of a group or an organisation wherein the individual categorises oneself in terms of that group's characteristics (Hogg and Terry 2000). More specifically, individuals' self-definitions change from their personal self-perceptions to the personality or identity that defines a group or organisation with which they associate (Tuncdogan and Volberda 2019).

Accordingly, and as highlighted in the literature review chapter (see section 2.8), customers are interested in self-identity creation and buy brands that they believe can help them in addressing their self-constructing needs (Belk 1988), congruent with the self-identities to which they aspire (Escalas & Bettman 2005; Escalas & Bettman 2003; Escalas 2004). This process of self-identity creation is in line with social identity theory, which implies that individuals wish to define themselves as a form of self-expression by associating themselves with an organisation to the degree whereby the self is identified by the attributes the individuals believe represent the organisation (Tajfel & Turner 1985; Dutton et al., 1994).

Owing to these postulations, we can argue that customers require an understanding, to some extent, of Islamic banking features and characteristics, in order to convince them that the firm has attributes that can be utilised by them in the process of self-identity creation to address their self-definitional needs (Belk 1988; Escalas & Bettman 2005; Escalas & Bettman 2003; Escalas 2004). Therefore, it is also plausible to argue that customers' literacy in terms of Islamic banking can play an important role in determining the extent to which they develop positive feelings about a bank and are willing to integrate it into their

self-concept (Dwivedi 2014; Hammerl et al., 2016; Lin et al., 2017). Accordingly, this research proposes and anticipates that Islamic banking literacy (IBL) has a significant positive relationship with SBC. Hence, the following hypothesis is proposed:

H_2: A significant positive relationship exists between IBL and SBC involving Islamic banks.

3.2.1.3. Islamic Banking Literacy and Commitment

Customer knowledge is known as personalised and structured information acquired in the minds of customers (Fahey & Prusak 1998), and it serves as an important resource that influences customers when interacting with a company or a brand (Barrutia & Gilsanz 2012). Customer knowledge about a brand is mainly operationalised through multiple definitions, such as customer awareness and perceived image (Esch et al., 2006), perceptions of a brand's efforts in building strong relationships with it customers (Li & Dant 1997) and a brand's ability to meet customers' needs (Dolich 1969; Sheth & Parvatiyar 1995).

Prior studies have found that customer knowledge does matter in enhancing the perceived value of a service (Alba & Hutchinson 1987; Barrutia & Gilsanz 2012), because adequate knowledge allows customers to have more complex information schemes and well-developed decision criteria, as well as the ability to associate a brand's attributes with the consequences of consuming it (Wansink, Westgren & Cheney 2005; Bian & Moutinho 2011). On the other hand, lack of knowledge of specific features may make it difficult to differentiate a product or service from its competitors, which may lead to an unclear perception of the product or service – and thus limit customers from optimising their decisions (Salazar-Ordonez, Rodriguez-Entrena, Cabrera & Henseler 2018).

Moreover, customer knowledge may affect customers' perceptions about the brand's ability to address their self-definitional needs (Belk 1988; Escalas & Bettman 2005; Escalas & Bettman 2003; Escalas 2004). A brand that is perceived as being able to meet self-definitional needs is likely to motivate customers to commit to a long-term relationship with the brand (Dolich 1969; Sheth and Parvatiyar 1995; Lin & Chen 2006), as they believe that they will keep obtaining benefits (i.e. be able to meet self-definitional needs) if they maintain the connection (Dolich 1969; Sheth and Parvatiyar 1995).

Accordingly, prior research has found that customers' brand knowledge plays a significant role in maintaining a long-term relationship with a brand through the manifestation of enhanced trust (Esch et al., 2006), which, in the longstanding literature, is known as a major determinant of commitment (Morgan & Hunt 1994). Therefore, it is plausible to assume that customers' knowledge associated with the attributes and the benefits of the brand can

determine their attitudes in relation to commitment to a long-term relationship with the brand (Keller & Lehmann 2006).

When it comes to Islamic bank customers, the majority of whom are Muslims, they tend to be very cautious in making their purchase decisions, as the majority adhere to halal guidelines (Alserhan 2010) and religious values, both of which serve as strong determinants of customers' core values and self-identity (Mathras et al., 2017). This points to the critical role of customers' understanding of Islamic banking (e.g. terminology, features, procedures, among others) in identifying whether the products and services they wish to purchase can fulfil their needs (i.e. self-definitional needs). Consequently, these factors may influence how they intend to maintain their commitment to their bank (Nurhayati & Hendar 2020). However, research is yet to examine empirically how Islamic banking literacy influences customers' responses to religious brands (i.e. Islamic banks) in terms of their relationship commitment.

Due to the absence of research in the IB services context that examines the relationship between customer's understanding of Islamic banking (i.e. Islamic banking literacy) and relational variables (i.e. commitment) (see Chapter 2 Table 2.12), we can argue that the assertions given in the previous paragraphs can be used to support our hypothesis proposition. In this research, we propose that a certain level of Islamic banking literacy can help customers build perceptions about the banks and assess whether they can meet their needs and whether they are willing to build a long-term commitment. Given this rationale, the following hypothesis is proposed:

H_3: A significant positive relationship exists between IBL and commitment to Islamic banks.

3.2.1.4. Islamic Banking Literacy and Loyalty

As highlighted by the literature review (e.g. section 2.6), Islamic banking literacy stems from not only financial literacy, but also customer expertise, namely their ability to perform category of product or service (Alba & Hutchinson 1987; Sheth et al., 1999; Jamal & Naser 2002; Jamal & Al-Mari 2007). In this case, IBL is conceptualised according to how Islamic financial literacy is defined, which refers to the knowledge and skills an individual possesses to understand information in financial contracts (Antara et al., 2016).

As customers' understanding of a product/service is enhanced, they develop their own evaluative criteria to detect product/service offering attributes and make a buying decision based on what is most relevant to his/her situation (Bell, Auh, & Smalley 2005). Accordingly, Islamic bank customers are able to evaluate and make judgements about the performance of an Islamic bank in comparison with the alternatives (Bell et al., 2005). With this ability,

we can argue that customers may decide to continue to patronise the same Islamic bank based on their dedication, which points to customer loyalty.

To understand how customer expertise in IB influences long-term relationships with Islamic banks, this research incorporates IBL into a conceptual model. In this research, IBL is conceptualised as a subjective knowledge or a self-assessed knowledge approach, where it is perceived based on how much customers think they know about IB, instead of using an objective knowledge approach, which is based on how much accurate information about IB is stored in their memory (Park et al., 1994).

According to prior studies, a customer's level of self-assessed knowledge is positively linked to their level of product-related knowledge (Park et al., 1994), while enhanced levels of self-assessed knowledge lead to greater consumer confidence and reliance on evaluation skills. This, in turn, increases consumers' ability to choose the best service provider, meaning less motivation or effort required to search for new information about a product or service alternatives in the market (Alba & Hutchinson 2000), as well as a willingness to seek new service providers (Wirtz & Mattila 2003). Consequently, higher levels of self-assessed knowledge lead to higher levels of loyalty to a service provider (Wirtz & Mattila 2003).

Similarly, prior studies have found that Islamic bank customers' lack of knowledge about Islamic banking services engender scepticism about the services on offer (Souiden & Rani 2015) and affect the level of acceptance towards Islamic banks (Ahmad & Haron 2002), which also explains the limited number of customers using these institutions (Islam & Rahman 2017; Obeid & Kaabachi 2016). Arguably, IBL is more important to Muslim Islamic bank customers, because they are required to understand whether the instrument and the services they are use actually adhere to Islamic principles (Albaity & Rahman 2016). Accordingly, these studies seem to support the idea that IBL is important in enhancing the acceptability of and preference for Islamic banking products and services (Albaity & Rahman 2016).

Owing to these justifications, it seems plausible to argue that when Islamic bank customers believe that they have high levels of IBL, they will likely enhance their confidence and reliance on their evaluation skills, as well as be less likely to search for new alternatives and switch to a substitute (Alba & Hutchinson 2000; Wirtz & Mattila 2003). This, in turn, may lead these customers to maintain their relationship and become loyal customers. In other words, this research proposes that IBL has a significant and positive influence on customer loyalty to Islamic banks. Therefore, the following hypothesis is proposed:

H_4: A significant positive relationship exists between IBL and customer loyalty to Islamic banks.

3.2.1.5. Religiosity and Self-Brand Connection

Service providers are continuously seeking strategies to communicate value systems related to their perspectives on issues such as social, political and religious beliefs. Religion is one of the areas where service providers communicate their core values, and it is seen as essential to understanding because it serves as one of the most noteworthy core values for many businesses and customers (Mathras et al., 2017).

Prior studies highlight that religiosity is one of the factors determining the activation of moral identity in the individual's self (Forehand et al. 2002; Weaver and Agle 2002; Narvaez et al. 2006). When religion and moral virtues have substantial meaning to a person, this may further motivate the person to act according to their sense of morality (Lapsley and Lasky 2001; Hardy 2006, p. 215). As individuals build commitment to moral traits (i.e. honesty, fairness, compassion, generosity, etc.) that are entrenched in religious values (Aquino and Reed 2002; Reed et al. 2007), they position these moral traits as the fundamental elements of their identity definitions (Bergman 2004).

Religion is therefore seen as a value system that provides individuals with a sense of self-worth and helps in defining their self-concepts; thus, it influences their relational nature, including their relationships with brands (McChullough & Willoughby 2009; Shachar et al., 2011). In this regard, customers tend to choose brands that express their value systems (i.e. religious beliefs), because these brands are more aligned to their intrinsic-self characters or aspirations and can be utilised to define the self (Liu & Minton 2018). This finding is in line with Aquino and Reed (2002), in that individuals form moral identities in terms of moral traits (e.g. religious values) around which self-identities or self-concepts are organised. As a result, customers that uphold religious values tend to find religious brands important, due to the religious symbolism, as well as features associated with the brands which are aligned with their intrinsic-self aspects (Liu & Minton 2018).

Accordingly, customers seek congruence between their religious system and how they spend money (Alhouti et al., 2015; Mathras et al., 2016). For that reason, companies are increasingly communicating their brands with religious values or symbolism through religious branding, to expand business into the higher religiosity customer markets (Minton 2016; Taylor et al., 2010). However, these religious cues can create various responses among customers, depending on their religious affiliation or level of religiosity and how the brand is consistent with consumers' religious beliefs (Minton 2015; Taylor et al., 2010). Particularly, religious branding has a positive influence on a customer's relationship with a brand when the branding itself is consistent with the customer's beliefs and self, thereby supporting self-congruence theory (Sirgy 1986) (see section 2.8.1).

Here, religious brands such as Islamic banks may become an integral part of Muslim customers' self-concepts, because these customers expect that religious brands can address their core value systems (i.e. religious beliefs) better than non-religious brands, which provides a direct connection to the self (Liu & Minton 2018). Accordingly, understanding the aspects that underlie customers' responses to Islamic banks offers valuable insights into why they build a long-term relationships with these businesses. However, despite the increasing number of brands or service providers communicating their religious values, research understanding customers' responses to such a marketing strategy is scarce (Minton 2016; Shachar et al., 2011). Given these justifications, this research expects that customers' religiosity motivates the participants to build a connection with an Islamic bank for a self-defining reason (i.e., self-brand connection). Therefore, the following hypothesis is proposed:

H_5: A significant positive relationship exists between religiosity and SBC involving Islamic banks.

3.2.1.6. Self-Brand Connection and Service Quality

Scholarly work suggests that the way customers view themselves and build connections with a brand influences how they evaluate service quality (Cheng, White and Chaplin 2012) and counter negative brand attributes (Milberg, Park & McCarthy 1997). Therefore, the following section discusses the rationale for the hypothesis proposition on the relationship between self-brand connection (SBC) and service quality (SQ) in the IB context.

The literature suggests that customers with high SBC respond to unfavourable brand information as a threat to their positive self-view, as indicated by lower self-esteem (Cheng, White and Chaplin 2012). Therefore, despite negative brand information, customers with a high SBC maintain positive brand evaluations, driven by a motive to protect the self.

This literature is in line with the notion that customers with intense brand relationships are rather unaffected by negative brand information and are more benevolent, forgiving and resistant to brand failure (Chandler & Schwarz 2010; Swaminathan, Page & Gurhan-Canli 2007; Hess, Ganesan & Klein 2003). In other words, research suggests that customers with stronger brand relationships (i.e. higher self-brand connection) tend to argue against unfavourable brand information (Milberg, Park & McCarthy 1997), buffer negative impacts by using stored brand knowledge (Dawar & Pillutla 2000), make more positive brand attributions and be more forgiving and benevolent in evaluating the brand following negative information (Hess et al. 2003).

In this sense, a critical implication of a strong connection between a customer's self-concept and a brand (i.e. high SBC) is that the evaluation of the brand's performance is tightly associated with interpretations of its performance or qualities (Cheng et al., 2012). Therefore, customers with high SBCs feel threatened or experience a lower state of self-esteem when they fail to create as favourable evaluations about their brands as they would expect, because the unfavourable brand evaluations are coupled with their interpretations of self-qualities in comparison to others (Wood, Giordano-Beech & Ducharme 1999; Tesser 2000).

When it comes to customer relationships with Islamic banks, we can argue that customers who are strongly connected to an Islamic bank tend to respond to the bank more favourably (Taylor et al., 2010). A logical rationale for such a positive response lies in the importance of an Islamic bank to customers in defining the self, since Islamic banks and their Islamic values associations represent customers' self-concepts to some extent (Mathras et al., 2016; Minton & Kahle 2014).

However, it is important to note that this tendency to maintain positive evaluations is not the result of denying negative brand or service evaluations; instead, it is the result of a need to keep or protect self-evaluations or self-concepts (Cheng et al. 2012). As a result, when Islamic bank customers are highly connected with an Islamic bank or have high SBCs, they tend to maintain positive evaluations of the services to protect their self-concept or self-identity into which the bank and its brand associations are integrated. Therefore, the following hypothesis is proposed:

H_6: A significant positive relationship exists between SBC and SQ involving Islamic banks.

3.2.1.7. Self-Brand Connection, Trust and Commitment

When a brand helps customers define their sense of self and build their self-image, they tend to maintain a long-term relationship with the brand (Sheth & Parvatiyar 1995; Fournier 1998), as manifested in the two main relational variables: trust and commitment behaviours (Dwivedi 2014). As discussed in section 2.8, the construction of an SBC directly satisfies customers' needs to define the sense of self and build their self-image (Belk 1988; Sirgy 1982). Therefore, when they perceive a brand as satisfying their self-definitional needs, they tend to engage with it in a long-term relationship, which is manifested in relational behaviours (Sheth & Parvatiyar 1995).

The quality of customer relationships with brands is noticeable through relationship-oriented attitudes and behaviours such as trust and commitment (Gregoire, Tripp, & Legoux 2009; Morgan & Hunt 1994), both of which are considered vital constituents of relationship quality

(Dwivedi 2014). Customers may begin to build their trust in a brand, as it performs a purpose of self-identity formation Wang & Bloemer 2008). Furthermore, they may develop a commitment to using the brand in the future, to maintain the sense of self to which they aspire (Albert et al., 2013).

As brands provide the significant benefits of self-identity creation for customers, the latter tend to reciprocate by engaging in a long-term relationship with these brands (Dwivedi 2014). The motivation of customers to become involved in such a relationship is that they wish to continue receiving self-definitional benefits (Blau 1964; Dolich 1969), in which case the sense of importance and the quality of the relationship begin to increase (Brodie et al., 2011).

These findings are in line with the reciprocal action theory (Li & Dant 1997), which has been validated across customer relationship studies (Yoon et al., 2008; Kim et al., 2008). The principle of reciprocity supports the effect of SBC on relationship quality, in that customers often build a strong sense of commitment to a firm or a brand because of their positive reactions to the firm's relationship-building efforts.

The given findings are in line with Dwivedi (2014), suggesting that once SBC is developed, it affects customers' brand relationship qualities. In his study, Dwivedi (2014) elaborates that once customers have set up meaningful emotional connections between a brand and their self-concepts, they are inclined to experience enhanced relationship quality, which includes trust and commitment, among others. In other words, customers construct deep ties with firms or brands that help them define their self-concepts.

Owing to these assertions, this research examines Islamic bank customers' responses to these institutions in terms of trust and commitment, as they build stronger connections with Islamic banks to help them fulfil their self-definitional needs and maintain a number of self-definitional benefits (Belk 1988; Escalas & Bettman 2005; Escalas & Bettman 2003; Escalas 2004). Thus, the following hypotheses are proposed:

H_7: A significant positive relationship exists between SBC and trust in Islamic banks.

H_8: A significant positive relationship exists between SBC and commitment to Islamic banks.

3.2.2. Roles of Organisational-Related Variables

3.2.2.1. Customer-Based Corporate Reputation and Self-Brand Connection

From the perspective of organisation studies, Abratt and Kleyn (2012) posit that a corporation's brand personality is a key component of its identity. The effect of this organisation's identity on an individual is so intense that even a minimum association with

the organisation or a group can affect the individual's self-definition and behaviour (Adam and Galinsky 2012). Similarly, prior studies in the context of consumer studies have found that corporate brand personality has direct effects on customers (Han et al., 2010) and is one of the tools employed to influence customers' perceptions of a firm (Abratt and Kleyn 2012). Accordingly, Tuncdogan and Volberda (2019) propose that the more an individual perceives a corporate brand's personality as strong on a particular aspect, the more outstanding this element of one's self-identity will become. This idea is in line with Mael and Ashforth (1992), who suggest that a person recognises a sense of belonging to an organisation that he or she associates with and describes him/herself with regards to the corporation's "personality."

Taking a self-brand connection perspective (Escalas and Bettman 2003), customers' self-definition processes involve brands that resemble the individual's self-definitions. In addition to social identity theory, marketing scholars have adopted identity theory (Stryker 1968) and emphasised how customers perceive a brand as "me" or "not me" (Kleine et al. 1995), as well as how customers behave consistently with the most outstanding feature of the brand's identity (Arnett et al. 2003; Oyserman 2009). In this case, customers' self-definitions are strengthened when they make a connection with a brand to utilise the brand's personality or identity, and define and present their self-concepts (Escalas 2003). Hence, aligned with these studies, the way a customer defines one's self-concept and builds a connection with a brand is likely to be influenced by how he/she perceives the corporate brand's personality or identity with which he/she associates.

Drawing from these studies, customers build a psychological attachment to an Islamic bank and utilise it to identify and define their self-concepts, based on a considerable match between these self-concepts and their perceptions of the bank's identity (Mostafa and ElSahn 2016). In this case, this current research draws on customers' perceptions of Islamic banks' identity from their perspectives of customer-based corporate reputation (CBR) (Walsh and Beatty 2007) with respect to Islamic banking ethics and values, as discussed in Chapter 1.

The philosophies of Islamic business ethics and values play a pivotal role in influencing stakeholders' perceptions (Angelidis and Ibrahim 2004; Zulkifli and Amran 2006), because Islamic business ethics are ideally inseparable from the lifestyles of Muslim customers (Beekun and Badawi 2005). Three main principles of Islamic ethics are related to the well-being of individuals in a society, namely *Ihsan* (benevolence), *Adl* (justice) and *Amanah* (trust), all of which influence how Islamic banks conduct business (Beekun and Badawi 2005). In general, they strive to ensure that the banking system follows Islamic law (i.e.

based on the Holy Qur'an and Sunnah), in order to offer a banking alternative to customers who demand such a system (Ahmad 2002; Khursid et al. 2014).

Accordingly, stakeholders in Islamic banks (e.g. customers) expect them to practice business ethics in compliance with Islamic principles, i.e. the pursuit of lawful transactions and the prohibition of interest, speculation and gambling in their business practices (Aribi and Arun 2015). Moreover, it is commonly assumed that Islamic banks implement banking transactions that are focused on the well-being of society and Islamic traits, such as justice, compassion and honesty – all guided by Islamic law (i.e. the Holy Qur'an and Sunnah) (Dusuki and Abdullah 2007; Ullah et al. 2014). As a result, Islamic bank customers evaluate whether they and their activities are substantially "Islamic" in practice. Such evaluations might affect their decisions as to whether they bank with these businesses (Mostafa and ElSahn 2016) with a view to satisfying their needs of defining a self-concept by utilising the ethics and values attributed to the Islamic bank (Tajfel 1981).

Therefore, the current research suggests that there is a significant positive relationship between customers' perceptions of an Islamic bank (i.e. CBR) and self-brand connection. Thus, the following hypothesis is proposed:

H$_9$: A significant positive relationship exists between CBR and SBC with Islamic banks.

3.2.2.2. Customer-Based Corporate Reputation and Service Quality

According to prior studies, corporate reputation plays a key role in helping customers evaluate a brand or an organisation (Bitner 1990; Gummesson and Gronroos 1998; Kandampully and Hu 2007; Sarstedt et al. 2012). Moreover, the literature confirms that corporate image and reputation play significant roles in an overall SQ (Abd-El-Salam et al. 2013). This finding is consistent with Gummesson (1993), who posits that customers' perceptions of SQ combine actual quality and perceived quality, which is developed from their knowledge and interpretations of an organisation.

As discussed in Chapter 1, Islamic bank customers may deal with higher uncertainty and more difficulties in evaluating whether these banks' services truly conform to Islamic principles or just mimic conventional banking practices (Almahy et al. 2014). This uncertainty is elevated, because the nature of Islamic banking services is intangible and difficult to evaluate, and thus customers rely on their perceptions of corporate reputation to compensate for incomplete evaluations (Wang et al. 2003) and reduce perceived service risks (Walsh and Beatty 2007; Walsh et al. 2014). Hence, Islamic bank customers tend to examine their corporate reputation to help them evaluate SQ before the decision-making process (see Walsh et al. 2014).

As a result, customers' perceptions of Islamic banks' reputations influence how they view of SQ (Othman & Owen 2001). For example, Othman and Owen (2001) speculate that Islamic banks are perceived as high quality by their customers, in that they are understood by society as banking services that comply with the Islamic ethos and value system (Ayub 2007). According to Islamic values, work is considered a form of religious practice, in that it should be performed and organised in the best way possible to avoid causing disadvantages to others or society, and to achieve excellent results (Sabeq 1988). Moreover, and as highlighted in section 1.2, customers expect Islamic banks to be more ethical, socially responsible and Sharia-compliant than their conventional counterparts (Jawadi, Cheffou and Jawadi 2016).

These findings are in line with prior studies of faith-based brands, which identified that brands with clear religious symbols and features are viewed by their customers as products or services that indicate higher quality, higher operating standards and a stronger moral compass, thereby leading to more community contributions and reassuring business conduct in comparison with non-religious brands (Dotson and Hyatt 2000; Taylor et al. 2010; Minton 2015; Minton and Kahle 2017; Liu and Minton 2018).

The current research conceptualises corporate reputation by referring to customer-based corporate reputation (CBR) (Walsh & Beatty 2007) (see Chapter 2), which, accordingly, is viewed from five perspectives: customer orientation, a good employer, a reliable and financially strong company, product and service quality and social and environmental responsibility (Walsh and Beatty 2007). Substantially, these dimensions reflect Islamic ethics in the workplace as well as the business practices previously mentioned in Chapter 1.

For example, customer orientation involves customers' perceptions of a corporate reputation based on the extent to which a firm focuses on its customers to satisfy their needs (Deshpande et al. 1993; Fombrun et al. 2000; Walsh and Beatty 2007). This dimension of customer orientation is in line with Islamic ethical business practices inspired by the Qur'an, such as consideration for others (Qur'an 4:36), cooperation (Qur'an 49:9) and fairness in dealings (Qur'an 6:152, 60:8 and 5:8).

As for the good employer dimension, customers' perceptions of corporate reputation are based on how well a firm is managed, how it treats its employees and how competent these employees are (Fombrun et al. 2000; Walsh and Beatty 2007). This dimension is aligned with Islamic ethical business practices sourced from the Qur'an and the traditions of Prophet Muhammad (hadith), such as maximising one's abilities at work (Hadith; Ali 2005), fairness in wages (Qur'an 3:57), equality and unity (Qur'an 17:35) and hard work (Qur'an 2:82, 6:135).

For a reliable and financially strong company, this dimension is conceptualised as customers' perceptions of a firm's competence, profitability, solidity and potential (Fombrun et al. 2000; Walsh and Beatty 2007), all of which are in line with Islamic ethical business practices that encourage profit creation from trade and forbid dealing in interest or usury (Qur'an 2:275).

Regarding the dimension of product and service quality, customers perceive the reputation of a company based on its innovativeness and the quality it guarantees (Rogerson 1983; Walsh and Beatty 2007). These perceptions are aligned with Islamic ethical business practices that encourage continuous improvement (Qur'an 7:42) as well as agreements and promises (Qur'an 28:28).

Finally, the social and environmental responsibility dimension captures customers' perceptions of corporate reputation based on the company's perspectives and actions on social and environmental issues (Gassenheimer et al. 1998; Fombrun et al. 2000), which is relevant to Islamic ethics, as it inspires social business responsibilities (Ali 2005) and helping others (Qur'an 2:273).

Given that, CBR serves as a signal that customers adopt to inform them about the quality of products and services (Zinkhan et al. 2001). Particularly, the way they perceive CBR in relation to Islamic banking philosophies and ethical business practices can affect how they see the SQ of Islamic banks differently compared to those in the conventional banking sector. This may occur when customers acknowledge that Islamic ethical business practices are implemented by Islamic banks, which are portrayed in the bank's actions or by direct experiences (Walsh and Beatty 2007). Therefore, the following hypothesis is proposed:

H_{10}: A significant positive relationship exists between CBR and SQ involving Islamic banks.

3.2.2.3. Customer-Based Corporate Reputation, Trust and Commitment

Companies utilise numerous marketing instruments, such as brands, guarantees, trademarks and corporate reputation, to help them in promoting customer trust (Schurr and Ozanne 1985; Michaelis et al. 2008). These marketing instruments serve as signals which can induce transactions with a commitment when a customer does not have ample knowledge or experience of a firm's quality (McKnight et al., 1998), which cannot be viewed by the customer prior to service transactions (Soberman 2003).

Firms with good corporate reputations are recognised as being able to meet customers' expectations, and thus customers tend to trust these firms (Michaelis et al., 2008). Moreover, service companies that have favourable corporate reputation can help customers with gaining trust (Walsh and Beatty 2007), due to the vague and incomplete service evaluations that customers make with regards to service characteristics (Wang et al., 2003). This occurs because building a good corporate reputation involves persistent efforts to provide information on the company's trustworthiness, which then leads to the formation of customer trust in the absence of knowledge of, or direct experience with, the company (McKnight et al., 1998).

Empirical studies of CBR in the service sector have found that it positively affects trust in various contexts, for example in the UK fast food services and Germany internet services contexts (Walsh et al., 2009), as well as the German fashion retailer context (Walsh et al., 2017). However, due to the early development of the CBR literature, the majority of recent studies on the subject have been conducted in developed countries (Terblanche 2014), and little research has been done with a consideration of certain cultural aspects (Boshoff and Sarstedt et al. 2013).

Therefore, when it comes to investigating how CBR may affect customer trust in the IB context, we need to acknowledge that this trust has distinct features compared to those in the traditional context (see Chapter 2). Traditionally, trust is built on the attributes of integrity, intention, reliability, responsibility and confidence in a company (Smith 1997; Walsh et al., 2009), while in the IB context, customer trust is built on Islamic ethics, such as honesty, fairness, sincerity and ethical values (Ahmad 1997; Hanafi and Sallam 1997; Haron and Shanmugam 2001; Sauer 2002; Hoq et al. 2010). These Islamic ethics are mandatory in Islam, especially when a person is involved in transactions (Amin et al. 2013). In addition to these Islamic ethics, Islamic banks' compliance with Islamic principles was found to be one of the foundations of customer trust (Othman and Owen 2001).

In this sense, when Islamic bank customers draw heavily on their perceptions of the banks' reputation, they may quickly develop trust based on these Islamic ethics and compliance with Islamic principles (McKnight et al. 1998). Given these justifications, this research proposes – and expects – that customer-based corporate reputation (CBR) has a positive effect on customer trust towards Islamic banks. Therefore, the following hypothesis is proposed:

H_{11}: A significant positive relationship exists between CBR and trust towards Islamic banks.

Prior studies have confirmed that corporate reputation has a significant and positive influence on commitment (Michaelis et al. 2008; Ali et al 2015), in that favourable corporate reputation induces a customer's emotional relationship and good intention to maintain a

relationship with a company, which eventually develops into a commitment (Bennet and Gabriel 2001). This occurs when customers relate a favourable reputation to a company, they tend to be benevolent toward the service company including maintaining the relationship with the company (Bettencourt 1997; Zeithaml et al. 1996).

This emotional relationship is developed because customers have psychological motivation (Jones et al. 2008) and expect to receive the greater advantages of staying in a relationship (Chenet et al. 2010; Geyskens et al. 1996). Such an emotional relationship is indicated by the feeling of an attachment, identification (Fullerton 2003) or a friendship with the service provider (Jones et al. 2008). As a result, service providers communicate their business actions to produce signals that provide information that can be utilised by customers to evaluate the service (Boulding and Kirmani 1993), build an emotional relationship and decide whether to stay committed to the service provider (Connelly et al. 2011).

Empirical studies of CBR in the service sector have found that CBR positively affects commitment in various contexts, for example in a French service company (Bartikowski & Walsh 2011), French lower-risk and higher-risk service providers (Walsh et al., 2014) and German fashion retailers (Walsh et al., 2017). However, no studies of CBR have been conducted in the IB context.

In terms of Islamic banking, customers, particularly Muslim customers, seek both functional (e.g. product choice, good service, etc.) and non-functional benefits (i.e. emotional attachment, personal meaning and sense of identification), such as the ability to observe Islamic principles and obtain tranquillity (Wilson et al. 2013), as well as to look and feel better by behaving consistently with their valued ideology (MacInnis et al. 2009; Dwivedi et al. 2016).

In this sense, commitment to Islamic banks may develop from customers' perceptions of the banks' reputation that captures these functional and non-functional benefits through the signals they show (Wang 2002). In this case, these signals may influence customers to the point where they identify themselves as part of the Islamic bank – and thus a break away from this commitment could be seen as disadvantageous (see Lacoeuilhe 2000). Consequently, we propose – and expect – that CBR has a positive effect on customer commitment to Islamic banks. Hence, the following hypothesis is proposed:

H_{12}: A significant positive relationship exists between CBR and commitment to Islamic banks.

3.2.2.4. Customer-Based Corporate Reputation and Loyalty

Most customers examine a firm's reputation before making a purchase decision (Zeithaml 2000). Corporate reputation develops from customers' encounters with information, both direct and indirect experiences (Ruth & York 2004) and the company's past actions (Weigelt & Camerer 1988). In addition, a good corporate reputation is formed when companies provide their customers with excellent services and honesty (Andreassen & Lindestad 1998; Walsh et al. 2009).

Corporate reputation has been associated with numerous advantageous outcomes for the company, such as the intention to purchase products (Grewal et al. 1998) and services (Andreassen 1999; Yoon et al. 1993). The intention to purchase is considered a favourable behavioural intention which is essential for the survival and success of service firms, as it leads to customer loyalty (Wen et al. 2005; Lai & Chen 2010). This line of thought is followed by Bartikowski & Walsh (2011), who argue that a company's good reputation signals prudent company behaviours to the market, so an improved corporate reputation leads to not only higher commitment levels, but also greater loyalty intentions.

Furthermore, prior studies indicate that customers of firms with a good reputation are likely to be more loyal (Sung & Yang 2008; Walsh et al. 2009), since a good corporate reputation can lower customers' perceived risk and inspire them to do business with the company (Fombrun & Shanley 1990; Spence 1973). These studies are in line with others demonstrating that corporate reputation has a positive effect on loyalty (Michaelis et al. 2008; Walsh et al. 2009; Caruana & Ewing 2010; Helm & Tolsdorf 2013; Ali et al 2015). For example, a study on the context of online retailers found that customers tend to be uncertain about buying products when they know little about the retailer, but a great corporate reputation can be a major advantage to online retailers (Caruana & Ewing 2010).

While there is ample research examining the effect of corporate reputation on loyalty in the service context, very few studies have investigated the role of customer-based corporate reputation (CBR) in this regard (Walsh et al., 2009; Bartikowski & Walsh 2011; Bartikowski et al., 2011; Walsh et al., 2014). However, Walsh et al. (2012) suggest that CBR has a positive relationship with loyalty intention, i.e. the motivation to continue to do business with the firm in the future (Dean 2007; Jin & Su 2009).

Some mechanisms allow reputation to positively influence loyalty intentions. For example, customers who associate a firm with a good reputation tend to adopt positive intentions and actions (Bettencourt 1997; Zeithaml et al., 1996). A firm needs to perform in a customer-oriented manner as a firm's reputation also plays a role as a quality assurance measure for its customers, which in turn induces greater customer loyalty intention (Walsh et al., 2009).

Following the assertions of a positive relationship between CBR and loyalty, supported by justifications and empirical studies (Bartikowski et al., 2011; Walsh et al., 2009; Helm 2005), the present research proposes – and expects – that CBR has a positive effect on customer loyalty in the IB context. Therefore, the next hypothesis is proposed:

H_{13}: A significant positive relationship exists between CBR and customer loyalty to Islamic banks.

3.2.2.5. Service Quality and Commitment

A positive evaluation of a firm may provide customers with good reinforcement and emotional bonds, leading to commitment (Walsh et al., 2014). The extent to which service quality is perceived by customers can influence their assurance and desire to continue their relationship with a service provider (i.e. commitment), in favour of obtaining potential functional and emotional benefits (Hur, Park, & Kim, 2010; Thaichon et al., 2015).

When a service provider offers important functional and emotional benefits through service delivery, customers are inclined to put persistent and maximum efforts into maintaining a long-term relationship with it (Morgan & Hunt 1994; Lin & Wu 2011). Moreover, they perceive that the service represents potential functional and emotional benefits, and the relationship is important enough that they believe such benefits will be lost if a customer terminates it and switches to a competitor (Morgan & Hunt 1994; Cater & Zabkar 2009).

Accordingly, the relationship between service quality and commitment has been studied in the services marketing literature, where service quality is reported as a direct antecedent of commitment (Morgan & Hunt 1994; Fullerton 2005; Jahanzeb, Fatima, & Khan 2011; Thaichon et al., 2015). However, when it comes to the IB context, customers generally have higher expectations of Islamic banks, since they seek not only functional benefits from basic banking attributes, but also emotional or spiritual benefits along with the banks' compliance with Islamic Sharia principles (Wilson et al., 2013). Additionally, all business processes are expected to reflect Islamic traits (Amin et al., 2013; Butt & Aftab 2013).

Owing to these assertions, we can argue that when Islamic bank customers perceive that such benefits are important and meaningful, there is a possibility that they will attempt to maintain the relationship with their Islamic bank in the long term, to ensure they continue to enjoy these benefits (see Morgan & Hunt 1994; Thaichon et al., 2015). The present research proposes – and expects – that service quality has a positive relationship with commitment to Islamic banks. Hence, the following hypothesis is proposed:

H$_{14}$: A significant positive relationship exists between SQ and commitment to Islamic banks.

3.2.2.6. Trust and Commitment

When customers perceive an organisation as acting in their best interests and being trustworthy, they build a bond with that organisation (Fullerton 2011). Moreover, customers' responses to the organisation's benevolent actions, such as making a promise to continue doing business with the organisation, may form into a commitment to a marketing relationship (Fullerton 2011). These customer traits are at the root of trust (Doney & Cannon 1997), and these assertions support the justification that trust does indeed enhance commitment. In the marketing context, trust is considered the core element in effective relationships between customers and an organisation (Morgan & Hunt 1994). Such a relationship is also expected to occur in the IB context.

Becoming a customer of an Islamic bank is one of a number of efforts expended to fulfil religious beliefs and obligations, particularly among the Muslim community (Usman et al., 2017; Houjeir and Brennan 2017; Hassan, 2004; Siddiqi, 1984). In this case, a customer develops trust when they believe that the Islamic bank will act according to what is expected, particularly in terms of supporting the customer's efforts to follow Islamic teachings (Sumaedi et al., 2015). This may lead to a customer feeling guilty about leaving the bank, almost as if he/she has left Islam (Sumaedi et al., 2015). This notion is in line with Muncy & Hunt (1984), in that commitment will develop when an individual believes that an object or an event has a strong tie with their values. In other words, when customers feel that the brand is relevant and important to them, they feel more identified and tied to the brand, both of which are the roots of commitment (Muncy & Hunt 1984).

According to these justifications, this present research proposes and expects that a customer's trust has a positive effect on commitment in the IB context. Therefore, the following hypothesis is proposed:

H$_{15}$: A significant positive relationship exists between trust and commitment to Islamic banks.

3.2.2.7. Service Quality and Loyalty

Service quality has been considered a key criterion for customers in choosing and evaluating service providers (Gilmour 1977). Excellent service quality is expected not only to induce new customer patronage, but also to encourage the repurchase behaviours of existing customers, which is one of the indicators of customer loyalty (Berry, Parasuraman, Zeithamd, & Adsit, 1994).

A customer's favourable attitude towards a service can be reflected in their willingness to recommend a service firm to others, or their commitment to repeat patronage or repurchase, thereby developing their loyalty (Boulding et al., 1993; Dick & Basu 1994; Gremlar & Brown 1996). Moreover, Zeithaml et al. (1990) found that service quality has a positive influence on customers' willingness to pay a higher price and the intention to maintain their loyalty despite the price increase.

This is followed by empirical studies which indicate that service quality is one of the major factors in customer loyalty (Seth et al., 2004; Kim & Lee 2010), and thus companies should consistently deliver excellent service quality to retain their customer base (Caruana 2002; Coetzee et al., 2013). These findings have led to other studies which report that, in general, service quality has a positive influence on customer loyalty (Izogo and Ogba, 2015; Kim and Lee, 2010; Tarus and Rabach, 2013; Thaichon et al., 2014).

Studies linking service quality and loyalty have been conducted in various service settings, including in the banking sector (de Ruyter et al. 1998). Technological development, governmental deregulation, an increase in customer demands and competition have rapidly increased change in the banking industry, including ensuring the excellence of service provisions (Al-Hawari 2009). Given the importance of service quality in the banking sector, studies have confirmed a valid relationship between service quality and loyalty in different contexts (Oliveira 2007; Choudhury 2013).

Meanwhile, service quality in the Islamic banking context is seen as a key differentiating factor for banks to strengthen their position in the industry, especially in view of the intense competition between Islamic banks and conventional banks (Othman and Owen 2001). As a result, managing service quality is crucial in the case of Islamic banks, as they face the challenge of complementing their expertise in developing Sharia compliance services in their business processes (Butt and Aftab 2013). The direct link between service quality and loyalty is proposed based on the rationale that a customer relationship with an Islamic bank is strengthened because of the their favourable evaluation of the bank's services (Butt & Aftab 2013).

Nevertheless, studies examining the positive relationship between service quality and customer loyalty in the IB context (Butt & Aftab 2013; Saeed et al., 2014; Hidayat et al., 2015) need to be explored further, as they assessed service quality using scale items that were replicated from the non-IB and non-banking contexts without involving other aspects, such as Islamic values and the SRV that may help in better explaining service quality perceptions among Islamic bank customers (Butt & Aftab 2013). Given these assertions, this research proposes – and expects – that service quality has a significant positive effect on customer loyalty in the IB context. Therefore, the following hypothesis is proposed:

H_{16}: A significant positive relationship exists between service quality and customer loyalty to Islamic banks.

3.2.2.8. Trust and Loyalty

Trust is viewed as the key factor in attracting and retaining customers, due to its role in reducing customer-perceived risks appearing from a transaction (Molm et al., 2000; Verhagen et al., 2006; Paulssen, Roulet & Wilke 2014). Reduced perceived risks increase an individual's confidence and trust in the service provider, and this mechanism leads in turn to customer loyalty, particularly in a transaction where the interaction between a customer and a service provider is minimal (Rousseau et al., 1998; Chen & He 2003; Paulssen et al., 2014). Other studies also posit a similar mechanism, whereby when customers trust a service provider, they may form optimistic behaviours (Nguyen & Leclerc 2011) and demonstrate loyalty (Dimiritriadis, Kouremenos, & Kyrezis 2011).

In the literature on customer relationship marketing, trust is essentially related to commitment and connection-building with brands (Hes & Story 2005). Moreover, it has been acknowledged as a vital influence on both commitment and loyalty (Morgan & Hunt 1994; Gremler & Brown 1999; Rauyruen & Miller 2007; Wang et al., 2006; Gremler et al., 2001), and it can increase the latter particularly during and after crisis periods (Hegner et al. 2014). Accordingly, marketing scholars have paid more attention to the important role of trust in supporting strong customer relationships (Sirdeshmukh et al. 2002). Moreover, the role of trust in determining loyalty is significant and has been empirically tested in numerous studies (Morgan & Hunt 1994; Gremler & Brown 1999; Gremler et al., 2001; Sirdeshmukh et al., 2002; Wang et al., 2006; Flavian et al., 2006; Rauyruen & Miller 2007; Nguyen et al., 2013; Hegner et al., 2014; Paulssen et al., 2014).

In the banking context, trust – represented by trustworthiness, honesty, equality and moral values – helps in developing a relationship between customers and a bank as a financial service provider (Sauer 2002). Meanwhile, customer trust in the IB context is mainly developed from the bank's compliance with Islamic principles (Kayed & Hassan 2011). This suggests that IB customers, particularly Muslim customers, tend to highly trust a bank claiming to comply with Islamic principles and Sharia values. In addition, the intention to switch to another bank is minimised when customers trust that their Islamic banks are truly implementing Islamic principles (Hoq, et al. 2010). This idea is mirrored in empirical studies finding that trust has a significant relationship with loyalty to Islamic banks (Butt and Aftab 2013; Hidayat et al., 2015; Arshad et al., 2016; Suhartanto et al., 2018; Thaker et al., 2019).

Drawing on these assertions, we can argue that Islamic bank customers are likely to highly trust these businesses, due to *Sharia* compliance. In turn, this may lead to their intention to remain loyal (Muslim et al., 2013; Hoq et al., 2010). Therefore, the current research proposes – and expects – that trust has a positive relationship with customer loyalty. Hence, the following hypothesis is:

H_{17}: A significant positive relationship exists between trust and customer loyalty to Islamic banks.

3.2.2.9. Commitment and Loyalty

Commitment is a core construct in the establishment and sustenance of marketing relationships, because it is a fundamental psychological force that connects customers with a firm (Morgan and Hunt 1994; Bansal et al. 2004). Thus, commitment is viewed as an attachment between partners that drives the willingness to continue a relationship (Moorman, Zaltman and Deshpande 1992; Morgan and Hunt 1994).

One of the initial studies in the customer relationship literature reveals that commitment has a significant relationship with acquiescence and propensity to leave (PTL) (Morgan and Hunt 1994). Acquiescence is defined as the extent to which a partner follows another specific policy or demand (Steers 1977 in Morgan and Hunt 1994), whereas PTL is the likelihood to terminate a relationship in the future perceived by a partner (Bluedorn 1982 in Morgan and Hunt 1994). The study found that commitment positively influences acquiescence and negatively influences PTL (Morgan and Hunt 1994). Similar to the effect of commitment on PTL, Brown & Peterson (1993) confirmed that commitment is a key precursor to customer retention. In general, these findings are in line with Pritchard, Havitz and Howard (1999), who revealed that commitment is conceptualised as resistance to change or switching to another brand, and thus it is considered a key antecedent of loyalty (Bloemer & Odekerken-Schroder 2003; Dimitriades 2006; Lewis & Soureli 2006; Kaur et al., 2012; Strandberg, Wahlberg & Ohman 2015).

Over the years, the definition of commitment has been expanded from a unidimensional construct (Morgan and Hunt 1994) into a multidimensional concept (Fullerton 2003; Bansal et al. 2004; Jones et al. 2008). The current research uses the multidimensional construct approach (see Chapter 4 – Operationalisation of Commitment), following the research conducted by Meyer et al. (2001), which measures commitment by using three widely accepted dimensions: affective commitment, continuance commitment and normative commitment (see Chapter 2). Therefore, the logical basis for the proposition of a positive

relationship between commitment and loyalty will be discussed according to this multidimensional approach.

Affective commitment links the customer with an organisation based on the customer's psychological identification with and attachment to the organisation (Bansal et al. 2004). In this case, customers are likely to trade with firms to which they feel attached and identify with (Fullerton 2003). In the context of customer-retail services, customers will repurchase a service brand when they identify with it and they are affectively committed to the firm (Fullerton 2005). Corroborating this argument, a study by Evanschitzky, Iyer, Plassmann, Niessing and Meffert (2006) demonstrated that affective commitment positively affects a customer's strong willingness to remain in a valuable relationship and purchase goods or services, each of which is the manifestation of loyalty (Evanschitzky et al. 2006).

Meanwhile, continuance commitment links customers with a firm due to customers' dependence on the firm and the switching costs that may arise which cause the customers to feel trapped in the relationship (Fournier et al. 1998). Such dependence causes a customer to become attached to a brand that has developed an image-based switching cost, and this will thus lead to an actual purchase behaviour that is rooted in behavioural loyalty (Gundlach et al., 1995). In addition, normative commitment emerges from a feeling that maintaining a relationship with an organisation is the right, and important, thing to do (Allen and Meyer 1990; Cialdini 2001).

In the IB context, when customers believe that an Islamic bank operates its business by following Islamic principles, their willingness to switch to another bank tends to be minimised, because their commitment to the continued receipt of benefits resulting from the bank's compliance with Islamic standards drives them to remain loyal (Hassan et al., 2012). Adding to that point, it is plausible to argue that since Islamic banks offer not only functional benefits to their customers, but also other benefits related to religious values, customers may feel a certain amount of unease at the thought of leaving this relationship, and thus they may choose to endure it and become loyal (Fullerton, 2011).

Despite the limited number of studies examining the relationship between commitment and loyalty in the IB context (Hassan et al., 2012; Tabrani et al., 2018), this research employs the above assertions to justify the next hypothesis proposition. This research expects and proposes that commitment has a positive effect on loyalty to an Islamic bank (Morgan and Hunt 1994; Fullerton 2011). Therefore, the following hypothesis is:

H_{18}: A significant positive relationship exists between commitment and customer loyalty to Islamic banks.

3.2.3. Conceptual Model of Customer Loyalty towards Islamic Banks

Based on the extensive review of the literature, and the discussion about hypothesised links tested in this study (summarised in Table 3.1), Figure 3.1 presents a conceptual model of customer loyalty to Islamic banks in Indonesia. It illustrates the proposed effects of customers' SRV (IBL, SBC and religiosity) and ORV (CBR, SQ, trust and commitment) in predicting customer loyalty.

Figure 3.1. Conceptual Research Model
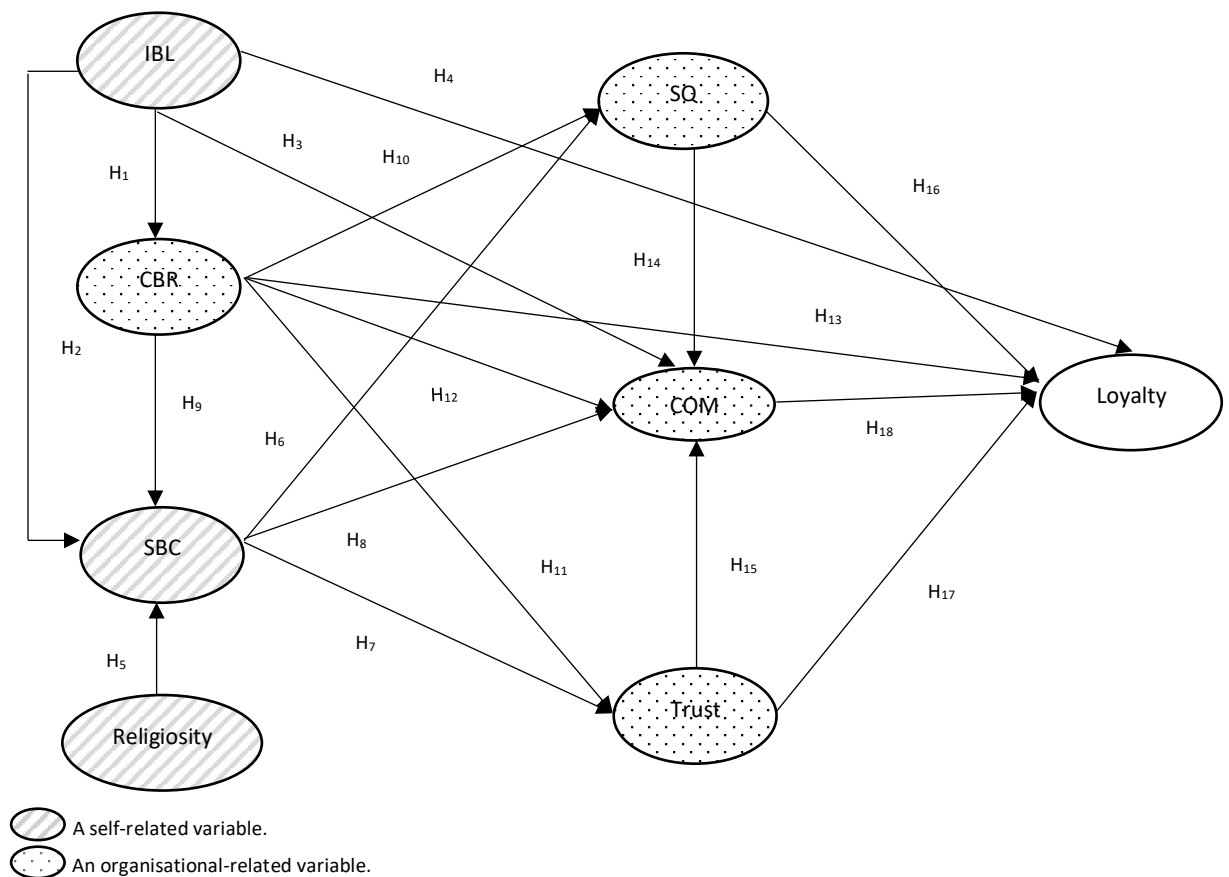
Source: This study (2022)

Table 3.1. Summary of the Proposed Hypotheses

H_1 : IBL → CBR	A significant positive relationship exists between Islamic banking literacy (IBL) and customer-based corporate reputation (CBR).
H_2 : IBL → SBC	A significant positive relationship exists between IBL and self-brand connection (SBC) involving Islamic banks.
H_3 : IBL → Commitment	A significant positive relationship exists between IBL and commitment to Islamic banks.
H_4 : IBL → Loyalty	A significant positive relationship exists between IBL and customer loyalty to Islamic banks.
H_5 : Religiosity → SBC	A significant positive relationship exists between religiosity and SBC involving Islamic banks.
H_6 : SBC → SQ	A significant positive relationship exists between SBC and service quality (SQ) involving Islamic banks.
H_7 : SBC → Trust	A significant positive relationship exists between SBC and trust in Islamic banks.
H_8 : SBC → Commitment	A significant positive relationship exists between SBC and commitment to Islamic banks.
H_9 : CBR → SBC	A significant positive relationship exists between CBR and SBC with Islamic banks.
H_{10} : CBR → SQ	A significant positive relationship exists between CBR and SQ with Islamic banks.
H_{11} : CBR → Trust	A significant positive relationship exists between CBR and trust towards Islamic banks.
H_{12} : CBR → Commitment	A significant positive relationship exists between CBR and commitment to Islamic banks.
H_{13} : CBR → Loyalty	A significant positive relationship exists between CBR and customer loyalty to Islamic banks.
H_{14} : SQ → Commitment	A significant positive relationship exists between SQ and commitment to Islamic banks.
H_{15} : Trust → Commitment	A significant positive relationship exists between trust and commitment to Islamic banks.
H_{16} : SQ → Loyalty	A significant positive relationship exists between SQ and customer loyalty to Islamic banks.
H_{17} : Trust → Loyalty	A significant positive relationship exists between trust and customer loyalty to Islamic banks.
H_{18} : Commitment → Loyalty	A significant positive relationship exists between commitment and customer loyalty to Islamic banks.

Source: This research (2022)

3.3. Summary of Chapter

Chapter Three has discussed how a conceptual model of Indonesian customer loyalty to Islamic banks was developed by outlining the roles of customers' SRV and ORV in justifying the 18 hypothesis propositions based on prior empirical studies of the corresponding variables. Finally, the researcher presented the conceptual model of this study followed by the summary of the research hypotheses at the end of the chapter.

Chapter 4 Methodology

4.1. Introduction

This chapter aims to describe the methodology used when conducting this research, which covers from the discussion of philosophical assumptions to detailed methods of data collection, analysis, and interpretation. The chapter starts with a discussion of research paradigms in section 4.2, research approaches in section 4.3, research designs in section 4.4, research questions in section 4.5, qualitative research methods in section 4.6, quantitative research methods in section 4.7, construct operationalisations in section 4.8, qualitative data analysis procedures in section 4.9, and quantitative data analysis procedure in section 4.10. Section 4.11 addresses ethical considerations taken to carry out the research. Finally, section 4.12 presents the summary of the chapter.

4.2. Research Paradigms

A paradigm represents people's perspectives, ideologies, value judgements, norms, frames of reference, standards, theories, myths, and accepted procedures that determine their thoughts and actions (Gummesson 2000, p. 18). A research paradigm refers to how researchers perceive the truth or reality and investigate it in the social world (McAuley 2005). A research paradigm is also defined as a basic set of philosophical assumptions underlying the research (Creswell and Creswell 2018) that influences and guides the practice of research (Burrell and Morgan 1994). These definitions are in line with Guba & Lincoln 1996 and Denzin & Lincoln 2005 who posit that research paradigms shape researchers' approaches to explain truth in the light of researchers' adherence to the underlying philosophical assumptions (Alvesson & Skoldberg 2000).

Aside from defining a research paradigm, the researcher also needs to clearly define truth or reality and how it is linked to research before discussing the roles of a research paradigm and philosophical assumptions in research. Truth is defined as the general perceptive idea to conform with the facts (Soames 1989). Research is closely linked to the truth as research is called the creation of truth presented as reality or fact (Alvesson and Skoldberg 2000).

Having described the definition of truth and how it relates to research, it is plausible to argue that considering a research paradigm and philosophical assumptions is a fundamental way to start research. This notion is in line with Gummesson (2003), who posits that the concept of research paradigms is principal to research. Considering which research paradigm to use is fundamental to research because it helps researchers develop research approaches

(Easterby-Smith et al. 2002) based on the underlying philosophical assumptions, which include ontology, epistemology, and methodology (Guba and Lincoln 1996; Denzin and Lincoln 2005).

These philosophical assumptions distinguish one research paradigm from the others in terms of how the researchers see the truth in the social world, how they relate themselves with it and how they investigate it (McAuley 2005). As a result, each research paradigm has its stance and way of investigating the social world, thus differing from others. The philosophical assumptions (i.e., ontology, epistemology, and methodology) will be discussed in the coming paragraphs, followed by research paradigms based on the school of thought in social science.

Ontology is the researchers' assumption to identify truth or reality (Guba and Lincoln 1996) and to study how something exists (Krauss 2005). Ontology is also indicated as a way the researchers see the social world (McAuley 2005). These definitions align with Blakie (1993, p.6), who defines ontology as underlying assumptions to a particular approach in explaining the nature of social reality, including claims about what exists, what the reality looks like, and what aspects make it up how these aspects interact with each other.

Epistemology concerns how people come to know (Trochim 2006). Epistemology is a basic set of assumptions about the researchers' ways of investigating the knowledge as reality in the world (Easterby-Smith et al. 2002; McAuley 2005). In addition to that, Guba & Lincoln (1996) and Tuli (2010) define epistemology as a set of assumptions that helps with identifying the relationship between the knower and what could be known or the knowledge that informs the research.

Methodology concerns how to obtain knowledge through specific procedures (Guba and Lincoln 1996; Tuli 2010). Similarly, Bryman (2012) defines methodology as the selection of methods employed to determine the sequence of data collection and the data sample.

In other words, Healy & Perry (2000) highlight that the central issues of ontology are the reality that the researchers investigate, while epistemology concerns the reality and the research, and methodology refers to the means used by the researchers to study reality. These three assumptions are used to distinguish research paradigms in social science.

There are mainly two research paradigms that are broadly discussed in the social sciences literature: positivism and interpretivism (Hudson and Ozanne 1988). Both positivism and interpretivism paradigms are based on different assumptions for obtaining knowledge, including ontological, epistemological, methodological, and other assumptions. Table 4.1 compares positivism and interpretivism paradigms in the consumer behaviour field.

Positivism is a research paradigm that "relies on the deductive method to verify a priori hypotheses that are often stated quantitatively, where functional relationships can be derived between causal and explanatory factors (independent variables) and outcomes (dependent variables)" (Park, Konge & Artino Jr. 2020, p. 690). The ontology stance lies on the assumption that a single tangible reality that can be identified and measured using rational considerations does exist (Park et al., 2020). Meanwhile, the epistemological stance is based on the assumption that objective reality exists (Hussey and Hussey 1997), observable and measurable (May 1998).

Therefore, positivists develop knowledge based on careful observations and measurement of the objective reality through numeric measures or quantitative studies to support or refute the theory (Creswell and Creswell 2018). In studying human behaviour, positivists explain the phenomenon using a cause-and-effect approach (May 1998). To obtain neutrality and objectivity, the researchers are separated from the research and not be affected by the research (Edwards and Skinner 2009). Positivists use deductive research techniques using a predominantly quantitative approach to predict and verify a theory (Guba and Lincoln 2005).

Although the positivist approach has been acknowledged as the traditional way in which empirical consumer research has been performed, this approach has a limitation in a way that it leaves a large amount of human behaviour with each other missing, particularly the psychological content of the involved relationships (Priest, Carter, & Statt 2013). Consumer research cannot neglect this psychological content of human relationships because consuming acts are more complex than just buying and selling. Thus, it should be understood using the human interaction perspective (Priest et al., 2013).

Scholars also challenged the positivist approach in highlighting the importance of subjective, cultural, social, spiritual, and interpretative aspects of consumers and their relationships (Clark 1998) while they are important aspects in understanding consumer buying and consumption patterns. In other words, consumer behaviour should be understood within the human relationship context, which is the perspective of the interpretivism paradigm. This situation led to methodological innovations in consumer research to the point where interpretivism is increasingly adopted in the work of a growing number of scholars.

Unlike positivism, interpretivists believe that the social world is developed and imposed by human behaviour through social interactions (Leuenberger & Pinch 2000; Ron 2004; Goldkuh 2012; Irshaidat 2019). Ontologically, interpretivists view human actions, surrounding environment and interactions shape the external world through normative interpretations of reality (Cova & Elliott 2008; Gaus 2017).

Epistemologically, the nature of knowledge is complex, subjective, and conforming to experiences. Hence, acquiring knowledge is challenging due to the various interpretations within a given setting embedded with the dynamic of social reality (Thanh & Thanh 2015). Interpretivists base their philosophical stance on the subjective individual's interpretation and understanding of the world and experiences toward certain things (May 1998). The interpretivists explain the world, or the situation being studied as a creation of the mind, and thus, should be interpreted through the participants' views (Bryman 2012). This notion aligns with Crotty (1998) that individuals develop meaning towards specific objects or situations based on their experiences and social perspectives. Thus, interpreting phenomena using this paradigm removes universal jargon and relies on the comprehension of human interpretations based on cultures, texts, concepts, theories and behaviour (Mallon 2007; Andriopoulos & Slater 2013; Thanh & Thanh 2015).

Methodologically, interpretivists believe that collective ideas and norms determine action. Thus the social influence of the surrounding on human behaviour and identity cannot be minimised (Irshaidat 2019). To understand a phenomenon adequately, the researcher plays a vital role in the research process where there is a connection between the researcher and the matter under examination, unlike the positivist condition that detaches the researcher from the research process (Goldkuh 2012).

Accordingly, the researcher is part of the research and positions him/herself as interactive and cooperative with the participants and the phenomenon under study (Guba and Lincoln 2005). Interpretivists use inductive research techniques using a predominantly qualitative approach, including interviews and narratives, to understand and generate a theory (Guba and Lincoln 2005; Kelliher 2005). The researchers' background and experiences also influence their interpretations (Crotty 1998).

Table 4.1 Assumptions of Positivism and Interpretivism Paradigms

Assumptions	Positivism	Interpretivism
Ontological perspective	Objectivism.	Constructivism.
Nature of reality	Objective, tangible, single reality.	Socially constructed, multiple realities.
Goal	Prediction.	Understanding.
Epistemological perspective	Positivism.	Interpretivism.
Knowledge generated	Time free, context independent.	Time-bound, context dependent.
View of causality	Existence of real causes.	Multiple, simultaneous events.
Research relationship	Separation between researcher and subject.	Interactive, co-operative, researcher being part of phenomena under study.
Methodology	Primarily quantitative (e.g., surveys).	Primarily qualitative (e.g., in-depth interviews).
Data collection	Pre-coded surveys or other formulaic techniques.	Direct, fluid, observational techniques.
Data analysis	Statistical analysis aimed at addressing cause and effect relationships.	Analysis focused on context-specific meanings and social practices.
Role of conceptual framework	Separate theory from methods.	Theory and methods are inseparable.

Source: Bryman & Bell (2011); Hudson & Ozanne (1988).

In addition to positivism and interpretivism paradigms, there is another stance of the paradigm called pragmatism. Pragmatism suggests a research framework based on experience and action to help researchers address the issues related to how they experience and come to know the social world in a practical manner (Hothersall 2019). Unlike positivists, who acquire knowledge by investigating empirical evidence and hypothesis testing, and interpretivists, who assert that knowledge and reality are relative and too complex, pragmatists view that the process of obtaining knowledge is situated in the centre of the continuum of paradigm concerning the mode of inquiry (Goles & Hirschheim 2000; Kaushik & Walsh 2019).

Pragmatism follows an objective-oriented approach that allows researchers to collect evidence from multiple sources and rigorously evaluate them in the real-life practice setting (Plath 2013; Borden 2013). Generally, it allows researchers to employ expertise, ideas, and wisdom from research participants to improve ideas, address research objectives and develop helpful knowledge for society (Feilzer 2010; Koenig et al., 2019; Thompson 2012).

Drawing on this stance, pragmatists believe that researchers should utilise the philosophical approach and/or methodological approach that best fits the research problems being examined rather than on the research methods (Tashakkori & Teddlie 1998). Hence, pragmatists can select the research methodology and design that are most suitable to address the research questions, and it is commonly associated with a pluralistic or mixed-

methods approach to derive knowledge about a phenomenon (Rossman & Wilson 1985; Biesta 2010; Creswell & Plano Clark 2011; Johnson & Onwuegbuzie 2004; Maxcy 2003; Morgan 2014; Teddlie & Tashakkori 2009; Kaushik & Walsh 2019).

Furthermore, pragmatism allows a collection of assumptions about knowledge and inquiry that serves as the foundation of the mixed methods approach which differentiates the purely quantitative approaches (positivism) from the purely qualitative approach (interpretivism) (Denscombe 2008, p. 271). Accordingly, rather than subscribing to only quantitative or qualitative methods, pragmatists have a freedom of choice regarding the research procedures, methods, and techniques that best fit their purposes and needs to provide the best insight into a research (Creswell and Creswell 2018). In so doing, pragmatists are preferable to utilise a qualitative approach to inform the quantitative part of the research, and vice versa (Onwuegbuzie & Leech 2005, p. 383).

Considering all rationales for the pragmatic paradigm, we believe that pragmatism is the most suitable paradigm for the current research as it has the significance and value to address the research problems being studied (Kaushik & Walsh 2019). The following section discusses research approaches and the one we employed in this current research.

4.3. Research Approaches

There are several aspects to consider before selecting a research approach to employ in the research, such as research purposes and the state of the prior theory (i.e., mature, intermediate, and nascent). Defining research purposes is fundamental before researching as research purposes unravel to specific research approaches (Creswell and Creswell 2018). For example, if the research aims to identify variables to study, understand the best antecedents of outcomes, relate variables or hypotheses, or test a theory, then the best approach is quantitative (Leedy 1993; Swanson & Holton 2005). With the quantitative approaches, researchers follow the positivism philosophical assumptions and employ surveys or experiments as their inquiry strategies (Wong 2014). They typically employ predetermined approaches, closed-ended questions, and numerical data (Creswell and Creswell 2018).

On the other hand, some research involves a new phenomenon or little research has been done on it, and the concept needs to be explored. Then, a qualitative approach may be needed since the concept is new, and existing theories do not apply with a particular context or sample being studied (Morse 1991; Erzberger & Kelle 2003). With the qualitative approaches, researchers follow the interpretivism paradigm, employ narrative, case study, grounded theory, or ethnography strategies of inquiry, and use open-ended questions, text

or image, and emerging approaches as the sources of data (Bryman & Bell 2011); Hudson & Ozanne 1988). A qualitative approach is mainly practised when the researchers collect meanings from participants, focus on a single phenomenon, bring personal values and position themselves into the research, study the context of participants, or validate the veracity of findings (Creswell and Creswell 2018).

Other researchers tend to practice the mixed methods approach as they provide a rationale for mixing quantitative and qualitative approaches (Jick 1979; Creswell 2003; Tashakkori & Creswell 2007). Mixed methods research is defined as "the type of research in which a researcher or team of researchers combines elements of qualitative and quantitative research approaches (e.g., use of qualitative and quantitative viewpoints, data collection, analysis, inference techniques) for the broad purposes of breadth and depth of understanding and corroboration" (Johnson et al., 2007, p. 123). According to Johnson and Onwuegbuzie (2004), the mixed-methods approach combines its strategies of inquiry-based on the inductive, deductive, and abductive logics in order to discover the patterns, to test theories and hypotheses, and to uncover and rely on the best of a set of explanations in understanding the findings.

The mixed-methods approach may be helpful when either quantitative method or qualitative method alone is inadequate to understand the research problems ultimately. Hence this approach draws upon the perspectives and strengths of each method by recognising the importance of reality and human experience (Johnson & Onwuegbuzie 2004). With the mixed methods approaches, researchers follow pragmatism philosophical assumptions that bridge the quantitative and qualitative paradigm (Onwuegbuzie and Leech 2006). They typically employ both open-ended and closed-ended questions, predetermined and emerging approaches, and quantitative and qualitative data collection and analysis techniques (Creswell and Creswell 2018).

Furthermore, researchers can decide which research approach to select and identify the information needed to address research problems on the research framework, including exploratory research and conclusive research (Cooper and Emory 1995; Malhotra 2007; Sounder et al. 2009). Exploratory research is a research framework that is used to provide insights and understanding of the research problems when a researcher needs to define the problem more precisely (Malhotra 2007), particularly on the subject area where the knowledge is limited, and there is no clear comprehension about a phenomenon (Churchill and Iacobucci 2010). Exploratory research is qualitative, flexible and unstructured (Burns and Bush 2002). The sample is small, nonrepresentative and selected to produce maximum insights regarded as tentative and serves as input to advanced research (Malhotra 2007).

On the other hand, conclusive research is a research framework used to determine, evaluate, and select the best procedure to take with a primary objective to test specific hypotheses and relationships in questions (Malhotra 2007). Conclusive research is distinct from exploratory research in that the information required is specified and that the research is quantitative, more formal and structured (Churchill and Iacobucci 2010). This type of research uses a large and representative sample to obtain conclusive findings of which are used as input prior to decision making (Malhotra 2007).

There are two types of conclusive research: descriptive and causal or explanatory (Cooper and Emory 1995; Malhotra 2007; Sounder et al. 2009). Descriptive research is mainly used to identify relationships between two or more variables being studied (Aaker et al., 2011). It requires a precise specification of what, why, where, when, and how questions of the research (Churchill and Lacobucci 2010). Meanwhile, causal or exploratory research is broadly used to determine cause and effect relationships in experiments (Churchill and Iacobucci 2010) or investigate the relationships between causal factors and predicted outcomes (Hair et al. 2010).

Another aspect to consider in selecting a research approach is the state of the theory being studied. Edmondson and McManus (2007) suggest that the research theory falls into three classifications: mature, nascent, and intermediate. The mature theory involves research questions related to existing theories, constructs and measures. The data collection is typically quantitative using surveys or quantified interviews and observations to test hypotheses and theories that may add specificity to existing theories (Edmondson and McManus 2007).

On the other hand, the nascent theory involves new constructs and open-ended research questions related to a new phenomenon that produce a meaning that can be interpreted to identify a pattern. The data collection is typically qualitative using interviews, observations and obtaining documents or material from relevant field sites to suggest a theory or unravel a set of issues for further research (Edmondson and McManus 2007).

Meanwhile, intermediate theory derives from previous work from different bodies of literature to suggest new constructs/measures or relationships between new and existing constructs. The data collection is typically mixed (both quantitative and qualitative) using interviews, observations, and surveys to help in establishing the validity of new constructs/measures through triangulation (Jick 1979). This current research falls into an intermediate state of theory.

Triangulation is a method of combining theories or methods (e.g., two quantitative approaches or qualitative and quantitative approaches) to improve the validity of research outcomes (Lawson 2003 in Jackson 2018; Yeasmin & Rahman 2012). The use of the mixed-

method approach and triangulation aims to integrate qualitative and quantitative data into a more comprehensive explanatory framework, rather than to find the agreement or disagreement between the data sets (Mertens & Hesse-Biber 2012).

Accordingly, the most appropriate research approach for this research is the mixed methods approach because it fits most with the research questions provided with some rationales. First, both quantitative and qualitative approaches have their weaknesses. Edmondson & McManus (2007) argue that when research falls into an intermediate state of theory, using a quantitative approach only may cause problems such as lack of reliability and validity of new constructs and measures, while employing a qualitative approach only may provide insufficient support for the new theories or relationships being suggested. Thus, a mixed-methods approach can neutralise the weaknesses of each approach and can provide the best approach to solve the research questions by gaining the advantages from a data sources triangulation (i.e., to seek justification of findings from different methods) (Jick 1979; Creswell & Creswell 2018).

Second, since this research falls into both exploratory and conclusive research frameworks, as well as the intermediate theory, employing either a quantitative approach or a qualitative approach only can be problematic such as producing less-convincing results and reducing the potential of obtaining a deeper understanding of the topic being studied (Edmondson & McManus 2007). Third, using a mixed-methods approach allows the researcher to use the findings from one method to inform and complement the other method (Onwuegbuzie & Leech 2005; Creswell & Plano Clark 2011; Kaushik & Walsh 2019). Given that, these rationales support the claim that using a mixed-methods approach best fits this research.

The following section elaborates research designs based on the mixed methods approach employed in this research.

4.4. Research Designs

Creswell and Creswell (2018) classified the mixed-methods approach in the social sciences field into three primary research designs: convergent mixed methods, explanatory sequential mixed methods, and exploratory sequential mixed methods. The convergent mixed-methods design allows researchers to merge quantitative and qualitative data to provide a thorough analysis of a research problem by collecting both quantitative and qualitative data simultaneously and independently, and the findings are brought together to generate an overall interpretation (Creswell & Plano Clark 2011; Schoonenboom & Johnson 2017).

Explanatory sequential mixed-methods design is indicated by an initial phase of quantitative data collection and analysis, followed by qualitative data collection and analysis in the next phase, which is used to explain the initial quantitative findings (Creswell & Plano Clark 2011; Schoonenboom & Johnson 2017). Research with a strong quantitative orientation uses this type of design (Morse & Niehaus 2009; Creswell and Creswell 2018).

On the other hand, exploratory sequential mixed-methods is designed to allow researchers to begin the research with a phase of qualitative data collection and analysis that is followed by qualitative data collection and analysis to test or examine and generalise the qualitative findings at the initial phase (Creswell & Plano Clark 2011; Schoonenboom & Johnson 2017). Research with the solid qualitative component and the additional quantitative component employs this type of design (Morse & Niehaus 2009; Creswell and Creswell 2018).

This current research involved the exploratory sequential mixed-methods design because it was considered the most suitable and recommended research design aimed to explore the research participants' views as Islamic banking customers and obtain insights into customer loyalty towards Islamic banks. With this research design, the researcher began the research by involving qualitative data collection and analysis, then developed a conceptual framework and refined survey measurement scales built on the ground of qualitative findings from the initial phase of the qualitative study. Finally, the conceptual framework and measurement scales were tested in the quantitative phase. The exploratory sequential design is illustrated in Figure 4.1.

Figure 4.1. Exploratory Sequential Design
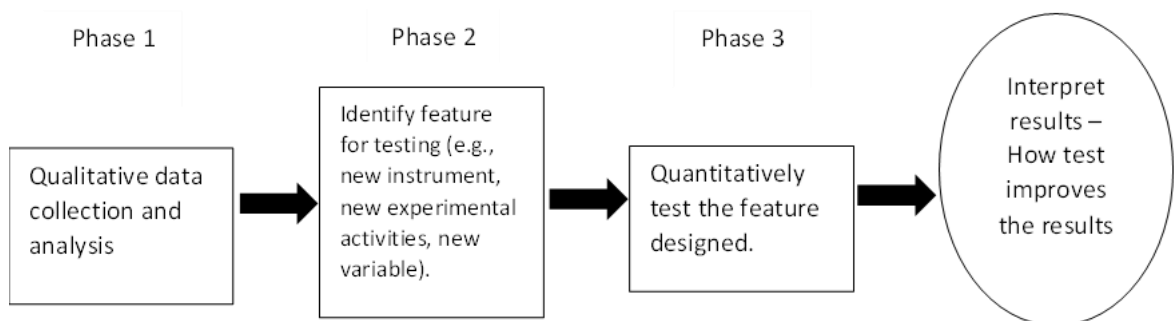
Source: Creswell and Creswell (2018), p. 218.

4.5. Research Questions

A robust research method depends much on solid research questions, and the research questions are shaped by the research purposes and approaches (Bryman 2007; Tashakkori and Creswell 2007). Since this research employed a mixed-methods approach, the researcher integrated qualitative and quantitative approaches in designing research

questions. Consequently, the outcomes and the conclusion of the research were analysed and interpreted using both approaches to solve the research questions (Tashakkori and Creswell 2007).

The nature of research questions in mixed methods research depends on the type of research design that the researcher employs (i.e., convergent mixed methods, explanatory sequential mixed methods, and exploratory sequential mixed methods) (Tashakkori and Creswell 2007). This research employed exploratory sequential mixed methods design, and thus, the research questions were developed accordingly. Creswell and Plano (2007) provide an example of a research question for research with exploratory sequential mixed methods design, such as "How do the follow-up quantitative findings explain or expand on the initial qualitative findings?". In addition, research questions can be written separately and addressed accordingly in each phase of a study (Tashakkori and Creswell 2007).

Given these examples, this research developed research questions that were addressed in both phases of research. Hence the research questions were framed using both qualitative and quantitative approaches (e.g., questions including "how", "why", and "what"). The present research questions are listed in Chapter 1, section 1.5.

4.6. Qualitative Research Methods: Phase One of Data Collection

4.6.1. Sampling Method

The first phase of this research was qualitative, during which the researcher employed purposive sampling or judgemental sampling technique. Purposive sampling is commonly used in qualitative studies to identify and select potential participants that are assumed to possess knowledge and experience regarding a phenomenon being studied (Etikan, Musa, and Alkassim 2016) and the ability to articulate the experiences and ideas that are relevant to the research (Bernard 2002; Spradley 1979). Using purposive sampling in this research aimed to focus on recruiting participants who met the requirements that would best help the researcher understand the problem and answers for the relevant research questions (Etikan, Musa, and Alkassim 2016).

For the purposive sampling technique, this current research involved the deliberate selection of research participants due to their essential criteria (e.g., Indonesian customers of Islamic banks, male/female, aged 18 and over) and their willingness to provide insights relevant to research questions for this study (Etikan, Musa, and Alkassim 2016).

The potential participants were recruited through personal approach via direct messages and friend recommendations. Specifically, the researcher directly contacted the potential

participants in her circle and requested her friends, relatives and participants to provide recommendations to other potential participants.

The researcher recruited 25 participants among the regular users of Islamic banks in Indonesia aged 18 and over who belong to various backgrounds (i.e., gender, age, education level, profession, marital/family status, and domicile) to ensure diversity of the research participants. In terms of gender, both females and males were involved in this research. Regarding age, participants from their early twenties until their late fifties were recruited to obtain different perspectives. In terms of education level, the participants were considered highly educated as they earned a bachelor to a doctoral degree. The participants' professions are varied from homemaker, student, civil servant, entrepreneur, economist, lecturer, director, government official, consultant, manager, and retiree. In terms of marital/family status, the researcher recruited single, married, married and have children, and divorced participants. Regarding domicile, the researcher recruited participants who live in Indonesia and abroad to obtain different perspectives on how they evaluated their experiences when interacting with their Islamic banks.

Regarding the number of participants involved in the qualitative phase, the researcher stopped collecting data after interviewing 25 participants no longer revealed new insights or themes. This approach aligns with Charmaz (2006), who argues that qualitative researchers stop collecting data when they achieve an adequate sample size. Thus, the themes or categories are saturated or no longer add new properties.

4.6.2. Interviewing Method

Interviews are the most frequently used method of data collection (Taylor 2005). The semi-structured in-depth interview method is the most commonly used in qualitative research (DiCicco-Bloom & Crabtree 2006). In this current research, a semi-structured in-depth interview method was used in the phase of qualitative data collection mainly to obtain rigorous data concerning the research questions (Galletta & Cross 2013), which is possible to attain due to several advantages of the semi-structured interview method (Kallio, Pietila, Johnson & Kangasniemi 2016).

One of the significant advantages is that this method has been recorded to be favourable in enabling mutuality between the interviewer/researcher and the participant (Galletta 2012), allowing the researcher to follow-up participants' responses (Hardon et al., 2004; Rubin & Rubin 2005; Polit & Beck 2010). The semi-structured interview method is also suitable for understanding participants' perceptions of complex and sensitive issues (Astedt-Kurki & Heikkinen 1994; Barriball & While 1994) and thus allowing the participants to express their diverse perceptions (Cridland et al., 2015). Additionally, this method is also

suitable when participants have a low awareness of a particular subject or issue, such as that related to values and intentions (Astedt-Kurki & Heikkinen 1994).

Since the research questions are developed based on prior knowledge, the semi-structured interview method requires an adequate level of prior study within the area of research topic being studied to help generate interview questions (Wengraf 2001; Kelly 2010). Accordingly, the research questions are determined and developed before the interview using the interview guide (Mason 2004; Rubin & Rubin 2005; Kallio et al., 2016).

The interview guide offers the main structure for the interview sessions, including the main topics of the research (Taylor 2005). However, the interview guide should not be conformed rigidly as the objective is to provide participants with direction on what to discuss around the research topic to obtain common types of information from each participant (Gill et al., 2008; Holloway & Wheeler 2010).

In this current research, this interviewing method allowed a dialogue between the participants and the researcher, guided by the interview guides followed by questions, probes and comments as the interviews unravelled which aimed to gather open-ended data, to delve into participants' ideas, feelings, thoughts and perspectives about the topic being studied (DeJonckheere and Vaughn 2019).

Before the interviews took place, participants were briefly explained about the research aims and the general information about the research, such as duration of interview (i.e., approximately ninety minutes) and type of interview (i.e., semi-structured in-depth interview). Once they agreed to participate in the research, the researcher added them to the list of participants and arranged the interview schedules. Moreover, and in line with Cardiff University's ethical research guidelines, participants who agreed to be interviewed were sent documents through emails consisting of Interview Guides, Informed Consent Declaration, and Consent Form (see Appendix). These documents were crucial to ensure that the participants were consenting to participate and well-informed about the research in general and how it would be conducted.

The interview guide consists of well-formulated, participant-oriented, not leading, clearly-worded, and open-ended questions (Barriball & While 1994; Astedt-Kurki & Heikkinen 1994; Turner 2010; Dearnley 2005; Whiting 2008; Krauss et al., 2009; Chenail 2011) that was designed to generate spontaneous, in-depth, unique, and expressive answers from participants that reflected the participants' feelings and stories (Dearnley 2005; Baumbusch 2010; Krauss et al., 2009; Whiting 2008; Rabionet 2011).

Informing the participants with the interview guide was necessary to help the researcher achieve the most comprehensive possible data and ensure the participants' readiness to respond to the questions when the interviews took place (Turner 2010). The interview guide consists of four sections: Introduction (i.e., an overview of the research and initial questions related to Islamic bank usage pattern); Part One (i.e., questions related to service quality

and corporate reputation); Part Two (i.e., questions related to self-brand connection); Part Three (i.e., questions related to Islamic banking literacy and religiosity); and Part Four (i.e., questions related to trust, commitment and overall loyalty).

Similarly, informing the participants of the Informed Consent Declaration was also essential to ensure that the participants were aware that this research was conducted ethically. With the declaration, participants were informed that the interviews would be recorded using a voice recorder to review the recording. They were informed that their participation was completely voluntary without involving monetary incentives, and they could withdraw from the interview for any reason. They were also guaranteed that they had the right to prefer not to answer any questions. Their identities and recorded voices would be kept confidential or anonymously following the General Data Protection Regulation 2018. After reading the interview guides and Informed Consent Declaration, the participants were requested to participate in the interview by signing the Consent Form voluntarily.

The interviews took place between July and September 2018 in Jakarta, Indonesia and Cardiff, the United Kingdom via two ways: face-to-face interviews and phone interviews. Fifteen participants were phone interviewed, and ten participants were face-to-face interviewed. The phone interviews were opted as an alternative way to face-to-face interviews due to geographical issues (i.e., some participants were far located from the researcher) and convenience reasons (i.e., some participants preferred to be phone interviewed due to their tight schedules). According to the interview guides, all interviews were conducted approximately ninety minutes long and recorded with a voice recorder device, including the phone interviews (i.e., the phone was set on the speakerphone mode to enable the recording). Finally, all interviews were transcribed individually to better assist the researcher in analysing the interviews.

4.7. Quantitative Research Methods: Phase Two of Data Collection

4.7.1. Sampling Method

The success of research surveys lies in the sampling quality (Chisnall 2005, p. 126), which is indicated by the sampling frame, sampling method, and sampling size (Churchill and Lacobucci 2002). Each of these indicators is discussed in the following paragraphs.

In designing the research sample, a sampling frame or survey population needs to be defined that most closely represents the population of the studied context. Indonesia is the most prominent Muslim majority country, with 88 per cent of the total 240 million population being Muslims spread across over 17,500 islands in the nation (Wilson et al., 2013). As an archipelago nation, Indonesia is composed of many religions and over three hundred ethnic groups inhabiting thirty-four provinces (Adams 1997, p. 157). Given such identities, it might

be advantageous to develop a sampling frame that represents the population of Islamic bank customers by provincial regions. However, the lists of such populations do not exist and thus caused difficulty in creating a sampling frame based on that criteria. Therefore, rather than selecting such a sampling frame, the researcher focused only on respondents who fulfil these criteria: Indonesian customers of Islamic banks, aged eighteen and over, and who do not work in an Islamic bank.

Regarding the sample size, the large sample size of research is recommended as it generates more consistent correlation coefficients and generalises better than those obtained from the small sample size (Pallant 2005). According to Comrey's sample sizes guide, a sample size of 50 is impoverished, 100 is poor, 200 is fair, 300 is good, 500 is very good, and 1000 is excellent (Comrey 1973). Similarly, Kline (2011) classified the sample sizes into small (below 100), medium (between 100 and 200), and large (over 200). Since this research used Structural Equation Modelling (SEM) to test the structural model and hypotheses, the recommended sample size is between a hundred and four hundred (Hair et al. 2010). In line with the above discussion, this research obtained 289 complete responses out of 398 participants' responses (73 per cent of completion rate) due to the exclusion of randomly incomplete responses.

Given the unavailability of lists of Islamic bank customers by provincial regions, the most feasible sampling method for this research is snowball sampling which is a form of convenience sampling (Bryman 2004; Bryman 2016). Convenience sampling is a non-probability sampling in which members of a target population are selected to participate in a study if they meet a certain criterion (e.g., requirement, geographical proximity, availability, accessibility) and have the willingness to participate (Dornyei 2007). Meanwhile, snowball sampling is referred to as chain referral sampling (Biernacki & Waldorf 1981). Snowball sampling is helpful in studies where respondents are not easily identifiable (Bailey 1994) because it allows the researcher to reach respondents who are recommended by the initial participants within their family and friends circles. In combination with a snowball sampling method, the researcher utilised an online survey website which has recently become a popular tool in scientific marketing research (Haddad et al., 2022).

The researcher reached out to the potential participants by advertising the call for participation on social media (i.e., Facebook, Twitter, LinkedIn, WhatsApp and Instagram), mailing lists, direct messages, and friend/participant recommendations. This way helped the researcher obtain a large number of samples in a short time, but on the downside, several survey participants who have participated in the initial qualitative study re-participated in the quantitative data collection, hence reducing the chance to obtain a more diversified sample which in turn may increase the issue of potential bias.

Research that uses online surveys tends to develop selection bias as it tends to reach only a particular subgroup of the target population (Goodfellow, Kiernan, Ahern & Smyer 1988; Haddad et al. 2022). In this research, it is likely that those internet-literate and highly likely educate people (i.e., those in education sectors or students), and those adequately interested in the research topic will complete the surveys (Eysenbach & Wyatt 2002) because the researcher herself is a student and involved in the education sector. When a subgroup of the population is overrepresented, selection bias may develop as the target population becomes less diverse leading to concerns about the reliability of the scientific estimates (Geldsetzer 2020). Therefore, despite the convenience that this sampling method and the online-survey tool offer, the use of online surveys and how they were advertised may create a sample selection bias since the sample was not chosen at random (the target sample being a convenience sample rather than a probability sample) (Fricker & Schonlau 2002).

In that case, snowball sampling can cause sample selection bias and likely generate a homogenous sample that may not represent the target population (Bailey 1994; Babbie 2004; Chisnall 2005) mainly because the initial participants tend to recommend the researcher to potential participants based on social networks (Brown 2005) and subjective choices of the initial participants (Atkinson and Flint 2001). This sampling method may lead to an unequal probability of sample selection that could generate bias as specific characteristics are under/over-represented in the selected sample, thus impacting the outcomes' reliability (Haddad et al. 2022).

Selection bias may also threaten research validity, including internal and external validity (Berk 1983; Miller & Wright 1995) because the sample is not independent of the dependent variables in the research (Winship & Mare 1992) and it represents characteristics that are different from the research population in some substantial way (York 1998), such that may lead to bias conclusion about social processes.

Internal validity is defined as "the ability of a researcher to argue that observed correlations are causal", whereas external validity is referred to as "the ability to generalise the relationships found in a study to other persons, times and settings." (Roe & Just 2009).

Selection bias may threaten internal validity in that independent variables of interest are correlated with an error and analysed based on biased selected samples that may lead to unreliable outcomes of the variable relationships (e.g., regression coefficients) (Cook & Campbell 1979). Moreover, selection bias potentially threatens external validity because a biased sample may not be generalisable to the aimed population (Cuddeback et al. 2004). Therefore, it is important to ensure that no differences exist between selected participants and non-participants in a study.

4.7.2. Questionnaire Development Process

The development of the questionnaire for this research followed the nine-step procedure recommended by Churchill and Lacobucci (2010). Figure 4.2 illustrates the questionnaire development process employed in this research.

4.7.2.1. Step One: Specify What Information will be Sought.

The detail of required information rests mainly on the constructs proposed in the conceptual framework. In this research, the questionnaire was composed to seek participants' responses for the eight primary constructs illustrated in the Conceptual Framework (see Figure 3.1 in Chapter 3). The conceptualisation of the constructs is described in Chapter 2 and Chapter 3. In addition to that, the bank usage patterns, Islamic bank selection criteria, and demographic profiles were also included in the questionnaire to obtain insights regarding participants' attitudes and characteristics.

4.7.2.2. Step Two: Determine the Type of Questionnaire and Method of Administration.

After indicating the information to be sought from the questionnaire, the following process is to decide the type of questionnaire and the methods of survey execution. Saunders et al. (2009) classified questionnaires administration into two types: self-administered questionnaires and interviewer-administered questionnaires. The respondents themselves fill Self-administered questionnaires (i.e., administered and collected by post, by hand, or by email or internet), while interviewer-administered questionnaires are filled or recorded by the interviewer or researcher following the respondents' responses (Saunders et al., 2009). In this current research, only self-administered questionnaires were used to obtain data from the respondents regarding their perceptions of the following constructs: service quality, corporate reputation (customer-based corporate reputation), self-brand connection, Islamic banking literacy, religiosity, trust, commitment and overall loyalty.

Regarding the methods of administering questionnaires, four different methods are commonly used in research surveys: postal, phone, drop off and online methods (Rea 2014). Researchers in multidiscipline suggested that conducting surveys on the internet is advantageous (Wellman 1997; Taylor 2000; Llieva, Baron, and Healey 2002; Bryman & Bell 2003). Bryman & Bell (2003) suggested that using online surveys can be advantageous in helping the researcher to obtain a large sample and high response rate.

Figure 4.2. Nine-Step Questionnaire Development Procedure

| Step 1: |
| Specify what information will be sought. |

↓

| Step 2: |
| Determine type of questionnaire and method of administration. |

↓

| Step 3: |
| Items generation. |

↓

| Step 4: |
| Determine form of response to the questions. |

↓

| Step 5: |
| Determine wording of each question. |

↓

| Step 6: |
| Determine questions sequence. |

↓

| Step 7: |
| Determine layout and physical characteristics of the questionnaire. |

↓

| Step 8: |
| Re-examine steps 1-7. |

↓

| Step 9: |
| Re-test the questionnaire. |

Source: This study (2022).

Online surveys also allow the researcher to access groups or individuals challenging to reach through other means since many groups exist only in the online communities (Wellman 1997). Another advantage is that online surveys allow a researcher to reach participants from different geographical areas in a short time (Taylor 2000). Online surveys also allow researchers to save time by working on other tasks while collecting online data

(Llieva et al., 2002). In terms of cost, online surveys are more efficient than traditional surveys since it eliminates printing, postage, and data entry costs (Llieva et al., 2002).

The current research involved an online survey method because it allowed the researcher who was based in the UK (i.e., when the survey was carried out) to reach participants in Indonesia and other parts of the world without travelling. Thus it was time and cost efficient. Another strong reason for using online surveys was because the internet (i.e., social media) is now one of the primary communications means in Indonesia. Moreover, Indonesia was named the most Twitter-addicted nation on the planet. Indonesians are infatuated with online social networking for fun and making a change or social movements (Lim 2013).

The online survey of this research was hosted by the website www.qualtrics.com. The survey was placed on Qualtrics for three months during the data collection period in September-November 2019. The weblink for the Qualtrics online survey was administered to potential participants mainly through social media platforms (i.e., Facebook, Twitter, Instagram, Linked In, and WhatsApp) and via some emails as the researcher aimed to obtain a large and diverse sample. This aligns with Sheehan and Hoy (1999), who suggest that web surveys (e.g., via social media) have been employed to research large groups of online users, whereas email surveys tend to be used in smaller and more homogenous online users groups.

As with past studies, gatekeepers having referential qualities to the communities were involved in research (Pires et al., 2003). The researcher in this study benefited from the use of social media to contact and involve potential gatekeepers, which were requested to circulate and share the survey hyperlink to potential participants within their circles or communities that they belonged to. These gatekeepers were contacted through social media, which include: key persons or contact persons of Muslim communities in Indonesia, a member of Indonesia Muslim Entrepreneurs Association, a Secretary of the Islamic Student Forum University of Indonesia, Islamic teachers and scholars, an Islamic finance philanthropists in Jakarta, a secretary of Indonesia Forum of Islamic Economy Studies, a member of Dermatologists Association, a member of Dentists Association, and a founder of OK OCE (a social entrepreneurship movement). In addition to that, the researcher is a member of several Facebook Groups such as anti-usury movement groups, a junior lecturers group, Indonesia lecturers association groups, and a scholarship awardees group wherein the researcher posted the weblink for the Qualtrics online survey to obtain participants. Moreover, the researcher circulated the survey hyperlink to her connections or contacts and groups where she belongs to via WhatsApp and WhatsApp groups and posted a message containing the survey hyperlink in her Facebook, Instagram, Twitter, and Linked In accounts.

4.7.2.3. Step Three: Items Generation.

Initially, the questionnaire items were developed from an extensive literature review dealing with the eight constructs being studied in this research (service quality, corporate reputation/customer-based corporate reputation, self-brand connection, Islamic banking literacy, religiosity, trust, commitment and overall loyalty). The questionnaire items of Islamic banking literacy were adopted from different contexts (i.e., financial literacy and Islamic financial literacy) and modified with the qualitative findings to fit the context of Islamic banking. Overall, the questionnaire items of all examined constructs were developed based on the qualitative phase findings and combined with adopted items from previous studies, producing a set of refined measurement items for this research.

Adopting items from previous studies is advantageous as the items are developed and empirically tested, allowing researchers to compare the items from other research (Bourque and Fielder 1995). Besides, in-depth interviews provide rich information and insights from the respondents' experiences about the studied phenomenon (Bryman and Bell 2011). The operationalisation of the eight constructs composing the refined measurement items is described individually in section 4.8.

4.7.2.4. Step Four: Determine Form of Response to the Questions.

At this stage, the researcher determines the type of response to each question. This research used a Likert scale as a recommended approach for self-administered questionnaires (Hair et al., 2010). Besides, the Likert scale is commonly utilised in social sciences research to obtain respondents' attitudes and opinions (Ryan and Garland 1999). This research used a questionnaire with a seven-point Likert scale (i.e., ranging from 1 - strongly disagree to 7 - strongly agree) to produce relatively higher mean scores than those produced from a ten-point Likert scale (Dawes 2008).

4.7.2.5. Step Five: Determine the Wording of Each Question.

Vocabulary issue is a common problem that many researchers encounter regarding the questionnaire wording because most of them are relatively better educated than the research respondents (Churchill and Lacobucci 2010). Moreover, item ambiguity, complex questions, lack of verbal or cognitive ability, education and lack of experience about the topic being studied can cause method bias which significantly influences reliabilities, validities, and covariation issues between latent constructs (MacKenzie and Podsakoff 2012).

The researcher was aware of the possibility of method bias present in this study. To anticipate that, this research minimised the effects of bias through a careful design of the research procedures (MacKenzie and Podsakoff 2012). The researcher avoided these conditions by translating the questionnaire from English to Indonesian using a back-translation procedure; avoiding ambiguous or unfamiliar terms; using clear and concise language; simplifying complex questions and vocabulary; pretesting the questionnaire to ensure it is written at a level the respondents can comprehend (will be discussed in Step Nine); and selecting respondents who have the experiences relevant with the issues of interest (i.e., customers of Islamic banking).

4.7.2.6. Step Six: Determine Question Sequence.

At this step, the researcher placed all questions into a questionnaire. The order of questions plays a vital role in the research success (Churchill and Lacobucci 2010). Therefore, this research followed the guidelines of presenting a questionnaire (Churchill 2002): easy and straightforward questions were placed at the beginning of the questionnaire, followed by sensitive and personal questions toward the end.

The questionnaire was divided into six sections to make it easy to complete. Section One described participant information to ensure that the research was ethically conducted and to inform the research aim and the researcher's contact details. At the end of Participant Information, the participants were requested to draw their consent electronically (i.e., touchscreen signature). Section Two was concerned with generic bank usage patterns, followed by Section Three dealt with Islamic bank usage patterns. Section Four is concerned with Islamic bank selection criteria. Section Five dealt with self-brand connections, service quality, corporate reputation, trust, commitment, overall loyalty, Islamic banking literacy, and religiosity. Finally, Section Six is concerned with the demographic profiles of participants.

4.7.2.7. Step Seven: Determine Layout and Physical Characteristics of the Questionnaire.

The look and layout of the questionnaire played essential roles in influencing the respondents' willingness to participate in and complete the survey (Churchill 2002) and the accuracy of the responses (Malhotra 2007). The online survey was designed using Qualtrics' basic theme with a white coloured background to avoid eye fatigue. Moreover, each section was divided by a cover with a background picture relevant to the corresponding section's topic. Each question was presented on one page to maintain participants' concentration. A back button feature was added on each page, enabling respondents to

change their responses. Moreover, the save and continue feature was added, allowing respondents to save and continue the survey later.

4.7.2.8. Step Eight: Re-examine Steps 1-7.

Once the complete questionnaire draft was ready, the researcher re-examined steps one to seven and the online survey in sequence, look and wording. Moreover, the researcher utilised the Qualtrics preview feature to examine the look of the online survey in both desktop and mobile modes.

4.7.2.9. Step Nine: Pretest the Questionnaire.

Pretesting the questionnaire is a crucial step in the research process. It can identify potential issues with the sequence and wording of the questions in the actual data collection condition (Parasuraman, Grewal and Krishnan 2004). Before the questionnaire was pretested to the participants, the questionnaire was subject to a pretest evaluation by senior academic staff and ethical approval from the Cardiff Business School Research Ethics Committee.

Once the questionnaire was approved, the survey was put through a pilot test involving twenty participants similar to the population in the final data collection. The purpose of the pilot survey is to refine the questionnaire if necessary and to assess the validity and applicability of measures (Jamal and Adelowore 2008). During the pilot survey, the researcher discussed with the participants to ensure their understanding of the questions and to identify any improvement if necessary. The pilot survey resulted in the need to amend some of the wording of the question and add more details on the instructions without changing the essence of the meaning of the wording and the content of the questionnaire.

4.8. Construct Operationalisations

4.8.1. Operationalisation of Islamic Banking Literacy

Islamic banking literacy was operationalised on a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through four items that were adopted from the scales used by Disney and Gathergood (2013) and Lusardi and Tufano (2015). These items were initially used to measure generic financial literacy. However, they were modified to fit the Islamic banking context in this research using insights from in-depth interviews (IDIs) (see Table 4.2).

Table 4.2. Items of Islamic Banking Literacy

Islamic Banking Literacy		References
IBL1	When I am shown information about an Islamic banking agreement (e.g., mudaraba, musharaka, or murabaha), I feel confident that I understand how this instrument works.	Disney and Gathergood (2013); IDIs.
IBL2	Islamic banking products and services are easy to understand and clear to me.	Disney and Gathergood (2013).
IBL3	I regularly read about Islamic banking products and services.	Disney and Gathergood (2013); IDIs.
IBL4	Overall, my knowledge about Islamic banking products and services is very good.	Lusardi and Tufano (2015); IDIs.

Source: This study (2022).

4.8.2. Operationalisation of Religiosity

Religiosity was operationalised using a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through eleven items that were adopted from the scales used by Jamal and Sharifuddin (2015) and Worthington et al. (2003) and in-depth interviews (IDIs) as shown in Table 4.3.

Table 4.3. Items of Religiosity

Religiosity		References
REL1	The holy Quran and Hadith are my guidance.	IDIs.
REL2	I spend time trying to grow my understanding of Islam.	Worthington et al. (2003); Jamal and Sharifuddin (2015); IDIs.
REL3	My religious beliefs lie behind my whole approach to life.	Worthington et al. (2003); Jamal and Sharifuddin (2015); IDIs.
REL4	Islam is especially important to me because it answers many questions about the meaning of life.	Worthington et al. (2003); Jamal and Sharifuddin (2015); IDIs.
REL5	Islam helps me with guidance to a good life prospect in the Hereafter.	IDIs.
REL6	It is important to me to spend periods of time in private religious thought and prayer.	Worthington et al. (2003); Jamal and Sharifuddin (2015).
REL7	I avoid performing something that is prohibited in Islam.	IDIs.
REL8	I actively involved myself in the preaching activities.	IDIs.
REL9	I support the development of Islamic economy or Islamic banking.	IDIs.
REL10	I enjoy spending time with others of my religious affiliation.	Worthington et al. (2003); Jamal and Sharifuddin (2015); IDIs.
REL11	I enjoy participating in the activities of my religious organisation.	Worthington et al. (2003); Jamal and Sharifuddin (2015).

Source: This study (2022).

4.8.3. Operationalisation of Self-Brand Connection

The self-brand connection was operationalised on a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through seven items that were adopted from Escalas (1996) and used by Escalas and Bettman (2003). These items were modified to fit the Islamic banking context in this research based on insights generated via in-depth interviews (see Table 4.4).

Table 4.4. Items of Self-Brand Connection

Self-Brand Connection		References
SBC1	My Islamic bank reflects who I am.	Escalas and Bettman (2003) and IDIs.
SBC2	I can identify with my Islamic bank.	Escalas and Bettman (2003) and IDIs.
SBC3	I can feel a personal connection with my Islamic bank.	Escalas and Bettman (2003).
SBC4	I use my Islamic bank to communicate who I am to others.	Escalas and Bettman (2003) and IDIs.
SBC5	I think my Islamic bank helps me become the type of person I want to be.	Escalas and Bettman (2003) and IDIs.
SBC6	I consider my Islamic bank to be me (it reflects who I consider myself to be or the way I want to present myself to others).	Escalas and Bettman (2003) and IDIs.
SBC7	My Islamic bank suits me well.	Escalas and Bettman (2003) and IDIs.

Source: This study (2022).

4.8.4. Operationalisation of Customer-Based Corporate Reputation

Customer-Based Corporate Reputation (CBR) was operationalised using a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree), capturing five dimensions including customer orientation; good employer; reliable and financially strong company; product and service quality; and social and environmental responsibility as discussed in Chapter 2. Scale items were adopted from those used by Walsh and Beatty (2007) and Turker (2009) and were modified to fit the Islamic banking context in this research using insights from in-depth interviews (IDIs) (see Table 4.5).

Table 4.5. Items of Customer-Based Corporate Reputation

CBR		References
Customer Orientation		
CO1	My Islamic bank has employees who treat customers courteously.	Walsh and Beatty (2007) and IDIs.
CO2	My Islamic bank is really concerned about its customers' needs/problems.	Walsh and Beatty (2007) and IDIs.
CO3	My Islamic bank treats its customers fairly.	Walsh and Beatty (2007).
CO4	My Islamic bank handles customers' complaints very well.	IDIs.
Good Employer		
GE1	My Islamic bank maintains high standards in the way that it treats its employees.	Walsh and Beatty (2007).
GE2	My Islamic bank has a management who pays much attention to the needs of its employees.	Walsh and Beatty (2007).
GE3	My Islamic bank treats its employees well.	Walsh and Beatty (2007).
Reliable and Financially Strong Company		
RFSC1	My Islamic bank clearly outperforms competitors.	Walsh and Beatty (2007) IDIs.
RFSC2	My Islamic bank recognizes and takes advantage of market opportunities.	Walsh and Beatty (2007).
RFSC3	My Islamic bank has strong prospects for future growth.	Walsh and Beatty (2007).
RFSC4	My Islamic bank has a strong financial performance.	Walsh and Beatty (2007) and IDIs.
Product and Service Quality		
PSQ1	My Islamic bank offers high quality products and services.	Walsh and Beatty (2007).
PSQ2	My Islamic bank stands behind the services that it offers.	Walsh and Beatty (2007).
PSQ3	My Islamic bank develops innovative services.	Walsh and Beatty (2007).
PSQ4	My Islamic bank provides services using advanced technology or IT system.	IDIs.
PSQ5	My Islamic bank offers easy e-banking facilities.	IDIs.
PSQ6	My Islamic bank offers products and services that reflect Islamic values.	IDIs.
PSQ7	My Islamic bank has wide range of service features.	IDIs.
PSQ8	My Islamic bank has something different to offer as compared to a conventional bank.	IDIs.
PSQ9	My Islamic bank offers a competitive credit scheme.	IDIs.
Social and Environmental Responsibility		
SER1	My Islamic bank would reduce its profits to ensure a clean environment.	Walsh and Beatty (2007).
SER2	My Islamic bank is environmentally responsible.	Walsh and Beatty (2007).
SER3	My Islamic bank supports good causes.	Walsh and Beatty (2007).
SER4	My Islamic bank emphasizes the importance of its social responsibilities to the society.	IDIs.
SER5	My Islamic bank contributes to campaigns and projects that promote the well-being of the society.	Turker (2009).
SER6	My Islamic bank endeavours to create employment opportunities.	Walsh and Beatty (2007).
SER7	My Islamic bank acts ethically on all matters.	IDIs.

Source: This study (2022).

4.8.5. Operationalisation of Service Quality

Service quality was operationalised on a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through five dimensions, including tangibles, reliability, responsibility, assurance, and empathy. The items were adopted from the scales used by Parasuraman et al. (1991) and modified to fit the Islamic banking context in this research using insights from in-depth interviews (IDIs) (see Table 4.6).

Table 4.6. Items of Service Quality

Service Quality		References
Tangibles		
TAN1	My Islamic bank has modern-looking equipment.	Parasuraman et al. (1991).
TAN2	My Islamic bank's physical facilities are visually appealing.	Parasuraman et al. (1991).
TAN3	My Islamic bank's employee show neat appearance.	Parasuraman et al. (1991).
TAN4	Materials associated with the services of my Islamic bank (e.g., pamphlets or statements) are visually appealing.	Parasuraman et al. (1991).
TAN5	My Islamic bank's ATMs are easy to find.	IDIs.
TAN6	The female staff of my Islamic bank wears *hijab* and *Muslimah* dress.	IDIs.
TAN7	My Islamic bank provides a prayer room.	IDIs.
TAN8	My Islamic bank's building has Islamic architecture or appearance.	IDIs.
TAN9	My Islamic bank utilises modern technology in the service provision.	IDIs.
TAN10	The mobile/internet banking system of my Islamic bank is very good.	IDIs.
Reliability		
REL1	When my Islamic bank promises to do something by a certain time, it does so.	Parasuraman et al. (1991).
REL2	When I have a problem, my Islamic bank shows a sincere interest in solving it.	Parasuraman et al. (1991).
REL3	My Islamic bank performs the service right the first time.	Parasuraman et al. (1991) and IDIs.
REL4	My Islamic bank provides its services at the time it promises to do so.	Parasuraman et al. (1991).
REL5	My Islamic bank insists on error-free records.	Parasuraman et al. (1991).
REL6	My Islamic bank performs accurate transactions.	IDIs.
Responsiveness		
RES1	Employees of my Islamic bank tell me exactly when service will be performed.	Parasuraman et al. (1991).
RES2	Employees of my Islamic bank give me prompt services.	Parasuraman et al. (1991).
RES3	Employees of my Islamic bank are always willing to help me.	Parasuraman et al. (1991) and IDIs.
RES4	Employees of my Islamic bank are never too busy to respond to my requests.	Parasuraman et al. (1991).
RES5	The service waiting time at my Islamic bank is short.	IDIs.
RES6	My Islamic bank effectively solves my banking-related problems.	IDIs.
Assurance		
ASSU1	The employees' behaviours of my Islamic bank instil confidence in me.	Parasuraman et al. (1991).
ASSU2	I feel safe in my transaction with my Islamic bank.	Parasuraman et al. (1991) and IDIs.
ASSU3	Employees of my Islamic bank are consistently courteous.	Parasuraman et al. (1991).
ASSU4	Employees of my Islamic bank have the knowledge to answer my questions.	Parasuraman et al. (1991).
ASSU5	My Islamic bank communicates their products and services very clearly.	IDIs.
ASSU6	My Islamic bank runs according to Islamic law.	IDIs.
Empathy		
EMPA1	My Islamic bank gives me an individual attention.	Parasuraman et al. (1991).
EMPA2	My Islamic bank has operating hours convenient to all its customers.	Parasuraman et al. (1991).
EMPA3	My Islamic bank has employees who give me a personal attention.	Parasuraman et al. (1991) and IDIs.
EMPA4	My Islamic bank has best interests at heart.	Parasuraman et al. (1991).
EMPA5	Employees of my Islamic bank understand my specific needs.	Parasuraman et al. (1991).
EMPA6	Employees of my Islamic bank provide customised services.	IDIs.
EMPA7	My Islamic bank delays transactions in the prayer times.	IDIs.

Source: This study (2022).

4.8.6. Operationalisation of Trust

Trust was operationalised on a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through twelve items that were adopted from the scales used by Chiou, Droge, and Hanvanich (2002). Some of these items were initially used to measure trust in the mutual fund context but were modified to fit the Islamic banking context in this research and insights gained from in-depth interviews (IDIs) (see Table 4.7).

Table 4.7. Items of Trust

Trust		References
TRU1	My Islamic bank is very honest to its customers.	Chiou, Droge & Hanvanich (2002); IDIs.
TRU2	My Islamic bank is very reliable.	Chiou, Droge & Hanvanich (2002); IDIs.
TRU3	My Islamic bank is very responsible.	Chiou, Droge & Hanvanich (2002).
TRU4	My Islamic bank acts with good intentions.	Chiou, Droge & Hanvanich (2002); IDIs.
TRU5	My Islamic bank is truly concerned with Islamic principles.	Hoq, Sultana, & Amin (2010).
TRU6	I believe that deposits in my Islamic bank are safe.	Hoq, Sultana, & Amin (2010); IDIs.
TRU7	I believe the products and services offered by my Islamic bank are based on Islamic principles.	Hoq, Sultana, & Amin (2010); IDIs.
TRU8	I believe that the Sharia Supervisory Board does their jobs to make sure my Islamic bank complies with the Islamic principles.	IDIs.
TRU9	I believe that my Islamic bank invests customers' money in good or halal venues.	IDIs.
TRU10	I believe in the person who takes the lead of my Islamic bank.	IDIs.
TRU11	I believe that my Islamic bank is under a good management.	IDIs.
TRU12	I believe that my Islamic bank has good business performance.	IDIs.

Source: This study (2022).

4.8.7. Operationalisation of Commitment

Commitment was operationalised on a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through three dimensions, including affective commitment, continuance commitment, and normative commitment. The items were adopted from the scales used by Fullerton (2011) and Meyer et al. (2001) and modified to fit the Islamic banking context in this research using insights gained from in-depth interviews (IDIs) (see Table 4.8).

Table 4.8. Items of Commitment

Commitment		References
Affective Commitment		
AC1	I feel emotionally attached to my Islamic bank.	Fullerton (2011); Meyer et al. (2001).
AC2	My Islamic bank has a great deal of personal meaning for me.	Fullerton (2011); Meyer et al. (2001); IDIs.
AC3	I feel a strong sense of identification with my Islamic bank.	Fullerton (2011); Meyer et al. (2001).
AC4	I criticise my Islamic bank when the service is poor.	Fullerton (2011); Meyer et al. (2001); IDIs.
Continuance Commitment		
CC1	It would be very hard for me to switch away from my Islamic bank now even if I wanted to.	Fullerton (2011); Meyer et al. (2001).
CC2	My life would be disrupted if I switched away from my Islamic bank.	Fullerton (2011); Meyer et al. (2001); IDIs.
CC3	It would be too costly for me to switch from my Islamic bank now.	Fullerton (2011); Meyer et al. (2001).
Normative Commitment		
NC1	I feel obligated to continue to doing business with my Islamic bank.	Fullerton (2011); Meyer et al. (2001); IDIs.
NC2	I believe in being loyal to my Islamic bank because it has done good things for me in the past.	Fullerton (2011); Meyer et al. (2001); IDIs.
NC3	If I got a better offer from another Islamic bank, I would not think it right to switch away from my Islamic bank.	Fullerton (2011); Meyer et al. (2001); IDIs.
NC4	I should fulfil my obligation to my Islamic bank (i.e., paying my debts or loans).	IDIs.
NC5	I feel I am committed to my Islamic bank.	IDIs.

Source: This study (2022).

4.8.8. Operationalisation of Overall Loyalty

Overall loyalty was operationalised on a 7-point Likert scale (ranging from 1 - strongly disagree to 7 - strongly agree) through seven items. Three items were adopted from the scales used by Jamal and Anastasiadou (2009) and Zeithaml et al., (1996), which were slightly modified to fit the Islamic banking context in this research using insights gained from in-depth interviews (see Table 4.9).

Table 4.9. Items of Overall Loyalty

Overall Loyalty		References
LOY1	I consider myself to be loyal to my Islamic bank.	Jamal and Anastasiadou (2009); IDIs.
LOY2	My Islamic bank would be my first choice for my banking.	Jamal and Anastasiadou (2009); IDIs.
LOY3	I think I am committed to my Islamic bank.	Jamal and Anastasiadou (2009); IDIs.
LOY4	I am willing to say positive things about my Islamic bank to others.	Zeithaml et al. (1996); IDIs.
LOY5	I am willing to recommend family and relatives to do business with my Islamic bank.	Zeithaml et al. (1996); IDIs.
LOY6	I recommend my Islamic bank to someone who seeks advice.	Zeithaml et al. (1996); IDIs.
LOY7	I continue to do more business with my Islamic bank.	Zeithaml et al. (1996); IDIs.

Source: This study (2022).

4.9. Qualitative Data Analysis Procedures

The researcher viewed qualitative data as a set of procedures that involves subsequent steps to follow and multiple stages of analysis to conduct. The foundation of the qualitative data analysis lies in an interconnected process of describing and classifying phenomena and examining how the concepts are related (Dey 1993). The following paragraphs discuss the steps in analysing the qualitative data (i.e., data from the interviews) recommended by Creswell and Creswell (2018), illustrated in Table 4.10.

Table 4.10. The Coding Process

Initial read through text data	Identify specific segments of information	Label the segments of information to create categories	Reduce overlap and redundancy among the categories	Create a model incorporating most important categories
Many pages of text	Many segments of text	30-40 categories	15-20 categories	3-8 categories

Source: Creswell 2002, p. 266.

4.9.1. Organising and Preparing Data for Analysis

This step involves organising and preparing raw data such as transcribing interviews, typing up field notes, optically scanning materials, cataloguing visual materials, and sorting the raw data based on the sources of information (Creswell and Creswell 2018). The researcher organised and prepared the interviews at this stage, which were stored in audio files format as raw data to be transcribed. The interviews were individually transcribed in a question-answer format.

4.9.2. Reading Through All Data

Once the transcripts have been prepared, the researcher rigorously and systematically read the text to obtain the overall information and meaning. This overall information was attained by understanding the general ideas of what the participants were saying and the tone of the ideas. Emerging categories or themes were identified by understanding possible meanings and relatedness with developing themes as the researcher repeatedly read the transcripts. Towards the end of this rigorous process, the researcher stopped reading and analysing the text when significant themes had been identified, and no new themes emerged (Marshall 1999, p. 419).

4.9.3. Coding the Data and Generating Themes

Rossman and Rallis (2012) define coding as the procedure of organising data by classifying text or images gathered from data collection into categories and labelling those categories with names or terms. The coding process was adapted from Creswell (2002) p. 266, as shown in Table 4.10. The process was started by reading through all text, which has been performed in the previous stage, followed by identifying vital information to generate many segments of text. These segments of information were named to create many categories (e.g., 30-40 categories). Then, the researcher identified overlapping and redundant categories and reduced them to a smaller number of categories (e.g., 15-20 categories). Finally, the researcher identified essential categories out of these reduced categories and extracted them into a few categories, which captured the significant themes of the qualitative findings.

4.9.4. Representing or Interrelating the Themes

Once the major themes have been identified, the researcher represented the themes using a narrative passage, the most popular approach to reveal the qualitative findings (Creswell and Creswell 2018). The narrative passage allowed the researcher to discuss a chronology of events, subthemes, multiple perspectives from participants, quotations, and themes interrelations.

4.10. Quantitative Data Analysis Procedures

This section discusses several analysis methods of the quantitative data that were utilised in this research: validity, reliability, and one-dimensionality tests; Exploratory Factor Analysis (EFA); and Structural Equation Modelling (SEM). Each of these analysis methods will be discussed in the following sections.

4.10.1. Validity, Reliability and One-Dimensionality Tests

A rigorous construct measurement is a crucial issue in empirical research. This section discusses a combination of techniques to assess the validity and reliability of the measurement instrument used in this research, including validity, reliability, and one-dimensionality tests.

4.10.1.1. Validity Tests

The validity of a measurement instrument refers to the extent to which an underlying variable truly measures what it is seeking to measure (Parasuraman et al., 2004). The following paragraphs discuss two types of validity procedures that were conducted in this research: content validity and construct validity (Saunders et al., 2009).

Content validity is a qualitative appraisal of the extent to which the measurement items seemingly reflect the idea of the concepts being studied (Bryman 2012). Content validity is the minimum validity requirement for the researcher to obtain (Bryman and Cramer 2011). It cannot achieve construct validity because content validity is not established (Graver and Mentzer 1999). This current research has established the content validity through the application of three recommended methods (Bryman 2012): a comprehensive review of literature in the constructs in questions; in-depth semi-structured interviews with customers of Islamic banks; and a pilot test of the refined measurement items to obtain the respondents' feedback and evaluations.

Having established content validity, the researcher assessed construct validity which indicates the structure and quality of the underlying constructs as measured by the items (Parasuraman et al. 2004). This research assessed two types of construct validity: convergent validity and discriminant validity (Graver and Mentzer 1999).

Convergent validity assesses whether the items that measure a specific construct or factor converges and shares a high commonality of variance (Hair et al., 2010). In the present research, convergent validity was tested using three statistical ways. Firstly, convergent validity was tested by examining whether each item is significantly loaded on its underlying factor or construct (Kline 2011; Bryman 2012). Secondly, the standardised factor loading was checked whether it was 0.50 or above to follow the reasonable benchmark recommended by Hair et al. (2010). The third test was checking whether the Average Variance Extracted (AVE) value of each factor was over 0.50, following the benchmark of Fornell and Larcker (1981). AVE was calculated using the formula below:

$$AVE = \frac{\text{Sum of squared standardised loadings}}{\text{Sum of squared standardised loadings} + \text{Sum of the indictor's measurement error}}$$

On the other hand, discriminant validity indicates the extent to which the measurement items represent a construct and distinguish it from the others representing other constructs (Graver and Mentzer 1999). In the present research, discriminant validity was established in three statistical ways: if the correlations between latent variables are below 0.85 (Kline 2011); if the Maximum Shared Variance (MSV) values are lower than the AVE values (Hair et al. 2010); and if the square root of AVE values are higher than inter-construct correlations (Fornell and Larcker 1981).

4.10.1.2. Reliability Tests

Reliability is concerned with how the measurement items of a concept are stable (Bryman 2012) and yield consistent measures (Straub 1989). Reliability is an important quality

indicator of measures as it affects the results. Cronbach's alpha is the most popular approach to assess internal reliability (Koufteros 1999). Overall, scales achieving a Cronbach's alpha (α) value over 0.70 indicate good internal reliability (Anderson and Gerbing 1988; Hair et al. 2010). Another method to assess reliability is composite reliability which measures the internal consistency of a latent construct (Fornell and Larcker 1981). Good composite reliability (CR) is indicated by CR scores of 0.70 or higher (Hair et al., 2010). CR score of a construct is calculated using the formula below:

$$\text{Composite Reliability} = \frac{(\text{Sum of squared standardised loadings})^2}{(\text{Sum of standardised loadings})^2 + \text{Sum of the indictor's measurement error}}$$

Accordingly, the present research measured both internal and composite reliability for each measurement scale of studied factors.

4.10.1.3. One-Dimensionality Test

In the context of Structural Equational Modelling (SEM), the scale must establish one-dimensionality in addition to validity and reliability to confirm that all items in the scale belong to one underlying factor or construct (Steenkamp and van Trijp 1991). An appropriate approach to assess one-dimensionality is to conduct the Confirmatory Factor Analysis (CFA) of the proposed measurement model and examine the goodness of fit indices (Anderson and Gerbing 1988). The present research used Goodness-of-Fit (GFI) indices, including Chi-Square/df (CMIN/df), Comparative Fit Index (CFI), Goodness of Fit Index (GFI), Root Mean Square Error of Approximation (RMSEA), the p-value for the test of close fit (PCLOSE), and Tucker-Lewis Index (TLI). This research also used the Maximum Likelihood statistic to examine the overall fit of the proposed model.

4.10.2. Exploratory Factor Analysis

Exploratory Factor Analysis (EFA) is a popular means that is used to test the correlations structure among multiple variables based on a set of standard dimensions (Hair et al. 2010). The purpose of performing the EFA is to reduce the given number of factors into a smaller number of factors (Hair et al., 2010). In the current research, EFA was used as an initial analysis before performing the measurement model estimation by Confirmatory Factor Analysis (CFA). EFA was conducted using an SPSS Maximum Likelihood extraction method and Varimax with Kaiser Normalization rotation method to check whether the data was suitable for factor analysis. Kaiser-Meyer-Olin (KMO) values were tested, signifying the variables' variance proportion (Hair et al., 2010). KMO is indicated by an index ranging from 0 to 1 with the interpretation following Hair et al. (2010) guidelines as shown in Table 4.11.

Table 4.11. KMO Index Interpretation

KMO Value	Adequacy Level
0.90 or above	Marvellous.
0.80	Meritorious.
0.70	Middling.
0.60	Mediocre.
0.50	Miserable.
Below 0.50	Unacceptable.

Source: Hair et al. (2010).

Since this research involved refinement of questionnaire items, the researcher had no prior knowledge of whether the items measured the underlying factors. Therefore, this current research used EFA to identify the relationship strength between the questionnaire items and the underlying latent factors represented by factor loadings (Byrne 2010). This research used the cut-off point 0.50 for each factor loading following the guidelines from Hair et al. (2010), which consider 0.5 or above as a significant factor loading.

4.10.3. Structural Equation Modelling (SEM)

This current research adopted two SEM approaches: measurement estimation and structural model estimation. Therefore, it is necessary to conduct the procedures of the two SEM approaches correctly to ensure that both results are valid. To that end, this research adopted the procedural steps of SEM suggested by Hair et al. (2010). The measurement model was rigorously estimated, followed by the fit-test of the structural model after a satisfactory measurement model is established (Anderson and Gerbing 1988). The following paragraphs discuss the six procedures of SEM.

4.10.3.1. Step One: Define the Individual Constructs

The researcher invested time and effort at the initial research stage to ensure that the measurement quality is the key to successful research and valid conclusions (Hair et al., 2010). The constructs were thoroughly defined in this research through a comprehensive review of the literature and in-depth semi-structured interviews. The measurement items were adopted from the relevant literature and refined with the interview themes.

4.10.3.2. Step Two: Develop and Specify the Measurement Model

After defining the measures for the constructs, the next step is to develop the measurement model. At this stage, the researcher included all latent variables in the model and assigned

the measurement items to each latent variable (Hair et al., 2010). The proposed model of the research consisted of self-brand connections, CBR, religiosity, Islamic banking literacy, service quality, trust, commitment, and overall loyalty.

4.10.3.3. Step Three: Design a Study to Produce Empirical Results

At this stage, the researcher focused on the issues related to research design and estimation (Hair et al. 2010). The present research used AMOS 25 software program and analysed the data through covariance matrices using the Maximum Likelihood Estimation (MLE) technique. The covariance matrices approach was employed as it contains more important information and thus provides more flexibility (Hair et al., 2010). The MLE was used in terms of the estimation techniques as it is efficient and tolerates the deviation from normality (Kline 2011).

4.10.3.4. Step Four: Assess the Measurement Model Validity

This step aims to examine the validity of the measurement model using Confirmatory Factor Analysis (CFA). CFA determines to what extent the measured items represent each latent construct in a measurement model, which is indicated by satisfactory levels of the goodness of fit indices. This present research assessed the measurement model validity using several goodness-of-fit indices according to a guideline of acceptable levels of GFI (Hu and Bentler 1999; MacDonald and Marsh 1990; Greenspoon and Saklofske 1998; Forza and Filippini 1998) specified in Table 4.12, which include: Chi-Square/df (CMIN/df), Comparative Fit Index (CFI), Goodness of Fit Index (GFI), Root Mean Square Error of Approximation (RMSEA), the p-value for the test of close fit (PCLOSE), and Tucker-Lewis Index (TLI).

4.10.3.5. Step Five: Specify the Structural Model

The next step after establishing the validity of the measurement model is to specify the structural model based on theoretical causal relationships between the latent constructs. At this stage, the overall model was drawn in the path diagram representing the structural model, and the hypothesised relationships between constructs were ready to be tested.

4.10.3.6. Step Six: Assess the Structural Model Validity

This step aims to assess the validity of the structural model by ensuring the structural model achieves the acceptable goodness of fit measures. According to Hair et al. (2010), assessing three or four goodness of fit indices that cover one absolute fit index and one incremental fit index is adequate to examine whether the structural model is fit. Absolute fit indices (e.g., Chi-Square, Normed Chi-Square, GFI, and RMSEA) determine the extent to which a model fits the data. On the other hand, incremental fit indices (e.g., CFI, TLI or NNFI, and IFI) measure how well the estimated model fits the alternative baseline model. Table 4.13. specifies the goodness of fit measures employed in this research.

Table 4.12. Goodness of Fit Indices

Goodness of Fit Indices	Description	Required Statistic Level
Absolute Fit Indices:		
Chi-Square (X^2)	A measure for evaluating the overall model fit and assessing the magnitude of discrepancy between the sample and fitted covariances matrices.	Insignificant (X^2) at p > 0.05
Normed Chi-Square (X^2/df)	This is the ratio of the Chi-Square divided by the degree of freedom.	Lower limit: 1.0 Upper limit: 2.0 or 5.0
Goodness of Fit Index (GFI)	A measure of proportion of variance and covariance that a given model able to explain.	Good fit: > 0.95 Adequate fit: 0.90 – 0.95
Root Mean Square Error of Approximation (RMSEA)	Indicates how well the model with unknown but optimally chosen parameter estimates would fit the population covariance matrix.	Adequate fit: 0.05 - 0.08
Incremental Fit Indices:		
Comparative Fit Index (CFI)	Comparative index between proposed and null models which is adjusted for degrees of freedom.	Very good model fit: close to 1. Good fit: > 0.95 Adequate fit: 0.90 – 0.95
Tucker-Lewis Index (TLI) or Non-Normed Fit Index (NNFI)	This combines a measure of parsimony into a comparative index between the proposed and null models.	Very good model fit: close to 1. Good fit: > 0.95 Adequate fit: 0.90 – 0.95
Bollen's Incremental Fit Index (IFI)	Comparative index between proposed and null models adjusted for degrees of freedom.	Very good model fit: close to 1. Good fit: > 0.95 Adequate fit: 0.90 – 0.95

Source: Hu and Bentler 1999; MacDonald and Marsh 1990; Greenspoon and Saklofske 1998; Forza and Filippini 1998

4.11. Ethical Aspects

The researcher conducted the study based on the research ethics guide prescribed by Cardiff University. Accordingly, the researcher collected data only after obtaining ethical approvals from the university's ethics committee. When recruiting research participants, the researcher invited the participants and requested their consent to participate in the data collection.

Regarding the qualitative data collection, the researcher emailed the invitations to the participants along with an interview guide, a declaration letter and a consent form. As for the quantitative data collection, the researcher ensured that the participants read the research description, ethical considerations and consent declaration at the beginning of the

online survey to communicate that the research was ethical and conducted upon their consent.

To ensure the data collection was conducted ethically, the researcher informed all participants what the research was about, the duration of participation, the potential benefits of participating, the research methods, the voluntary nature of participation and the confidentiality of participants' identities. The researcher guaranteed the anonymity of the participants throughout the entire research, where identifiable data such as personal names and addresses were never asked for or recorded.

The researcher informed the participants that the interviews would be audio-recorded and transcribed before requesting their consent to participate. Also, the participants understood that the researcher stored the data under the current Data Protection Act. In addition, the researcher guaranteed that no monetary incentive was involved in participating in the research. Due to the voluntary participation, participants understood that they were allowed to withdraw from the study anytime and leave any questions unanswered if they wished to. The participants were aware that they could contact the researcher and her supervisor when necessary and that the research findings could be shared with them at the end of the research upon their request.

4.12. Summary of Chapter

Chapter Four has discussed a range of issues related to the methodology used in this research, including research paradigms, research approaches, research designs, research questions, qualitative research methods, quantitative research methods, qualitative data analysis procedures, quantitative data analysis procedures and ethical considerations. The following two chapters (i.e., Chapter Five and Chapter Six) will present the findings based on qualitative and quantitative data analyses, respectively, based on the methodology discussed in this chapter.

Chapter 5   Qualitative Study & Findings

5.1. Introduction

This chapter presents the findings of phase one of the data collection process, which involved in-depth interviews with the Indonesian research participants to seek deeper insights into how they build loyalty to Islamic banks. Interpretation of the qualitative data led to the generation of the key themes reported in this chapter, which begins with the demographic profiles of the participants, followed by bank usage and frequency patterns. The chapter then discusses the key motivations behind the participants using Islamic banks. This is followed by a discussion on the findings drawn from the participants' narratives that produced major themes relating to the research's constructs, including IB literacy (IBL), religiosity, self-brand connection (SBC), customer-based corporate reputation (CBR), service quality (SQ), trust, commitment and overall loyalty. Furthermore, in addition to confirming the measurement items adopted from the well-established literature, new interpretations of the qualitative findings produced new themes that helped the researcher refine them. Finally, a summary concludes this chapter.

5.2. Participants' Profiles

The sample shown in Table 5.1 consists of 16 males (64%) and nine females (36%). Participants' ages ranged between 22 and 57 years, with eight in their 20s (32%), 11 in their 30s (44%), three in their 40s (12%) and another three in their 50s (12%). In terms of education, all participants had earned a Bachelor's degree, whilst 76% of them had a Master's degree and less than 1% a doctoral degree. Concerning occupation, 60% of them were employed in various sectors, such as education, banking, government and the economy, while 12% of them were identified as self-employed. Moreover, 20% of them were identified as students, and the remaining 8% were identified as home-makers. Regarding marital or family status, 84% of the participants were identified as "married," with 76% of this cohort "married with children". In terms of domicile, some participants were based in the UK (i.e. Naya, Wirya, Dian and Indah), but the majority were based in Indonesia. Those who were based in the UK were interviewed to obtain unique insights, as the researcher expected to hear different perceptions from participants living abroad.

Table 5.1. Key Demographic Features

Name	Gender, Age	Education	Profession	Marital or Family Status
Naya	F, 22	Bachelor	Homemaker	Married
Wirya	M, 25	Master	Full-time student	Married
Eka	M, 30	Master	Full-time student	Married
Toha	M, 49	Master	Civil servants	Married, have children
Sofian	M, 31	Master	Entrepreneur	Married, have children
Belinda	F, 36	Master	Full-time student	Married, have children
Dian	F, 28	Master	Full-time student	Single
Fikri	M, 28	Master	Economist	Married
Anita	F, 27	Master	Lecturer	Married
Edo	M, 33	Master	Conventional Banker	Married, have children
Zulfikar	M, 55	Master	School Director	Married, have children
Zakir	M, 43	Doctoral	Lecturer	Married, have children
Yuda	M, 33	Doctoral	Lecturer	Married, have children
Nindya	F, 30	Master	Lecturer	Divorced, have children
Reza	M, 32	Master	Entrepreneur	Married, with children
Fay	F, 57	Bachelor	Retired Banker	Married, with children
Salman	M, 55	Master	Entrepreneur	Married, with children
Salim	M, 47	Master	Government Official	Married, with children
Fahri	M, 33	Master	Consultant	Married, with children
Indah	F, 29	Bachelor	Full-time student	Married, with children
Aini	F, 29	Master	Lecturer	Married, with children
Anto	M, 36	Bachelor	Consultant	Married, with children
Farhan	M, 35	Master	Entrepreneur	Married, with children
Jaya	M, 26	Bachelor	Consultant	Single
Ida	F, 33	Master	Head of PR	Single

Source: This research (2022).

5.3. Bank Usage and Frequency Patterns

Table 5.2 describes the participants' banking patterns, including holding dual bank accounts with conventional and Islamic banks, the frequency of banking with an Islamic bank versus a conventional bank and how long they have been customers of Islamic banks.

Table 5.2. Banking Usage and Frequency Patterns

No.	Name	Islamic Bank Usage Patterns			Conventional Bank Usage Patterns	
		Banking with IB	Frequency of Banking with IB	Banking with IB Since	Banking with CB	Frequency of Banking with CB
1.	Naya	Yes	Frequent	2016	No	-
2.	Sofian	Yes	Frequent	2018	No	-
3.	Zakir	Yes	Frequent	2001	No	-
4.	Yuda	Yes	Frequent	2014	No	-
5.	Nindya	Yes	Frequent	2013	No	-
6.	Fahri	Yes	Frequent	2013	No	-
7.	Indah	Yes	Frequent	2008	No	-
8.	Aini	Yes	Frequent	2000	No	-
9.	Anto	Yes	Frequent	2004	No	-
10.	Jaya	Yes	Frequent	2007	No	-
11.	Wirya	Yes	Frequent	2015	Yes	Very rare
12.	Toha	Yes	Frequent	2017	Yes	Very rare
13.	Belinda	Yes	Frequent	2006	Yes	Rare
14.	Reza	Yes	Frequent	2011	Yes	Rare
15.	Dian	Yes	Frequent	2017	Yes	Frequent
16.	Anita	Yes	Frequent	2017	Yes	Frequent
17.	Salman	Yes	Frequent	2009	Yes	Frequent
18.	Farhan	Yes	Frequent	2007	Yes	Frequent
19.	Ida	Yes	Rare	2015	Yes	Frequent
20.	Eka	Yes	Rare	2012	Yes	Frequent
21.	Fikri	Yes	Rare	2007	Yes	Frequent
22.	Edo	Yes	Rare	2014	Yes	Frequent
23.	Zulfikar	Yes	Rare	2010	Yes	Frequent
24.	Fay	Yes	Rare	2009	Yes	Frequent
25.	Salim	Yes	Rare	2008	Yes	Frequent

Source: This research (2022).

In terms of length of use, the timeline for Islamic banks ranged from 2001 to 2017. As reported in Table 5.2, the majority of the participants (64%) described that they had been banking with their Islamic banks for five years or more.

Regarding the usage of IB and CB, 40% of the participants were identified as customers of IB only, while 60% of them were identified as customers of both IB and CB. As a result, the types of banks with which the participants operated indicate a correlation with the frequency

of banking with an IB. In this case, participants who bank only with Islamic banks showed a full dependency towards IBs. On the other hand, those who have accounts with both IB and CB indicated a variety of their usage patterns and frequencies.

Among those who bank with both types of institutions, 27% of them indicated that they have used their IBs more frequently than CBs in meeting their daily financial dealings. For example, Belinda (Female, aged 36) commented: "*I use my Islamic bank most of the time, because I use it for managing the cash flow of my business*". Equally, 27% of them have indicated that they banked with both IB and CB at about the same frequency. For example, Anita (Female, aged 27) commented: "*Now I use both IB and CB about equally, because my pay is transferred to my IB account, and sometimes I switch between the two accounts. I'm thinking of closing the CB, but I haven't had the time to do it. Besides, I tend to use the CB more often for making transfers or for online shopping purposes*". On the other hand, 46% of them used their CBs more frequently than the Islamic alternative. For example, Ida (Female, aged 33) commented: "*I only use my IB account for a few purposes such as savings, Zakat payments and electronic toll highway payments. Meanwhile, I use my CB account to store my salary, from which I make regular payments*".

These narratives pointed that the participants have developed strong attitudes towards both IB and CB that were indicated in a variety of frequency of use as they believed that both banks were fulfilling their needs in different ways (Dick & Basu 1994). The majority of the participants used both IB and CB at least in equal frequency proportions between the two, if not more inclined to use their IB more often than CB. Whilst, the 46% of the participants used their CB more frequent than IB.

The fact that most participants used multiple financial providers (IB and CB) is reported in the literature as a phenomenon of customers being loyal to multiple brands (Ngobo 2004; Uncle & Kwok 2013). Such a phenomenon occurs when customers have strong attitudes toward multiple service providers and perceive that both alternatives are satisfying their needs to an equal or a different extent (Dick & Basu 1994). The justification that indicates the reasons behind this multiple loyalty phenomenon and its implications are further discussed in Chapter 7 section 7.2.

5.4. Motivations for Using an Islamic Bank

The participants' narratives highlight that their motivation for using an Islamic bank is mainly religious. In this regard, this motivation is mainly identified as intrinsic rather than extrinsic, since the former represents a strong commitment to following Islamic teachings as part of a Muslim's daily life (Allport & Ross 1967, p. 434 in Vitell 2009). Particularly, their motivations for using an Islamic bank were to avoid sinning, due to involvement in *Haram*

(prescribed by Islamic law) matters, and to live their life according to Islamic teachings. The following paragraphs describe participants' narratives related to these motivations.

With the motive of avoiding sin (i.e. bank interest or usury), the participants thus accepted these principles as their values. For example, Fay (Female, aged 57) indicated that she had gradually switched from CB to IB, in order to attain a blessing from Allah by avoiding usury practices prohibited in Islam. She commented: "*I hope that if I use an Islamic bank, I will get the blessings, because in my religion conventional banking is* Haram*. I am now gradually moving from CB to IB.*" Likewise, Reza (Male, aged 32) mentioned that he was motivated to gradually move his banking activities from his CB to his Islamic bank, because he was aware that usury is strictly prohibited in Islam, and the sin for taking usury is huge: *"In my religion, it is stated that interest is Haram. It is called Riba, and the sin is major. It motivates me to route all my banking activities to an Islamic bank. Currently, I am gradually moving some activities to it.*"

The participants also demonstrated full assimilation or the congruence of their Islamic principles in their lives. They internalised the reasons for adhering to Islamic teachings by avoiding non-*Halal* aspects (i.e. usury) and assimilated them to the extent that their actions were self-determined. For example, Nindya (Female, aged 30) mentioned that she was motivated to use an Islamic bank because she knew that IB was *Halal* and she wanted to make sure that everything in her life was just so, including all financial matters. She commented: *"I want to avoid Haram things, especially in my financial matters. So, I just want to make sure that everything is Halal.*" Similarly, Belinda (Female, aged 36) mentioned that she decided to use an Islamic bank because she agreed with her husband that they should manage their personal and business financial activities in the right way and according to Islamic principles: "*I have agreed with my husband that all of our income and money should be used in the right way. So, we just want to make sure that when we have money, we can save some of it and use it in the right way, which is according to the Islamic way.*"

Moreover, the participants portrayed their deeply entrenched religious selves, indicated by the way they live their life according to Islamic teachings, including choosing an Islamic bank over a CB. Naya (Female, aged 22) commented: "*As a Muslim I should be Kaffah [completely adhere to Islam], so I have to make sure that Islamic values are incorporated into my daily life. One of the ways [to be a Kaffah Muslim] is using an Islamic bank rather than a CB, because there is usury or interest in conventional banking.*"

These religious reasons for the participants using IB services corroborate with prior studies demonstrating the positive relationship between religious-related motivation and customers' intentions to use Islamic banks (Metawa & Almossawi 1998; Naser et al., 1999; Usman et

al., 2017; Kaakeh, Hassan & Almazor 2018). For example, Kaakeh et al. (2018) found that the most significant reason was that Muslim customers strive to practice their religion, and thus they deal with banks perceived as Islamic (i.e. promotes a Shariah-compliant banking system) and alternatives to conventional banking.

Having discussed the motivations for using Islamic banks, the following sections discuss the participants' self-related factors and organisational factors, as well as the themes that emerged from the qualitative study, to explore and understand their loyalty to Islamic banks. These factors include IBL, religiosity, SBC, CBR, SQ, trust, commitment and loyalty.

5.5. IB Literacy

As mentioned in Chapter 2, prior studies reveal that customers of Islamic banks have limited knowledge of IB (Bley & Kuehn 2004; Zaman et al., 2017), and as discussed in Chapter 1, this has resulted in difficulties in distinguishing the differences between Islamic banks and conventional banks, thereby leading to inaccurate information and judgements about the former (Kuran 1993). Given this point, an empirical measurement of IBL needs to be done accurately by exploring the participants' perceptions of their IBL, in order to provide insights into selecting the most suitable approach to measure IBL in this quantitative study.

This section reports on whether the participants were aware of their IB literacy (IBL) involving IB terms and concepts. To do so, the researcher asked the participants to self-evaluate their understanding of IB and the extent to which it helped them evaluate IB products. The following paragraphs discuss the participants' narratives, which highlight their perceptions of their IB literacy (IBL) levels.

When the participants were asked about the extent to which they understood IB, its products or services, most of them believed that they had limited or very basic knowledge despite being confident in naming common IB terms and types of profit-sharing schemes. For example, Edo (Male, aged 33) explained that he was lacking in knowledge related to IB: "*I don't know much about IB. I know the terms, the schemes of the profit-sharing,* Mudaraba *and* Murabaha*, but I don't know the details.*" The findings reveal that the participants were aware of common terms in IB, but they did not comprehend how they work.

In addition, other participants also perceived that their level of knowledge about IB products and services was low, and they acknowledged that they needed to learn more in this regard. For example, Yuda (Male, aged 33) commented: "*I can see that I am a newbie in a sense of my knowledge level about IB operations.*" Likewise, Eka (Male, aged 30) commented: "*I don't understand comprehensively how IB is run. I believe that I still need to learn more.*" Similar to Yuda and Eka, Anita (Female, aged 27) commented: "*If someone asked me*

whether this bank operates according to Sharia principles, I could quite confidently say yes, but then if someone asked something more practical about it, like the instruments they use, how they run the bank, where they put the funds, I would not be able to answer them, because I am not aware of it." In this case, participants like Anita assumed that their Islamic banks were in total compliance with Sharia principles and felt confident advocating them to others, regardless of their limited knowledge of whether compliance was actually being followed.

On the other hand, only a few participants mentioned that they had broad knowledge about IB and their Islamic banks. For example, Wirya (Male, aged 25) commented: "*I have been struggling to study this nascent industry since 2011. I have read, observed and researched about IB massively. I feel confident in evaluating my Islamic bank's products and services.*" Likewise, Fikri (Male, aged 28) commented: "*I can assess an Islamic bank based on the capability of the staff in explaining their products, agreements or transactions.*" A small number of participants were confident about their understanding of IB, as they had studied the sector as scholars or economic analysts. However, these types of participants did not reflect the majority of the research participants. Therefore, the narratives strongly indicate that the majority had limited knowledge of IB, particularly their understanding of its terms, the types of profit-sharing schemes and instruments on a deeper level.

The participants' narratives were also interpreted to help the researcher suggest items for IBL measurement. The findings of this current qualitative study indicate that three themes emerged which are similar to the financial literacy measures suggested by Disney & Gathergood (2013) and Lusardi & Tufano (2015). Disney and Gathergood (2013) measured financial literacy via three items, each relating to participants' understanding of core financial credit concepts in general and their self-awareness of financial knowledge acquisition. Meanwhile, Lusardi & Tufano (2015) focused on measuring participants' self-assessment of their financial knowledge. These prior studies were extensions of financial literacy theory (Bernheim 1995; Lusardi 2008; Remund 2010; Huston 2010).

The qualitative findings are in line with scale items from previous studies used to measure customers' confidence levels in relation to their understanding of financial products (Disney & Gathergood 2013; and Lusardi & Tufano 2015). However, these items were adjusted to the IB context and considered as new items used to measure IB literacy (IBL) in the quantitative phase. For example, "When I am shown information about an IB agreement (e.g., Mudaraba, Musharaka or Murabaha), I feel confident that I understand how this instrument works", "Overall, my knowledge about IB products and services is very good" and "I regularly read about IB products and services".

These emerging items are considered new, as prior studies (e.g. Zaman et al., 2017) measured IB and financial service knowledge with different items and did not delve into participants' confidence regarding their understanding of IB instruments, their perceptions of IB knowledge in general and how regularly they increase their knowledge by reading sources related to IB.

Accordingly, the participants' narratives generated three new items to measure their understanding of IB instruments (i.e. how IB instruments work), self-assessment of their IB knowledge (i.e. have good knowledge about IB in general) and the acquisition of IB knowledge (i.e. regularly read about IB products and services). Table 5.3 summarises these items generated from the qualitative findings, which will be used to measure IBL in Chapter 6. Having discussed the qualitative findings of IBL, the following section discusses religiosity as derived from the participants' narratives.

Table 5.3. Summary of IBL Items

No.	Items
1.	When I am shown information about an Islamic banking agreement (e.g., Mudaraba, Musharaka, or Murabaha), I feel confident that I understand how this instrument works.
2.	I regularly read about Islamic banking products and services.
3.	Overall, my knowledge about Islamic banking products and services is very good.

Source: This study (2022).

5.6. Religiosity

In Chapter 1, we mentioned that a further investigation is required to gain an in-depth understanding of what being 'religion' means to IB customers. It is also unclear whether those customers who are less religious, but are still Muslims, are motivated to bank with Islamic banks, and in what circumstances, as there is some inconsistency in the literature whether religiosity is the main reason for choosing these particular institutions (Butt et al., 2011; Idris et al., 2011; Marimuthu et al., 2010; Awan & Bukhari 2010). Moreover, this study aims to identify whether religiosity influences participants' self-schema and triggers loyalty to selected Islamic banks.

In this section, the researcher outlines the participants' views of religiosity based on how being religious was interpreted, including how religious they viewed themselves. To do so, the participants were asked to talk about the importance of religion and the extent to which they applied it in their lives. Additionally, the researcher also asked them to describe how religion affected their future behaviour towards Islamic banks.

According to the participants' narratives, they described their religiosity based on how they position Islam in their lives in order to provide a structure for understanding life and a guide to observing Islamic prescriptions (Berger & Luckmann 1967). For example, Belinda (Female, aged 36) commented: "*Islam guides everything in life and the Hereafter. I want to have confident answers before God in the Hereafter [on the Day of Judgement].*" Similarly, Fikri (Male, aged 28) commented: "*I do my daily activities based on what Islamic teachings teach us to do every day. So, I always consider Islamic rules as the most important things I should obey before making decisions and before taking any steps in my life*". These narratives reveal that the participants deem religion a fundamental aspect of life and a framework for guiding their attitudes and conducts.

Moreover, the participants also talked about how they used the Quran and Hadith as their guide to Islamic teaching. These two sources summarise the juristic codes and morals that govern Muslim life, and so Muslims can refer to these sources to define their beliefs and behaviours, thereby indicating their religiosity (Souiden & Rani 2015). Similarly, a study by Khraim (2010) suggests that pursuing Islamic teaching is one of the indicators of religiosity. Naya (Female, aged 22), for instance, commented: "I try to apply what the Quran and Hadith prescribe, and broaden my knowledge of Islamic teaching." These narratives provide insights for the current research and add the following new items to religiosity measurement, including "Islam helps guide me to good life prospects in the Hereafter" and "The holy Quran and Hadith are my guidance."

The participants also described their religiosity through religious traits, such as observing five daily prayers, fasting during Ramadan and other religious practices conceptualised as "ritualistic" by Rehman & Shabbir (2010). For example, Jaya (Male, aged 26) commented: "*I pray five times a day, I do my obligations in Islam, I pay* zakat *and* infaq *[charity] regularly, I avoid something that could make me fall into sin.*" Similarly, Eka (Male, aged 30) commented: "*At least I practice the compulsory things, such as five daily prayers, fasting, paying my* zakat *and eating halal food only. I think using my Islamic bank is one of the ways to become a better Muslim, because when I use this bank, I am avoiding usury – which is prohibited in Islam.*" Moreover, the findings reveal that most of the participants talked about avoiding sins, including usury, which is strictly forbidden in Islam. In this case, they indicated either their fear of God or God's punishment.

Fear of God's punishment has a strong impact on individuals, as prior studies demonstrate that the more a person fears God, the more of his/her attitudes and behaviour tend to change accordingly (Elliot 2003; Eadie et al., 2009; Johnston & Warkentin 2010). In this case, the more the participants developed such a fear, the more he/she tended to act consistently with Islamic teachings or avoided committing sins or taking prohibited actions

(Souiden & Rani 2015). This finding is in line with the Quran and Hadith, both of which not only teach Muslims to believe in God and religion, but also manifest the belief in his/her behaviour as a result of an attitude of self-submission to God (Souiden & Rani 2015). The participants' narratives imply that avoiding prohibitions for fear of God's punishment needs to be included as another new measurement of religiosity: "I avoid performing something that is prohibited in Islam."

When it comes to consumer behaviour, prior studies report that Muslims' buying behaviours are determined by attitudes and values that are influenced by religious beliefs (Mokhlis 2006; Bonne et al., 2007; Shaari & Afirin 2010). Khraim (2010) agrees that an individual's lifestyle is built upon their religiosity levels. The participants' narratives support these prior studies (Mokhlis 2006; Bonne et al., 2007; Shaari & Afirin 2010). For example, Belinda (Female, aged 36) described that her religious beliefs influence her whole approach to life, thereby indicating that religion is entrenched in and inseparable from her existence. She commented: "*I put religion at the top of everything. Everything must follow Islam.*" This narrative also validates one of the items used to measure religiosity in Worthington et al. (2003) and Jamal & Sharifuddin (2015): "My religious belief lies behind my whole approach to life." Thus, this item is added to the religiosity measurement in the current research.

The participants also described their religiosity based on the time they spent growing their Islamic knowledge. For example, Naya (Female, aged 22) talked about how she often spent time improving her understanding of her faith: "I watch Islamic lectures by Islamic scholars on YouTube." Confirming this finding, the literature suggests that the level of Islamic religiosity is assessed in a relatively subtle way, such as how often a person prays – according to the Hadith, Muslims must observe the five daily prayers at the prescribed times in compliance with Islamic principles (Abou-Youssef et al., 2015). Arguably, the way a person practices Islam is specifically prescribed in the Quran and Hadith, and it requires specific knowledge about Islamic teaching that governs such practices (Souiden & Rani 2015). Moreover, Foxall & Goldsmith (1994) report that religion leads to building knowledge that influences and regulates the attitudes and behaviours of a person. Accordingly, Suhartanto et al. (2018) identified an intellectual dimension to religiosity that measures a person's knowledge of Islamic teaching. The participants' narratives also validate one of the items used to measure religiosity in Worthington et al. (2003) and Jamal & Sharifuddin (2015), namely: "I spend time trying to grow my understanding of Islam."

Furthermore, the participants described their religiosity based on how meaningful Islam is in their lives and how it helps them to achieve their objectives. For example, Jaya (Male, aged 26) commented: "*[Islam] is very important. It helps me a lot when I have problems. It reminds me about my existence in this world, and it keeps me on track for my life's*

objectives." This finding is in line with Worthington (1988), who suggested that highly religious individuals tend to use their religious values to evaluate their world. Additionally, the finding is in line with the following definition of religion: "the feelings, thoughts, experiences and behaviours that arise from a search for the sacred and/or a search or quest for a non-sacred goal such as identity, belongingness, meaning, health, or wellness in a context that has (as) its primary goal the facilitation of the search that receive validation and support from within an identifiable group of people" (Hill et al., 1998)" Moreover, this finding also validates one of the items used to measure religiosity in Worthington et al. (2003) and Jamal & Sharifuddin (2015): "Islam is especially important to me, because it answers many questions about the meaning of life." Hence, this item is added to religiosity measurement in the current research.

Overall, the emerging six themes or measurement items drawn from the participants' narratives mentioned above match with the concept of intrapersonal religiosity, which refers to a religious commitment level in relation to belief and personal religious experience (Worthington et al., 2003; Sharifuddin & Jamal, 2015) (see Chapter 2). Table 5.4 summarises the six items of intrapersonal religiosity used to measure religiosity in Chapter 6.

Table 5.4. Summary of Intrapersonal Religiosity Items

No.	Items
1.	Islam helps me with guidance to a good life prospect in the Hereafter.
2.	The holy Quran and Hadith are my guidance.
3.	I avoid performing something that is prohibited in Islam.
4.	My religious belief lies behind my whole approach to life.
5.	I spend time trying to grow my understanding of Islam.
6.	Islam is especially important to me because it answers many questions about the meaning of life.

Source: This study (2022).

The following paragraphs now discuss the participants' narratives that have been matched with the concept of interpersonal religiosity, i.e. a religious commitment level based on the intensity of involvement in religious social activities (Worthington et al., 2003; Sharifuddin & Jamal, 2015) (see Chapter 2).

When the participants were asked to describe their religiosity, they talked about how much they were involved in preaching activities, the development of Islamic banking and religious communities. For example, Zakir (Male, aged 43) commented: "*Almost every part of me is involved in religious and social activities. Since I was a child and until now, I have revolved around how to grow religion [Islam], how to spread it, and I hope that I will keep on doing it until I die*". Similarly, Anto (Male, aged 36) commented: "*I have declared myself as a preacher in the Islamic economy in Indonesia.*" These narratives imply that the participants

expressed their religiosity not only to the extent to which they engaged in personal religious activities, but also in the way they were involved in social religious activities and dedicated their lives to growing Islam and the Islamic economy. These narratives also provide insights into the current research and add the following new item to religiosity measurement: "I actively involve myself in preaching activities".

The participants' dedication to growing Islam and the Islamic economy was also indicated by their current and future behaviours towards Islamic banks, particularly supporting Islamic banking in Indonesia. For example, Zulfikar (Male, aged 55) commented: "*I believe, as a Muslim, I have to support Sharia banking.*" Similarly, Fikri (Male, aged 28) commented: "*Having an Islamic bank account ensures that I, as a professional in an Islamic financial landscape in Indonesia, support Islamic banking in Indonesia.*" These narratives also provide insights into the current research and add the following new item to religiosity measurement: "I support the development of Islamic economy or Islamic banking."

Moreover, the participants expressed their religiosity in terms of the extent to which they were involved in a religious community. For example, Jaya (Male, aged 26) commented: "*So, in my working environment, I don't show who I really am [my identity as a Muslim]. But when I attend an Islamic study group every week, I feel freer when I am there than when I am at my office.*" This narrative indicates that the participants enjoyed spending time with other Muslims and engaging themselves in the community, and thus they felt more comfortable in these settings expressing their self-identity as a Muslim. This finding validates one of the items used to measure religiosity in Worthington et al. (2003) and Jamal & Sharifuddin (2015) and provides insights into the current research by adding the following item to religiosity measurement: "I enjoy spending time with others of my religious affiliation."

Accordingly, three measurement items are drawn from the participants' narratives as mentioned above and matched with interpersonal religiosity conceptualised by Worthington et al. (2003) (see Chapter 2). Table 5.5 summarises the three items of interpersonal religiosity that will be used in Chapter 6.

Table 5.5. Summary of Interpersonal Religiosity Items

No.	Items
1.	I actively involved myself in preaching activities.
2.	I support the development of Islamic economy or Islamic banking.
3.	I enjoy spending time with others of my religious affiliation.

Source: This study (2022).

The current research provides novelty by identifying new dimensions of intrapersonal and interpersonal religiosity in the IB context, as prior studies (Abou-Youssef et al., 2015;

Souiden & Rani 2015; Usman et al., 2017; Suhartanto et al., 2018) measured religiosity using other dimensions: Islamic doctrinal, intrinsic religiosity and extrinsic religiosity (Abou-Youssef et al., 2015); religious belief, religious involvement and fear of divine punishment (Souiden & Rani 2015); religious consequences, religious tolerance, religious enrichment, religious contradiction and religious belief (Usman et al., 2017) and, finally, ritualistic, ideological, consequential, intellectual and experimental religiosity (Suhartanto 2018). Intrapersonal and interpersonal religiosity dimensions were initially suggested by Worthington et al. (2003) and used to measure it among college students who identified as Christians, Buddhists, Muslims, Hindus and non-religious. Furthermore, these religious dimensions were adopted in a study by Jamal & Sharifuddin (2015) in the halal-labelling context among British Muslims. However, the current research is the first of its kind to identify intrapersonal and interpersonal religiosity as separate dimensions and to use them to measure religiosity in the context of IB.

Having discussed the qualitative findings of religiosity, the following section addresses the self-brand connection derived from the participants' narratives.

5.7. Self-Brand Connection

As discussed in Chapter 2, self-brand connection (SBC) research into the IB services sector remains largely ignored, and so there is a need to explore how customers' selves are connected to Islamic banks from the SBC perspective (Nemati et al., 2018). In this case, the way IB customers build connections with Islamic banks may involve their self-identity as Muslims, which is likely, as a religious self-schema influences important life (McCullough and Willoughby 2009) and consumption decisions (Gbadamosi 2016) (see Chapter 1). Such self-identity, which involves a religious aspect of one's self, is essential in understanding customers of Islamic banks (Muniz and Schau 2005), particularly in terms of their connections with these institutions (Abdulrazak & Gbadamosi 2017). Therefore, due to the absence of research exploring SBC from the perspectives of IB customers, particularly Muslim customers, this qualitative study fills the gap by deeply exploring its relevance in explaining customer loyalty in the IB sector.

In this section, the researcher presents the participants' narratives on SBC that were interpreted based on how they developed connections with their Islamic banks. To do so, the participants were initially requested to describe their personalities and self-identities and to explain their reasons for choosing their Islamic banks, including what these banks mean to their lives. Furthermore, they were asked to describe whether they shared similarities and self-identified with their Islamic banks. Finally, they were requested to describe whether

using an Islamic bank influenced their personalities or identities and future behaviours towards their bank.

Regarding the meaning of Islamic banks and how it motivated the participants to use them, the participants' narratives indicated that most of them built connections because they helped them to present their self-identity and particularly to assert that they adhered to Islamic teaching and avoid usury. For example, Wirya (Male, aged 25) commented: "*Choosing an Islamic bank is a way of ensuring Islamic banking moves to a better level. Even if products are expensive, I will buy them because they follow the scripture [Qur'an] or Islamic finance principles. The reason why I choose this bank is to inspire others that this is a bank that I choose because of my adherence to Islam*". Likewise, Fahri (Male, aged 33) commented: "*As a Muslim, I have to use an Islamic bank for transactions, because it is free from usury. So, if I consider myself a Muslim, I must choose an Islamic bank*". This finding validates an item used to measure SBC in Escalas & Bettman (2003): "I consider my Islamic bank to be me – it reflects whom I consider myself to be or the way I want to present myself to others." Furthermore, it provides insights into the current research and adds the item to the SBC measurement in Chapter 6.

Moreover, the participants pointed out that they built connections with their Islamic banks because they felt that they shared the same Islamic ethos and value system with them, exemplified by fairness, transparency and partnership (Ayub 2007), and thus it suited them well. For example, Fay (Female, aged 57) commented: "*I agree with the profit-sharing system, because it is based on a partnership system and it is fair. Therefore, I fully accept doing business with a profit-sharing scheme. The bank does not control the business alone, but we do control each other as partners*". Zulfikar (Male, aged 55) thought that he had similarities with his Islamic bank because they both shared the same values: "*I share the same values [with my Islamic bank], which is Islamic values.*" Similarly, Naya (Female, aged 22) commented: "Perhaps the basic similarity between me and my Islamic bank is the fact that as a Muslim I do not involve myself in gambling or uncertain transactions. My Islamic bank suits me, because they share the same values, [i.e.] they do not involve their transactions in gambling or any other non-halal transactions". The narratives validate an item used to measure SBC in Escalas & Bettman (2003) and provide an insight into the current research by adding the following item to the SBC measurement in Chapter 6: "My Islamic bank suits me well".

Some participants also mentioned that they use Islamic banks to communicate to others about who they are or how they want to be seen. For example, Eka (Male, aged 30) commented: "*As a Muslim, I want people to see me as a practising Muslim by using an Islamic bank. So, my Islamic bank helps me to communicate to others according to how I*

want to be perceived". This reason for using an Islamic bank does not involve beliefs or spirituality (Vitell et al. 2005), as it is concerned with how society perceives an individual's religion and is thus used as a means to boost the person's sense of belonging, social status and social acceptance (Abou-Youssef et al. 2015). This finding also validates an item used to measure SBC in Escalas & Bettman (2003): "I use my Islamic bank to communicate who I am to others" and provides an insight into the current research by adding the item to SBC measurement in Chapter 6.

With respect to similarities, the participants described that their Islamic banks reflected who they were, as they shared similarities and goals in terms of supporting and developing the IB sector in Indonesia. For example, Fikri (Male, aged 28) commented: "*I and my Islamic bank are similar, because we are involved in developing the Islamic financial industry in Indonesia.*" This finding validates one of the items used to measure SBC in Escalas & Bettman (2003): "My Islamic bank reflects who I am" and provides an insight into the current research by adding the item to SBC measurement in Chapter 6.

The participants also mentioned that they were closely associated with their Islamic banks and thus they could identify with them because the friendliness and Islamic attitudes of the staff made them feel accepted and part of them. For example, Toha (Male, aged 49) commented: "*When I go to the bank, I feel like I am meeting my Muslim friends, because they greet me with* assalamu'alaykoom *(greet someone in an Islamic way). When I meet the customer service staff, they always show Islamic attitudes and I feel like I am part of their big family*". This finding validates an item used to measure SBC in Escalas & Bettman (2003): "I can identify with my Islamic bank" and provides an insight into the current research by adding the item to SBC measurement in Chapter 6.

Furthermore, the participants mentioned that their Islamic banks helped them to become the type of person they wanted to be. For example, Sofian (Male, aged 31) indicated that his Islamic bank accommodated his aspiration to comply with Islamic principles: "*I am a person who wants my banking transactions to be done in an Islamic institution. And with the [Islamic] values that I hold fast, my Islamic bank can accommodate it.*" This narrative indicates that Islamic banks helped the participants uphold the values and principles of Muslims. This finding validates an item used to measure SBC in Escalas & Bettman (2003): "I think my Islamic bank helps me become the type of person I want to be" and provides an insight into the current research by adding it to SBC measurement in Chapter 6.

The above discussions of the participants' narratives demonstrate the following new findings for the growing body of SBC literature: 1) Islamic banks reflected the way the participants wanted to assert and present their self-identities as Muslims adhering to Islamic teaching, to both themselves and others; 2) The participants felt that their Islamic banks

suited them well, as they shared the same religious ethos and value system; 3) The participants built connections with their Islamic banks, because as Muslims they wanted to communicate to others about who they were, either in an actual or an ideal manner; 4) The participants shared similarities and goals with their Islamic banks, as they both supported IB, and thus the participants felt that their Islamic banks reflected who they were; 5) The participants were closely associated with their Islamic banks due to the banks' friendliness and Islamic attitudes and 6) Islamic banks helped the participants to become the type of person they wanted to be, i.e. Muslims upholding Islamic values and principles.

These themes are drawn from the participants' narratives mentioned above and rooted in the study of SBC by Escalas and Bettman (2003). However, the qualitative findings are different to the traditional themes of SBC, as the religious aspect can be strongly felt in the emerging SBC themes. Table 5.6 summarises the six items that emerged from the themes and will be used to measure SBC in Chapter 6.

Table 5.6. Summary of SBC Items

No.	Items
1.	I consider my Islamic bank to be me – it reflects who I consider myself to be or the way I want to present myself to others.
2.	My Islamic bank suits me well.
3.	I use my Islamic bank to communicate who I am to others.
4.	My Islamic bank reflects who I am.
5.	I can identify with my Islamic bank.
6.	I think my Islamic bank helps me become the type of person I want to be.

Source: This study (2022).

In addition to confirming the scales adopted from Escalas and Bettman (2003), this qualitative study fills the gap by extending the self-brand connection theory to the context of faith-filled brands, particularly in the Islamic banking sector. While the literature has confirmed that religiosity influences consumption (Gbadamosi 2016), very little research has been conducted to investigate how consumers' self-concepts influence their responses to brands with religious positioning (Liu and Minton 2018). An experimental study by Liu and Minton (2018) examined how consumers provided with their self-concepts respond to religious brands. They found that faith-filled brands influence consumer evaluations, trust and brand engagement in this regard. However, the study involved a fictional beverage brand with non-Islamic religious cues. Therefore, the present research reveals for the first time participants' views about how they have developed a connection with their Islamic banks and how it influences their responses to these institutions. Having discussed the qualitative findings on SBC, the following section discusses customer-based corporate reputation – as derived from the participants' narratives.

5.8. Customer-Based Corporate Reputation

It is mentioned in Chapter 1 that IB customers may view the reputation of Islamic banks in terms of how they demonstrate Islamic principles or values (more ethical, more socially responsible and Sharia-compliant) in addition to their main functional qualities as banking services providers (Khan 2010; Jawadi et al., 2016). In this regard, the current research conducted a qualitative study to obtain deeper insights into the conceptualisation of customer-based corporate reputation (CBR), which is expected to be different from the traditional context.

In this section, the researcher presents the participants' narratives, interpreted based on how they described their Islamic banks' reputations and what aspects affected these reputations. The participants' narratives highlight how they developed both positive and negative perceptions of their Islamic banks' reputations, from which four themes emerged: customer orientation, product and service quality, reliability and financial strength and social and environmental responsibility. The following sections discuss how the participants developed and perceived the reputation of their Islamic banks in relation to these themes.

5.8.1. Customer Orientation

The participants perceived their Islamic banks' reputations based on the way they treated and served their needs and placed them at the centre of attention (Walsh & Beatty 2007; Brown et al., 2002; Deshpande et al. 1993). Against this background, the participants shared both positive and negative experiences shaping their perceptions.

With regards to positive experiences, the participants mentioned that their Islamic banks treated them courteously, which in turn influenced the way they perceived the reputation of their banks. For example, Naya (Female, aged 22) commented: "The staff at my Islamic bank made me comfortable when I was waiting to be served and when I was served by a customer service agent. They were very polite. *I knew that my Islamic bank was good from the beginning, right after I had my first interaction with them".* This finding indicates that the participants easily developed favourable perceptions of their Islamic banks, as they responded positively to the way the staff interacted with them. Moreover, this finding validates an item used to measure CBR in Walsh & Beatty (2007) and provides an insight into the current research by adding the following item to the CBR measurement in Chapter 6: "My Islamic bank has employees who treat customers courteously."

In addition, the participants shared good experiences regarding the extent to which their Islamic banks were concerned about their needs and problems. For example, Fay (Female, aged 57) commented: "*I am happy with my Islamic bank, because they can give me what I*

need and they speak politely. If I need my balance statement, bank reference, or if I want to know how much has come in, they provide the information fast and correctly. They can give what I need – and do it fast." This finding indicates that the participants developed favourable perceptions of their Islamic banks, as they responded positively to the prompt services provided   to solve their problems. This finding also validates an item used to measure CBR in Walsh & Beatty (2007) and provides an insight into the current research, thereby adding the item to CBR measurement in Chapter 6: "My Islamic bank is really concerned about its customers' needs/problems."

In contrast, the participants shared negative perceptions about their Islamic banks with regards to the way they handled problems or complaints. For example, Salman (Male, aged 55) commented: "*When I raised my complaint to the relationship manager, they did not know the complaint that I raised to the call centre, because the units are separate. It shows me that there was no coordination inside the bank [in handling customer complaints]."* As a business owner, Salman found this experience irritating, as he has had a busy schedule and did not want to waste his time re-explaining the same issue every time the bank passed him to a different section to handle his case. These narratives also provide insights into the current research and add the following new item to CBR measurement: "My Islamic bank handles customers' complaints very well."

Accordingly, three measurement items are drawn from the participants' narratives as mentioned above and matched with the customer orientation dimension of CBR conceptualised by Walsh & Beatty (2007) (see Chapter 2). Table 5.7 summarises the three items of customer orientation that will be used to measure CBR in Chapter 6.

Table 5.7. Summary of Customer Orientation Items

No.	Items
1.	My Islamic bank has employees who treat customers courteously.
2.	My Islamic bank is really concerned about its customers' needs/problems.
3.	My Islamic bank handles customers' complaints very well.

Source: This study (2022).

Having discussed the qualitative findings of customer orientation, the following section discusses the qualitative findings relating to a reliable and financially strong company, based on the participants' narratives.

5.8.2. Reliable and Financially Strong Company

The participants' narratives reveal that they also perceived their Islamic banks' reputation based on financial performance, competence and potential (Walsh & Beatty 2007; Brown

et al.2002; Deshpande et al. 1993). Against this backdrop, they shared both positive and negative experiences that shaped their perceptions of the Islamic banks.

In terms of positive perceptions, they felt their own bank outperformed the alternatives in relation to Sharia. In this case, they focused on Sharia aspects instead of traditional aspects (e.g. prompt service, convenience, facilities, competitive pricing) in comparing and assessing reliability and financial performance. For example, Reza (Male, aged 32) mentioned that his bank was the first in Indonesia to offer stronger Sharia products compared to other Islamic banks. He commented: "*I think my Islamic bank is the first and the [most authentic] Sharia bank in Indonesia. Some Islamic banks have a mixture of conventional and Sharia products, such as loan facilities for a corporation or company. However, I can see that my Islamic bank has stronger Sharia products compared to other Islamic banks.*" This finding validates an item used to measure CBR in Walsh & Beatty (2007) and provides insights into the current research by adding the following item to the CBR measurement in Chapter 6: "My Islamic bank clearly outperforms its competitors."

On the other hand, the participants also shared their negative perceptions regarding the financial performance of their Islamic banks. For example, Fikri (Male, aged 28) mentioned that his bank had experienced financial problems and needed support from its stakeholders: "*Currently, my Islamic bank is facing financial difficulty. I can say that this bank is too big to fail if we [customers], the government and the stakeholders do not let them down. I am trying to help my Islamic bank, because I think that it [the financial problem] could cause bad or negative impacts for the Islamic finance industry in Indonesia*". This finding validates an item used to measure CBR in Walsh & Beatty (2007) and provides an insight into the current research by adding the following item to the CBR measurement in Chapter 6: "My Islamic bank has a strong financial performance."

Accordingly, two measurement items are drawn from the participants' narratives as mentioned above and matched with the reliable and financially strong dimension of CBR conceptualised by Walsh & Beatty (2007) (see Chapter 2). However, the qualitative findings are different when compared to the traditional themes of CBR, as the Sharia aspects can be strongly felt in the narratives. In this case, the participants viewed the reputation of their Islamic banks by using Sharia aspects as the main attributes for reviewing reputation. Interestingly, they noted that some Islamic banks had experienced financial hardship, but instead of leaving them, they remained as customers in order to save them from falling into bankruptcy, which may otherwise harm the stability of the Islamic financial industry. Table 5.8 summarises the two items representing reliable and financially strength and which will be used to measure CBR in Chapter 6.

Table 5.8. Summary of Reliable and Financially Strong Items

No.	Items
1.	My Islamic bank clearly outperforms its competitors.
2.	My Islamic bank has a strong financial performance.

Source: This study (2022).

Having discussed the qualitative findings relating to what constitutes a reliable and financially strong company, the following section discusses the participants' perceptions of their Islamic banks' reputation from the product and service quality aspects.

5.8.3. Product and Service Quality

According to the participants, they perceived their Islamic banks' reputations based on product and service quality. Against this backdrop, they shared both positive and negative experiences that shaped their perceptions.

In terms of positive perceptions, the participants mentioned that their Islamic banks offered a wide range of service features. For example, Fahri (Male, aged 33) commented: "*My Islamic bank provides many services, such as mobile banking, SMS banking and internet banking. Mobile banking is for smartphones and is easy to use for transactions. We can use it anytime, anywhere.*" The finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank has a wide range of service features."

The participants also talked about ease of access to e-banking facilities (i.e. ATMs). For example, Anto (Male, aged 36) commented: "*Services such as ATM machines are available everywhere, even in remote areas".* This finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank offers easy e-banking facilities."

Besides, the participants mentioned that they were happy knowing that their Islamic banks were striving to improve their management of and compliance with Sharia principles. For example, Zakir (Male, aged 43) commented: "A*fter a few years, there was a change in their management – and that makes me feel tranquil. I understand that they are in the process of complying more with Sharia implementation in terms of their products and services."* Likewise, the participants also mentioned that the staff appearance, for instance wearing a hijab, sent a good impression that their banks reflected Islamic values. For example, Aini (Female, aged 29) commented: "*The female employees wear hijabs, therefore showing that they [Islamic bank] are following Islamic values*". The finding provides an insight into the

current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank offers products and services that reflect Islamic values."

Moreover, the participants talked about the competitiveness of credit rates, which seemed to be one of the most attractive selling points of Islamic banks. The finding aligns with data from the current study, revealing that almost half of the participants selected "low service charges" as the most important criteria for choosing an Islamic bank (see Chapter 6). For example, Toha (Male, aged 49) commented: "*The third reason for using my Islamic bank is because the credit instalments are cheaper [than conventional banks]*". This qualitative finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank offers a competitive credit scheme."

On the other hand, the participants also shared their negative impressions about the reputations of their banks in terms of technological advances and IT systems. For example, Reza (Male, aged 32) argued that technological advances in e-banking services were his main concern, because he was involved in many transactions with commercial merchants: "*Since, nowadays, there are so many e-commerce channels, it would be advantageous if my Islamic bank could develop the technology [to facilitate e-commerce transactions].*" Similarly, Yuda (Male, aged 33) mentioned that in terms of IT systems and technology, his Islamic bank was outdated and slow compared to others: "*In this kind of industry, if you have an experience with a slow technological system or a slow response, then you or other customers might think that your bank is slow overall.*" This qualitative finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank provides services using advanced technology or IT systems."

Moreover, other participants shared their views about the extent to which their Islamic banks were distinguished from conventional banks. The narratives revealed no tangible differences in this regard. For example, Fay (Female, aged 57) mentioned that there was no "*wow*" factor or anything special about her bank: "*I think they should show something that gives us a different experience to using conventional banks. There is no difference if I go to my Islamic bank or a conventional bank. They should offer uniqueness from the Sharia [perspective]*". This finding aligns with the reputational issues the Islamic banking industry is currently facing, in that they are perceived as mimicking conventional banks (Almahy et al., 2014). This qualitative finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank has something different to offer compared to conventional banks."

According to the discussed participants' narratives, six new themes emerged and have been added to inform the CBR measurement. Most of the newly produced themes are related to the functional aspects of banking in general (i.e. service features, e-banking

facilities, competitive credit schemes, advanced IT systems). However, two out of the six new themes are Sharia-related and therefore novel additions to the conceptualisation of CBR (Walsh & Beatty 2007). The product and service quality dimension of CBR is traditionally operationalised through three items adopted from Walsh and Beatty (2007). Therefore, a total of nine items will be included in the product and service quality dimension to measure CBR in Chapter 6. Table 5.9 summarises the six new items emerging from the qualitative study.

Table 5.9. Summary of Product and Service Items

No.	Items
1.	My Islamic bank has a wide range of service features.
2.	My Islamic bank offers easy e-banking facilities.
3.	My Islamic bank offers products and services that reflect Islamic values.
4.	My Islamic bank offers a competitive credit scheme.
5.	My Islamic bank provides services using advanced technology or IT system.
6.	My Islamic bank has something different to offer as compared to conventional banks.

Source: This study (2022).

Having discussed the qualitative findings relating to product and service quality, the following section discusses the participants' perceptions of Islamic banks' reputation in terms of social and environmental responsibility.

5.8.4. Social and Environmental Responsibility

The participants' narratives also indicate that they perceived their Islamic banks' reputation based on the extent to which a company acts ethically and pays attention to their social and environmental responsibilities (Walsh & Beatty 2007). Against this backdrop, the participants shared the positive experiences that shaped their perceptions of their Islamic banks' reputations.

Only positive perceptions were forthcoming in relation to ethical conduct. For example, Fikri (Male, aged 28) commented: "*They can prove that they are running a business ethically [and] according to Sharia principles.*" This finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank acts ethically in all matters."

The participants also talked about whether their Islamic bank emphasises the importance of responsibilities to society or stakeholder groups. For example, Dian (Female, aged 28) commented: "*They consider not only making a profit, but also stakeholders' well-being.*" The

finding provides an insight into the current research and adds the following new item to the CBR measurement in Chapter 6: "My Islamic bank emphasises the importance of its social responsibilities to the society."

Social and environmental responsibility was initially operationalised through five items adopted from Walsh and Beatty (2007) and Turker (2009). However, the two newly emerging themes are novel in terms of the conceptualisation of CBR (Walsh & Beatty 2007), as they reflect how the participants viewed their banks' commitment to implementing Islamic ethics associated with environmental protection, human welfare and social justice. In this case, the participants evaluated CBR from the extent to which their bank highlighted Islamic ethics and was aware of and took responsibility for the environmental and social impacts of their activities (Hassan 2016). Therefore, seven items are included in the social and environmental responsibility dimension for measuring CBR in Chapter 6. Table 5.10 summarises the two new items emerging from the qualitative study.

Table 5.10. Summary of Social and Environmental Responsibility Items

No.	Items
1.	My Islamic bank acts ethically on all matters.
2.	My Islamic bank emphasizes the importance of its social responsibilities to the society.

Source: This study (2022).

Overall, in addition to confirming the scales adopted from Walsh and Beatty (2007) and Turker (2009), the participants' narratives reveal nine new items, indicating that they perceived CBR differently compared to prior studies (Walsh & Beatty 2007; Walsh et al., 2009; Bartikowski et al., 2011; Chahal & Kumari 2014; Almahy et al., 2014; Wepener & Boshoff 2015; Cintamur & Yuksel 2018). In this case, not only did the participants evaluate CBR from functional points of view, but they also viewed it in relation to Islamic aspects (i.e. stronger Sharia compliance, products and services reflecting Islamic values, emphasising the importance of ethical conduct and social responsibilities). According to the findings, these new items belong to the following themes: reliable and financially strong, product and service quality and social and environmental responsibility (Walsh and Beatty 2007; Turker 2009).

With regards to Islamic characteristics, the participants viewed their Islamic banks from the extent to which their products and services reflect Islamic values. This emerging item is in line with a study by Amin et al. (2013), which posits that customers of Islamic banks, particularly Muslim customers, highlight the importance of Islamic compliance more than any other aspect. In addition, they participants viewed their Islamic banks in terms of the extent to which they act ethically on all matters. This is aligned with prior studies, which found that to build a good relationship with customers, Islamic banks perform their duties

based on appropriate religious traits and ethical values (Sauer 2002; Hoq et al. 2010). Having discussed the qualitative findings of CBR, the following section discusses service quality that is derived from the participants' narratives.

5.9. Service Quality

As mentioned in Chapter 1, most prior studies exploring service quality (SQ) in the IB context (Taap, Chong, Kumar & Fong 2011; Rehman 2012; Qureshi, Khan, Zaman & Khaqan 2014; Alshurideh et al., 2017; Alam & Al-Amri 2020) use scale items replicated from the non-IB and non-banking contexts, and without sound justifications (Butt & Aftab 2013). Thus, the current qualitative study is designed to investigate SQ from the participants' perspectives by considering their views on Islamic aspects thereof, in order to help in better understanding how Islamic banks' SQ is perceived differently from that of conventional banks.

The participants' narratives highlight both positive and negative perceptions of their Islamic banks' SQ based on their experiences. In this case, five themes emerged that align with Parasuraman et al. (1991): tangibles, reliability, responsiveness, assurance and empathy. The following paragraphs discuss each of these themes accordingly.

5.9.1. Tangibles

The participants perceived the SQ of their Islamic banks based on tangible elements, such as physical facilities, employee appearance and equipment (Parasuraman et al. 1988). Against this backdrop, they shared both positive and negative experiences that shaped their perceptions, mainly related to staff appearance, technology and bank facilities.

In relation to positive perceptions, most of the participants mentioned that their Islamic banks' female staff dressed according to Islamic ways. For example, Toha (Male, aged 49) commented: "*The way they dress covers certain parts of their body, according to Islamic values.*" This finding provides insights into the current research and adds the following new item to the SQ measurement: "The female staff at my Islamic bank wear a hijab and *Muslimah* dress."

The participants also talked about bank facilities, such as ease of access to ATMs and banks in many locations. For example, Anto (Male, aged 36) talked about free cash withdrawals and the ease of accessing ATMs through parent conventional bank, which were easier to find: "*The good experience about using my Islamic bank is that it is easy to withdraw money through its holding company banks' ATMs – and it is free of charge.*" The participants felt that easy access to ATMs is important, since withdrawing money from other

banks' ATMs is usually not free of charge. This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank's ATMs are easy to find."

Moreover, the participants talked about the extent to which their Islamic banks used modern technology to provide services. For example, Edo (Male, aged 33) commented: *"The good things are that they have good facilities [with advanced technology] and wide networks. I can access the banks from anywhere, and I like the online banking system, too. I have tried several online banking platforms, and perhaps my Islamic bank is the easiest one for me. I can use my fingerprint instead of a password, while other banks are still using a password."* This finding also provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank utilises modern technology in its service provision".

Since Muslims are obliged to conduct five daily prayers, the participants were impressed with the prayer room facilities provided at their Islamic banks and the way the staff encouraged them to pray as part of the congregation. For example, Wirya (Male, aged 25) commented: "*They have a prayer room in the bank and they encouraged me to pray together with them. The transaction continued after we prayed, about 15-30 minutes later. It impressed me a lot in the way they treated Muslim customers and encouraged us to pray on time.*" This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank provides a prayer room."

On the other hand, the participants shared some negative perceptions, which were mainly related to the mobile banking system. For example, Ida (Female, aged 33) noted the following: "*The only bad experience I encountered with my Islamic bank was related to mobile banking. It was very bad. It was inconvenient, it was quite complicated, so I don't use it anymore.*" This finding provides insights into the current research and adds the following new item to the SQ measurement: "The mobile/internet banking system of my Islamic bank is very good."

The participants also shared their negative perceptions about the bank's architecture or appearance. For example, Salman (Male, aged 55) pointed out that his Islamic bank did not have what he referred to as "Islamic ambience": "*If I go to the bank, I do not feel any Islamic ambience in it, such as green colours or Arabic writing. It is plain, just like any conventional bank. So, there is no difference [between my Islamic bank and any conventional banks]*". This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank's building has an Islamic architecture or appearance."

According to the discussed participants' narratives, six themes emerged and will be added to inform the SQ measurement. Half of the newly produced themes are related to the functional aspects of banking in general (i.e. ATMs' ease of access, the use of modern technology, good mobile/internet banking systems). However, the other half- are Sharia-related and novel, as they are different to how tangibles have been conceptualised in prior studies of SQ (Parasuraman et al., 1991; Taap, Chong, Kumar & Fong 2011; Rehman 2012; Qureshi, Khan, Zaman & Khaqan 2014; Alshurideh et al., 2017; Alam & Al-Amri 2020). The tangible dimension of SQ is traditionally operationalised through four items adopted from Parasuraman et al. (1991). Therefore, a total of ten items will be included herein, to measure SQ in Chapter 6. Table 5.11 summarises the six items that emerged from the qualitative study.

Table 5.11. Summary of Tangibles Items

No.	Items
1.	My Islamic bank's ATMs are easy to find.
2.	The female staff of my Islamic bank wears *hijab* and *Muslimah* dress.
3.	My Islamic bank provides a prayer room.
4.	My Islamic bank's building has Islamic architecture or appearance.
5.	My Islamic bank utilises modern technology in the service provision.
6.	The mobile/internet banking system of my Islamic bank is very good.

Source: This study (2022).

Having discussed the qualitative findings relating to tangibles, the following section discusses the qualitative findings in terms of reliability, based on the participants' narratives.

5.9.2. Reliability

The participants perceived the SQ of their Islamic banks based on reliability, i.e. the company's ability to perform the promised services in accurate and dependable ways (Parasuraman et al. 1988). Against this backdrop, the participants mainly shared negative experiences, particularly in relation to transaction accuracy. For example, Yuda (Male, aged 33) shared the following experience: "*I have had a bad experience. I paid my electricity bills using my Islamic bank's e-banking system at one of the convenience store chains. The payment failed, but the bank deducted my balance and the electricity bill was not paid*". This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank makes accurate transactions."

In addition, the participants talked about negative experiences they encountered with their Islamic banks' service provision. For example, Belinda (Female, aged 36) shared the following: *"Regarding my debit card, it did not work well when I wanted to make a card*

payment. The debit card from my Islamic bank is not useful." The finding validates an item used to measure SQ in Parasuraman et al. (1991) and provides an insight into the current research by adding the following item in the SQ measurement in Chapter 6: "My Islamic bank performs services right the first time."

Based on the discussed participants' narratives, two themes emerged, one of which is new. Both themes are related to the reliability and accuracy of the services offered by the participants' Islamic banks, and these will be used to inform the SQ measurement. The reliability dimension of SQ is traditionally operationalised through five items adopted from Parasuraman et al. (1991). Therefore, a total of six items will be included in the reliability dimension to measure SQ in Chapter 6. Table 5.12 summarises the two items of reliability that emerged from the qualitative study.

Table 5.12. Summary of Reliability Items

No.	Items
1.	My Islamic bank performs the service right the first time.
2.	My Islamic bank performs accurate transactions.

Source: This study (2022).

Having discussed the qualitative reliability findings, the following section discusses the qualitative findings in relation to responsiveness, based on the participants' narratives.

5.9.3. Responsiveness

The participants perceived the SQ of their Islamic banks based on responsiveness, i.e. the service firm's willingness to assist customers and provide a prompt service (Parasuraman et al. 1988). Against this backdrop, the participants shared both positive and negative experiences that shaped their perceptions of their Islamic banks' responsiveness.

In terms of positive experiences, they talked about how good or effective the banks performed their services when solving banking-related problems, and what they felt about it. For example, Sofian (Male, aged 31) commented: "*When I went to the bank, I made a real-time gross settlement transaction, which is a quick money transfer, within two hours. They served me quite well and I felt satisfied.*" Similarly, Zakir (Male, aged 43) commented: "*The procedures and access to loans in conventional banks are very easy, it made me think of using a conventional bank instead of my Islamic bank. However, now I can see that my Islamic bank is getting better at handling my loan requests*". This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank effectively solves my banking-related problems".

The participants also shared good experiences regarding the extent to which their Islamic banks were willing to help in providing what they need. For example, Fay (Female, aged 57) commented: "*If I need my balance statement or bank reference, and if I need to know my income, they provide it quickly and correctly. They can provide what I need fast*". The finding validates an item used to measure SQ in Parasuraman et al. (1991) and provides an insight into the current research by adding the following item to the SQ measurement in Chapter 6: "Employees at my Islamic bank are always willing to help me".

In contrast, the participants also talked about the bad experiences that they had encountered with their Islamic banks, such as long waiting times. For example, Fikri (Male, aged 28) commented: "*Once I had a problem, and I tried to reach them through a phone call, but my Islamic bank was not contactable. I tried to call several times, but finally I decided to go to the bank. When I went there, their service was very bad, and it took a long time for me just to make a transfer payment to another bank. I felt bad because they did not appreciate my time. I was very upset about their services".* This finding provides insights into the current research and adds the following new item to the SQ measurement: "The service waiting time at my Islamic bank is short".

Based on the discussed participants' narratives, three themes emerged, two of which are new. These themes will be used to inform the SQ measurement, and they are are related to the functional aspects of banking institutions, particularly on how effective and prompt staff provide services. Responsiveness is traditionally operationalised through four items adopted from Parasuraman et al. (1991). Therefore, a total of six items will be included in the responsiveness dimension to measure SQ in Chapter 6. Table 5.13 summarises the three items of responsiveness that emerged from the qualitative study.

Table 5.13. Summary of Responsiveness Items

No.	Items
1.	My Islamic bank effectively solves my banking-related problems.
2.	Employees of my Islamic bank are always willing to help me.
3.	The service waiting time at my Islamic bank is short.

Source: This study (2022).

Having discussed the qualitative responsiveness findings, the following section discusses the qualitative findings in relation to assurance, based on the participants' narratives.

5.9.4. Assurance

The participants perceived the SQ of their Islamic banks based on assurance, i.e. employees' knowledge and courtesy, as well as their ability to inspire confidence and trust (Parasuraman et al. 1988). Against this backdrop, the participants shared both positive and

negative experiences that shaped their perceptions, mainly related to safety, clear communications and compliance with Islamic principles.

For the positive perceptions, the participants mentioned that they felt safe about their Islamic banks, due to employees' behaviours when providing the services. For example, Salim (Male, aged 47). He commented: "*They can explain their products very well. That makes me feel secure. The point is, if they give good services regarding the products, it will make me feel assured and comfortable".* The finding validates an item used to measure SQ in Parasuraman et al. (1991) and provides an insight into the current research by adding the following item to the SQ measurement in Chapter 6: "I feel safe in my transactions with my main Islamic bank".

The participants also expressed that their Islamic banks are run according to Islamic law, which in turn influenced their perceptions. For example, Belinda (Female, aged 36) was impressed by the way her Islamic bank treated debtors, as it was aligned with Islamic teaching: "*The bank also practices Islamic rules. For example, when debtors do not pay on time, the bank uses a different way to deal with them [collecting the debt]. I know that the Prophet Muhammad – peace be upon him – taught us to treat someone who owes us money in a good way. It feels good to see that Islamic teaching is observed in a big corporation*". This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank operates according to Islamic law".

On the other hand, the participants talked about bad experiences regarding the clarity of communications about products and services. For example, Nindya (Female, aged 30) mentioned that the insurance product that she bought from her Islamic bank was unclear, because there was no clear explanation about the product at any stage: "*Regarding education insurance for my daughter, I feel insecure because they debit the payment each month while I am confused with the insurance and I do not understand it. They send me an email every time they take the payment from my account. Sometimes, the debited amount of money is not the same as the fee that we agreed upon."* This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank communicates their products and services very clearly".

Based on the discussed participants' narratives, three themes emerged, two of which are new and related to how the participants were inspired to feel confident about their Islamic banks due to functional characteristics (i.e. safe transactions, clear communications). Meanwhile, another new theme is Sharia-related (i.e. the banks treat customers according to Islamic teaching) and novel, as it is different to how assurance is conceptualised in prior studies of service quality (Parasuraman et al., 1991; Taap, Chong, Kumar & Fong 2011; Rehman 2012; Qureshi, Khan, Zaman & Khaqan 2014; Alshurideh et al., 2017; Alam & Al-

Amri 2020). Assurance is traditionally operationalised through four items adopted from Parasuraman et al. (1991). Therefore, a total of six items will be included in the assurance dimension to measure SQ in Chapter 6. Table 5.14 summarises the three items of assurance that emerged from the qualitative study.

Table 5.14. Summary of Assurance Items

No.	Items
1.	I feel safe in my transaction with my Islamic bank.
2.	My Islamic bank communicates their products and services very clearly.
3.	My Islamic bank runs according to Islamic law.

Source: This study (2022).

Having discussed the qualitative findings relating to assurance, the following section discusses the participants' perceptions of Islamic banks' empathy.

5.9.5. Empathy

The participants considered the SQ of their Islamic banks based on empathy, i.e. personalised attention and care provided by the firm's employees (Parasuraman et al. 1988). Against this backdrop, they shared both positive and negative experiences that shaped their perceptions of their Islamic banks' empathy.

The participants talked about their experiences in terms of how their banks provided customised services and solved problems in unique ways. For example, Anto (Male, aged 36) commented: "*I took care of my father's bank account when he was sick. My Islamic bank is good at serving customers who have a special case. They even came to our house to serve us*". This finding provides insights into the current research and adds the following new item to the SQ measurement: "Employees at my Islamic bank provide customised services".

The participants also pointed out that their Islamic banks gave them personal attention. For example, Fay (Female, aged 57) commented: "*They know my birthday, they give me their attention and birthday greetings. I am happy that they know me and provide their attention*." This finding validates an item used to measure SQ in Parasuraman et al. (1991) and provides an insight into the current research by adding the following item to the SQ measurement in Chapter 6: "My Islamic bank has employees who give me personal attention".

Moreover, the participants also talked in a positive way about their Islamic banks pausing services to allow for prayer time. For example, Wirya (Male, aged 25) commented: "*What is so special for me was when it was time to salah [pray]; they paused all the transactions and*

announced to us that it was time to pray. That was one of the superior things that my Islamic bank offered when I was in the bank". This finding provides insights into the current research and adds the following new item to the SQ measurement: "My Islamic bank delays transactions at prayer times".

Based on the discussed participants' narratives, three themes emerged, two of which are new. Most of the themes emerging from the narratives are similar to how the empathy dimension is traditionally conceptualised (i.e. customised services and personal attention) (Parasuraman et al., 1991). However, one of these themes is different, as the Islamic aspect is prominent in this new item (i.e. the bank delays transactions for prayers), thus presenting novelty to the findings.

The empathy dimension of SQ is traditionally operationalised through five items adopted from Parasuraman et al. (1991). Therefore, a total of seven items will be included in the empathy dimension to measure SQ in Chapter 6. Table 5.15 summarises the three items of empathy that emerged from the qualitative study.

Table 5.15. Summary of Empathy Items

No.	Items
1.	My Islamic bank has employees who give me a personal attention.
2.	Employees of my Islamic bank provide customised services.
3.	My Islamic bank delays transactions in the prayer times.

Source: This study (2022).

Overall, the participants talked about 12 items related to the functional aspects of Islamic banks' SQ. Four items confirmed similar themes to the traditional SERVQUAL conceptualisation (Parasuraman et al., 1991) and are related to whether an Islamic bank performs the service right the first time, is always willing to help, conducts transactions safely and provides personal attention. In addition, eight new items emerged from the interviews, thereby adding new ways of perceiving SQ in the IB literature, namely ease of finding an ATM, the use of modern technology, good mobile/internet banking systems, accurate transactions, service waiting times, effective problem-solving, clear communications and customised services.

From the Islamic perspective, the participants talked about five items, four of which confirmed prior studies of SQ in the IB sector (Abdullrahim and Robson 2017; Othman and Owen 2001), namely female staff wearing a hijab and Islamic dress, the provision of a prayer room, Islamic architecture or appearance and operating according to Islamic law. Meanwhile, a new item emerged from the interviews (i.e. the bank pauses transactions at prayer times), thus adding a new way of perceiving SQ in the IB literature.

Given that, in addition to confirming and refining the scales adopted from Parasuraman et al. (1991) with the items that emerged from the in-depth interviews, this qualitative study reveals that the participants had a different way of perceiving SQ in comparison to that detailed in the traditional SQ literature (Parasuraman et al. 1991). According to the findings, not only did they perceive SQ from functional perspectives, but they also viewed it from the Islamic point of view, which is found in the tangibles, assurance and empathy dimensions. Therefore, the current research adds something new to the traditional SQ literature by identifying Islamic aspects from the participants' perspectives, in order to better understand IB customers and their relationship with their banks.

Having discussed the qualitative findings of SQ, the following section discusses trust, which is derived from the participants' narratives.

5.10. Trust

As discussed in Chapter 1, a majority of IB customers continue to believe that their banks are not truly authentic in terms of compliance with Sharia (Almahy, Al-Sahn, & Beloucif 2014). This may lead to a lack of trust, which could then trigger long-term relationship problems. However, there is a lack of research investigating what trusting an Islamic bank means to IB customers and in what sense Sharia compliance contributes to customer trust and relationship-building in Indonesia. Therefore, this qualitative study fills the gap by exploring trust.

In this section, the researcher presents the participants' narratives in terms of how they have developed trust in their Islamic banks. To do so, they were asked to describe how they defined 'trust' and to what extent they trusted their Islamic banks.

In terms of the first element, they mentioned that kindness, transparency and honesty manifest their trust in their Islamic banks, especially when it comes to how their funds are managed. For example, Zakir (Male, aged 43) commented: "*Trusting my Islamic bank makes me feel certain when I use its services. I believe that my fund is managed according to the values of kindness, transparency and honesty*." This finding validates an item used to measure trust in Chiou, Droge and Hanvanich (2002) and provides an insight into the current research by adding the following item to the trust measurement in Chapter 6: "My Islamic bank is very honest with its customers".

The participants also pointed out reliability as a driver of trust in their Islamic banks. For example, Naya (Female, aged 22) commented: "*Trust* means I can rely on them and feel safe about it." Likewise, Anita (Female, aged 27) commented: "*It is how they perform according to the original contract they offered. I only trust them if they follow the agreed*

contract or fees accordingly." This finding validates an item used to measure trust in Chiou et al. (2002) and provides an insight into the current research by adding the following item to the trust measurement in Chapter 6: "My Islamic bank is very reliable".

In addition, the participants mentioned that trust developed due to their Islamic banks' actions being inspired by good intentions. For example, Eka (Male, aged 30) commented: "*Trust means I keep my money there and they use my money for good purposes.*" This finding validates an item used to measure trust in Chiou et al. (2002) and provides an insight into the current research by adding the following item to the trust measurement in Chapter 6: "My Islamic bank acts with good intentions."

The participants also mentioned that trust was developed when their Islamic banks used their money for investment in *halal* ventures. For example, Belinda (Female, aged 36) commented: "*I know that they will use my money in the right way. They will invest the money in halal organisations or companies.*" This finding also provides insights into the current research and adds the following new item to the trust measurement in Chapter 6: "I believe that my main Islamic bank invests customers' money in good or halal ventures."

In addition, the participants' narratives highlight safety as a key element of trust in their Islamic bank. For example, Dian (Female, aged 28) believed that her Islamic bank was a safe place to deposit her money, as she recognised that it was state-owned c: "*I haven't heard about any bad issues with my Islamic bank, and it is a state-owned company, so I think it's safer [than non-state-owned banks]. If anything happens to the bank, the government or the regulator will come to the rescue. I think that's why I trust them.*" The finding validates an item used to measure trust in Hoq et al. (2010) and provides an insight into the current research by adding the following item to the trust measurement in Chapter 6: "I believe that keeping money deposits in my main Islamic bank is safe."

Moreover, the participants mentioned that the extent to which their Islamic banks are concerned with Islamic principles played an important role in increasing their trust. For example, Ida (Female, aged 33) trusted her Islamic bank because she believed that it followed Islamic rules: "*I trust them doing business according to Islamic ways. When they declared as an Islamic bank, I knew that they were following Islamic rules. That's how I trust the bank.*" In line with this point, the participants' trust in Islamic banks was described as believing that products or services were following Islamic principles. For example, Yuda (Male, aged 33) commented: "*I trust my Islamic bank, because it is one of the oldest Islamic banks in Indonesia, and I believe that my bank manages its operations [products and services] in Islamic ways.*" This finding also validates an item used to measure trust in Hoq et al. (2010) and provides an insight into the current research by adding the following item

to the trust measurement in Chapter 6: "I believe that the products and services offered by my Islamic bank are based on Islamic principles."

When discussing trust, the participants also mentioned financial performance. Wirya (Male, aged 25) mentioned that not only did compliance with Islamic financial principles matter in increasing his trust, but also good financial performance. He commented: "*If my bank complies with Islamic finance and has a good financial performance, I will trust them, I will be committed to them and be loyal to them.*" This finding also provides insights into the current research and adds the following new item to the trust measurement in Chapter 6: "I believe that my Islamic bank has good business performance."

Besides, the participants also talked about the extent to which they believed that their Islamic banks and the Sharia Supervisory Boards did their job in making the banks comply with Islamic principles. For example, Fikri (Male, aged 28) commented: "*I trust them the most because, if I am not mistaken, my Islamic bank is one of the banks that have a lower percentage of Islamic principle violations based on the Indonesia Ulema Council data. I heard about that two years ago. It shows me that they [the Sharia Supervisory Board] maintain Sharia principles professionally.*" This finding validates an item used to measure trust in Hoq et al. (2010) and provides an insight into the current research by adding the following item to the trust measurement in Chapter 6: "I believe that the Sharia Supervisory Board does its job in making sure my Islamic bank complies with Islamic principles."

Moreover, when the participants were asked about in what sense that they trusted their Islamic banks, they talked about how well they are managed. This is in line with prior studies' findings, in that trusting a bank means having confidence that it is reliable, conforms with the law and looks after customers' money and interests (Shim et al., 2013; Jarvinen 2014). For example, Edo (Male, aged 33) commented: "*I believe that this bank has good management. That's all.*" This finding also provides insights into the current research and adds the following new item to the trust measurement in Chapter 6: "I believe that my Islamic bank is under good management."

Similarly, the participants also talked about the bank's figurehead helping to build their trust. For example, Dian (Female, aged 28) commented: "*When I came to the bank, I saw many people were doing transactions. The bank is trusted, and I think they maintain a good relationship with their stakeholders. I think this has something to do with the CEO. So, the CEO is a very religious person, he initiated the zakat payment services and the prayer routines whereby he encourages the customers to pray with the staff in the congregation at prayer times.*" This finding also provides insights into the current research and adds the following new item to the trust measurement in Chapter 6: "I believe in the person who leads my Islamic bank."

Based on the discussion of the participants' narratives in this section, five themes emerged from the in-depth interviews, thereby confirming the measurement items suggested by Chiou et al. (2002) and Hoq et al. (2010). In addition, five new items emerged from the in-depth interviews and were used to inform trust measurement in the quantitative study.

Table 5.16. Summary of Trust Items

No.	Items
1.	My Islamic bank is very honest to its customers.
2.	My Islamic bank is very reliable.
3.	My Islamic bank acts with good intentions.
4.	I believe that deposits in my Islamic bank are safe.
5.	I believe that the products and services offered by my Islamic bank are based on the Islamic principles.
6.	I believe that the Sharia Supervisory Board does their jobs to make sure my Islamic bank complies with the Islamic principles.
7.	I believe that my Islamic bank invests customers' money in good or halal venues.
8.	I believe that my Islamic bank has good business performance.
9.	I believe that my Islamic bank is under a good management.
10.	I believe in the person who takes the lead of my Islamic bank.

Source: This study (2022).

According to the discussion of the participants' narratives, they mainly talked about trust according to two themes: Sharia compliance (i.e. products and services based on Islamic principles; the Sharia Supervisory Board ensuring that the bank complies with Islamic principles; bank invests in good or halal ventures) and confidence (the bank is honest, reliable, has good intentions, is safe and exhibits good business performance, management and leadership).

Items belonging to the Sharia compliance theme are broadly in line with prior studies that highlight the importance of compliance with Islamic principles in enhancing customer trust (Metwally 1996; Othman and Owen 2001; Hoq et al. 2010; Amin et al. 2013). On the other hand, those belonging to the confidence theme relate to the construct more frequently discussed in the recent literature on financial services. In this regard, prior studies (Gritten 2011 and Owens 2012) have measured confidence in items such as assurance in the people running the banks, the institutions and the financial services industry.

In summary, these findings indicate that the participants viewed trust involving their Islamic banks more comprehensively in comparison to how it is conceptualised in the traditional literature. In this case, they developed trust not only based on the confidence aspects emphasised in the traditional literature (Chiou, et al., 2002; Hoq et al., 2010), but also on Islamic compliance and confidence aspects. Although these two factors have been studied in the banking context, this qualitative study reveals them as inseparable foundations of

participants' trust. Therefore, these items provide a more comprehensive approach to measuring trust in the IB sector, and hence they are new to the literature.

Having discussed the qualitative findings relating to trust, the following section discusses commitment.

5.11. Commitment

As mentioned in Chapter 2, studies of commitment in the IB context have largely ignored the aspects that shape customers' moral and ethical values and which may affect the structure of their commitment to IB services. In other words, the underlying values, needs and interests with regards to customers' religious perspectives are yet to be explored in terms of conceptualising commitment (Sumaedi et al., 2015). Therefore, this qualitative study aims to fill this gap.

In this section, the researcher details the participants' narratives around commitment to their Islamic banks. To do so, they were asked to describe how they defined commitment and to what extent they continued to use their Islamic banks.

When the participants were requested to describe the meaning of commitment to their Islamic banks, their responses generated three themes: affective commitment, continuance commitment and normative commitment (see Chapter 2). The following paragraphs discuss these themes accordingly.

5.11.1. Affective Commitment

The participants referred to affective commitment – a relationship between a customer and a firm that is based on identification and attachment (Fullerton 2011). When they were asked about their commitment to their Islamic banks, they mentioned that they wanted to make them better by criticising poor service. For example, Farhan (Male, aged 35) commented: "*Commitment means I will criticise my Islamic bank if they provide poor services. I think that is proof of commitment as a customer of my Islamic bank, so it can keep on track.*" Likewise, Fikri (Male, aged 28) commented: "*I gave them some written advice. I wrote to them on how to increase customer satisfaction by delivering excellent service for customers, keeping smiling when servicing customers and doing little things that can impact customer satisfaction. That's why I mentioned that I am committed to them, not only by using my Islamic bank as my only Islamic account, but also by criticising the bank so they can improve their services. I hope that my Islamic bank can be a leader in the IB industry in Indonesia.*" This finding validates an item used to measure affective commitment in Fullerton (2011) and Meyer et al. (2001): "I criticise my Islamic bank when the service is poor."

Meanwhile, the participants also mentioned that their commitment to their Islamic banks was reflected by the extent to which they felt great personal meaning. In this case, what they did to their Islamic banks or IB industry, in general, reflected deep meaning for them as Muslims and their future in the Hereafter. For example, Anto (Male, aged 36) commented: "*My commitment to my Islamic bank means that I am not going to close my account there, because I have declared myself as a preacher in the Islamic economy in Indonesia. Meeting with many figures and involving myself in discussions about the Islamic economy is also part of my commitment to Islamic finance. I have never charged any fees when friends who work in Islamic banks have invited me to informal discussions. I feel happy when I can explore anything related to IB with my Islamic banker friends, because the theory and the practice are completely different. I am open to any discussions about IB with them for free, because it's part of my investment in the Hereafter. It's good to share knowledge.*" This finding validates an item used to measure affective commitment in Fullerton (2011) and Meyer et al. (2001): "My Islamic bank has a great deal of personal meaning for me."

Based on the participants' narratives, the two items of affective commitment validate the scales of affective commitment in prior studies (Fullerton 2011; Meyer et al., 2001). However, they are different in terms of how affective commitment is traditionally conceptualised, as they are influenced by the participants' Islamic values. Moreover, these items indicate a great personal meaning attributed to Islamic banks, manifesting in sharing knowledge and offering criticism in order to keep the banks moving forward. Hence, this finding contributes a new way of conceptualising affective commitment in the growing body of commitment literature.

Affective commitment was initially operationalised through four items adopted from Fullerton (2011) and Meyer et al. (2001). Therefore, a total of four items will be included in the affective commitment dimension to measure commitment in Chapter 6. Table 5.17 summarises the two affective commitment items emerging from the qualitative study.

Table 5.17. Summary of Affective Commitment Items

No.	Items
1.	I criticise my Islamic bank when the service is poor.
2.	My Islamic bank has a great deal of personal meaning for me.

Source: This study (2022).

Having discussed the qualitative findings relating to affective commitment, the following section discusses continuance commitment according to the participants' narratives.

5.11.2. Continuance Commitment

The participants referred to continuance commitment – a relationship between a customer and a firm that is based on an economic or a rational assessment, such as a cost or benefit that is encountered when maintaining or terminating the relationship (Cater & Cater 2010). In this case, the participants described that they maintained their relationships with their Islamic banks to avoid any disruption that may emerge if they switched. For example, Jaya (Male, aged 26) commented: "*I don't want to bother myself with having too many bank accounts. It could get me confused with a lot of things and a lot of amount of money in different banks. So, I just want to keep it simple*". This finding validates an item used to measure affective commitment in Fullerton (2011) and Meyer et al. (2001): "My life would be disrupted if I switched away from my main Islamic bank."

In addition, the participants kept their commitment to their Islamic banks, because they knew the cost or consequences involved, now or in the Hereafter, if they switched to another banking service, especially if they went to a conventional bank. In this case, they also indicated that they remained in relationships with their Islamic banks because they feared switching "costs", such as the psychological burden linked to spiritual factors (e.g. feeling sinful and restless about not getting receiving blessings from Allah, or the fear of punishment in the Hereafter for engaging in prohibited usury practices). For example, Belinda (Female, aged 36) commented: "*I want to give a confident answer when I am asked by God on Judgement Day about how I used my wealth. Whatever my Islamic bank does, I just think that they do it for the best. So, I just follow what they do.*"

According to the discussion above, the qualitative finding validates the item of continuance commitment suggested by Fullerton (2011) and Meyer et al. (2001). However, the disruption that the participants may experience if they switched away from their Islamic banks is related to psychological and spiritual aspects instead of the technical or functional factors traditionally conceptualised by prior studies (Fullerton 2011; Meyer et al., 2001). Hence, this finding provides an insight into a new way of conceptualising continuance commitment in the literature.

Continuance commitment was operationalised through three items adopted from Fullerton (2011) and Meyer et al. (2001). Therefore, a total of three items will be included in the continuance commitment dimension, including the item derived from this qualitative finding to measure commitment in Chapter 6. Table 5.18 summarises the item continuance commitment that emerged from the participants' narratives.

Table 5.18. Summary of Continuance Commitment Items

No.	Items
1.	My life would be disrupted if I switched away from my Islamic bank.

Source: This study (2022).

Arguably, the underlying spiritual motivation of continuance commitment is similar to the concept of normative commitment (Fullerton 2011) (See Chapter 2). Therefore, the following paragraphs discuss the participants' views on this characteristic.

5.11.3. Normative Commitment

The participants referred to normative commitment – the extent to which a customer feels obligated to continue doing business with a firm (Fullerton 2011). Against this backdrop, they shared their perceptions of their commitment to Islamic banks.

They mentioned that they felt obliged to do business with their Islamic banks because of religious reasons. For example, Belinda (Female, aged 36) commented: "*I think my commitment is there because I am obligated to stick with Islamic norms.*" This finding validates an item used to measure normative commitment in Fullerton (2011) and Meyer et al. (2001): "I feel obligated to continue doing business with my Islamic bank."

The participants also described that they were committed to their Islamic banks because of the positive things they have done for them in the past. For example, Reza (Male, aged 32) commented: "*So many good things that I have got from my Islamic bank. It's because of so many values that I have learned from that I can implement in my life. These good values have made me feel closer to the bank. Thus, I choose this bank.*" The finding validates an item used to measure normative commitment in Fullerton (2011) and Meyer et al. (2001): "I believe in being loyal to my Islamic bank, because it has done good things for me in the past."

The participants also mentioned that they would not switch away from their Islamic bank, even if they were offered something better by another Islamic institution. For example, Salman (Male, aged 55) commented: "*Actually, there were so many banks that approached me, but I ignored them. I just put my focus on my own Islamic bank, even though their performance is not very satisfying. So, that's how my commitment is built with them*." This finding also validates the item used to measure normative commitment in Fullerton (2011) and Meyer et al. (2001): "If I got a better offer from another Islamic bank, I would not think it was right to switch away from my own Islamic bank."

The participants also talked about their obligation to pay debts or loans as part of their commitment to their Islamic banks. For example, Toha (Male, aged 49) commented: "*I carry on with what has been agreed between me as a customer and the bank. I committed to seeing through my obligation to the bank. For example, if I owed money to my bank, I would need to finish the payment before the due date – and that's my obligation*." This finding also provides insights into the current research and adds the following new item to the normative commitment measurement in Chapter 6: "I should fulfil my obligation to my Islamic bank by paying my debts or loans."

Furthermore, the participants mentioned that they were committed to their Islamic banks. For example, Eka (Male, aged 30) commented: "*I am committed to Islamic banking, and I try to reduce transactions through conventional banks by using my own bank more often. As a result, I am more committed to my Islamic bank, which is reflected in the amount my balance is increasing.*" This finding also provides insights into the current research and adds the following new item to the normative commitment measurement in Chapter 6: "I feel I am committed to my Islamic bank."

Based on the participants' narratives in this section, five themes emerged from the in-depth interviews, three of which confirm the measurement items suggested by Fullerton (2011) and Meyer et al. (2001) whilst the other two are new items used to inform the normative commitment measurement in Chapter 6. Table 5.19 summarises these five items, which will be included in the quantitative study to measure normative commitment.

Table 5.19. Summary of Normative Commitment Items

No.	Items
1.	I feel obligated to continue to doing business with my Islamic bank.
2.	I believe in being loyal to my Islamic bank because it has done good things for me in the past.
3.	If I got a better offer from another Islamic bank, I would not think it right to switch away from my Islamic bank.
4.	I should fulfil my obligation to my Islamic bank (i.e., paying my debts or loans).
5.	I feel I am committed to my Islamic bank.

Source: This study (2022).

In addition to confirming the commitment scales suggested by Meyer et al. (2001) and Fullerton (2011), most of the items that emerged from the interviews reveal that the participants had a different way of perceiving normative commitment in comparison to prior studies; hence, the findings make a novel contribution to the commitment literature. In this regard, most of the participants built their commitment to Islamic banks for religious reasons, such as observing Islamic norms, fulfilling their obligation to paying loans and committing to support their Islamic banks and avoid usury practices in conventional banks.

Having discussed the qualitative findings relating to normative commitment, the following section discusses overall loyalty.

5.12. Overall Loyalty

As mentioned in Chapter 2, studies of customer loyalty in the IB context have received huge attention in the past years (see Table 2.2). However, these studies are largely quantitative, and none of them provides an in-depth understanding of customers' responses to Islamic banks' religious value systems in terms of their loyalty attitudes and behaviours in relation to their faith or ideology (Minton 2016; Shachar et al., 2011).

Hence, this current qualitative study aims to fill the gap by exploring IB customers' overall loyalty, in order to better understand how it is perceived differently from that of conceptualised for CBs. To do so, the participants were asked to describe what they understood by being loyal to an Islamic bank.

The participants mentioned that they considered themselves loyal to their Islamic banks, because they used them for all of their banking purposes. For example, Naya (Female, aged 22) commented: "Well, I only have one bank account, so I think I can consider myself a loyal customer." This finding validates the item used to measure overall loyalty in Jamal & Anastasiadou (2009): "I consider myself to be loyal to my Islamic bank."

When the participants were asked what being loyal to Islamic banks meant to them, they mentioned that they were committed by not switching to another Islamic bank or using more than one. For example, Fikri (Male, aged 28) commented: "*I am committed to my Islamic bank, and I won't open an account with another one.*" This finding also validates the item used to measure overall loyalty in Jamal & Anastasiadou (2009): "I think I am committed to my Islamic bank."

Moreover, the participants described that their loyalty was reflected in their positive conversations. For example, Toha (Male, aged 49) commented: "*For me, being loyal to my Islamic bank means that I don't say anything bad about the bank, and I always maintain its good name*". This finding validates the item used to measure overall loyalty in Zeithaml et al. (1996): "I am willing to say positive things about my Islamic bank to others".

The participants also talked about their willingness to recommend their Islamic banks to their friends and families. For example, Salim (Male, aged 47) commented: "*If there was someone who wanted to choose an Islamic bank, I would recommend mine to that person*". This finding validates the item used to measure overall loyalty in Zeithaml et al. (1996): "I

would be willing to recommend my bank to my family and relatives to do business with my Islamic bank."

Likewise, the participants mentioned that they would recommend their Islamic banks to someone who needed advice. For example, Fay (Female, aged 57) commented: "*So far, My friends have their own bank accounts, so they may not wanting to switch to another bank. But, if they asked me about my Islamic bank, I would tell them the good points, and I would promote it*". This finding validates the item used to measure overall loyalty in Zeithaml et al. (1996): "I would recommend my Islamic bank to someone seeking advice."

Furthermore, the participants mentioned that their loyalty towards their Islamic banks was reflected in their continued use of them. For example, Jaya (Male, aged 26) commented: "*Well, that's the longest I have used a bank up to now, and I think it defines my loyalty to my Islamic bank. I only use one bank, which is my Islamic bank. That also shows my loyalty. If they could fulfil all my needs, I would consider opening a second account with them*." This finding validates the item used to measure overall loyalty in Jamal & Anastasiadou (2009): "My Islamic bank would be my first choice for banking".

Moreover, most of the participants mentioned that they would be loyal to their Islamic banks if they complied with Islamic finance principles. For example, Wirya (Male, aged 25) commented: "*For me, compliance with Islamic finance principles is one clear-cut thing as to whether this bank should be considered my Islamic bank or not. If the bank has no intention of complying with Islamic principles, I won't risk using it. But if they comply with Islamic finance, I will trust them, I will commit to them and I will be loyal to them. Then, I will choose the bank that has good financial performance. By the way, Islamic finance principles are not merely about Sharia compliance in a very strict manner, but also about how they mitigate the financial crisis. It is also part of Islamic finance principles that we should not leave someone else behind, because we need to reduce inequality*." This narrative validates the item used to measure overall loyalty in Zeithaml et al. (1996): "I continue to do more business with my Islamic bank".

As discussed in Chapter 4, loyalty was operationalised through seven items adopted from Zeithaml et al. (1996) and Jamal and Anastasiadou (2009). The findings of this current qualitative study indicate that all seven items emerged from the in-depth interviews, thereby confirming the measures suggested by Zeithaml et al. (1996) and Jamal and Anastasiadou (2009). According to the participants' narratives, seven themes emerged and will be added to inform the loyalty measurement in Chapter 6. Table 5.20 summarises the seven items of overall loyalty.

Table 5.20. Summary of Overall Loyalty Items

No.	Items
1.	I consider myself to be loyal to my Islamic bank.
2.	My Islamic bank would be my first choice for my banking.
3.	I think I am committed to my Islamic bank.
4.	I am willing to say positive things about my Islamic bank to others.
5.	I am willing to recommend family and relatives to do business with my Islamic bank.
6.	I recommend my Islamic bank to someone who seeks advice.
7.	I continue to do more business with my Islamic bank.

Source: This study (2022).

In addition, the narratives revealed that most of the participants perceived their loyalty to Islamic banks mainly based on religious values and Sharia compliance. This finding adds novelty to the literature on loyalty in the IB sector, as prior studies did not involve customers' faith systems or their responses to Islamic banks and how they deal with religion (Minton 2016).

5.13. Summary of Chapter

Chapter Five has discussed the findings of the qualitative study. This chapter provides a comprehensive analysis and interpretation of qualitative data (i.e., participants' narratives) which produced key themes that emerged from all constructs and its dimensions in question (i.e., IBL, religiosity, SBC, CBR, SQ, trust, commitment, and overall loyalty). Moreover, measurement items emerged from the themes which were used to validate the items adopted from the existing literature of the corresponding constructs. Some emerged themes are new and incorporated in the study to refine the proposed measurement scales to be tested in Chapter 6. In addition to that, the qualitative findings helped the researcher to better understand the participants in describing all variables in question as well as to identify the novelty and distinguish the findings from the prior studies. Having discussed the findings from the qualitative study, the following chapter discusses the quantitative study and its results.

Chapter 6 Quantitative Study & Findings

6.1. Introduction

This chapter presents, in two sections, the results of the data analysis. In the first section, descriptive statistics are employed to illustrate three elements, namely demographic profiles, bank usage patterns and the criteria used by the research participants when choosing an Islamic bank. The second part describes the structural equation modelling (SEM) analyses used herein, namely exploratory factor analysis (EFA), measurement model estimation (CFA) and structural model estimation. Finally, a summary concludes the chapter.

6.2. Descriptive Analysis

6.2.1. Demographic Profiles of the Participants

Table 6.1 highlights the demographic profiles of the participants in terms of gender, age, education and occupation. The largest age group was made up of those aged 26-35 (53.6%), followed by the 36-45 age group (22.8%), age group 18-25 (14.2%), age group 46-55 (8%) and those who were aged over 55 (1.4%). The majority of the sample in this study were aged between 26 and 55 (84.4%), which is relatively in line with Indonesian population statistics (Central Intelligence Agency 2019), in that they represent 42.44% of the country's populace.

Regarding the latest education level, more than half of the participants had postgraduate qualifications (51.2%). Meanwhile, 36.7% of the sample were university graduates or had earned a Bachelor degree, 5.2% had earned a doctoral degree, 3.1% a diploma, 3.1% finished high school or lower, while 0.7% earned other qualifications. Table 6.1 also shows that the distribution of participants' occupations varied. The largest group identified themselves as a teacher/lecturer/teaching staff (37%). The remainder were students (13.8%), a professional or senior manager (9.7%), clerical staff (9.7%), self-employed (8%), technical staff (6.9%), a housewife/househusband (6.2%), a doctor/dentist/nurse (2.4%), a retired/pensioner (0.7%) and others, such as a civil servant, a researcher, a journalist, etc. (5.5%).

The majority of the participants were identified as postgraduates and worked in the educational sector (i.e. teacher, lecturer and teaching staff). This is plausible, because this study employed convenience sampling, and the researcher herself belongs to both the

postgraduate population and the higher educational sector in Indonesia. Hence, these specific respondents were conveniently available to participate in the study.

Regarding gender, the research participants were predominantly females (53.6%), who also belonged to the largest age group in this study (aged 26-55). This figure does not match with the latest Indonesian census (Central Intelligence Agency 2018) stating that the majority of the Indonesian population in the largest age group (25-54 years) were males (51%) instead of females (49%). This finding is plausible, because the majority of the participants were identified as teacher/lecturer/teaching staff and students, most of whom were females, as reported in Table 6.2.

Furthermore, Table 6.1 includes monthly household income, the domicile and the marital status of the participants. The statistics show that 30.4% of the participants earned a monthly household income of 2-4 million Rupiahs, followed by those who earned over 6 million Rupiahs monthly (28.4%) and 5-6 million Rupiahs monthly (20.8%). Meanwhile, only 8% earned less than 2 million Rupiah per month. The remaining participants preferred not to disclose their monthly household income (12.5%). These statistics are in line with the Indonesian household disposable income report (Euromonitor International 2011), which indicates that Indonesia has a young demographic profile with the majority of the population (60.8%) aged below 35. People in the 30-34 age group had the highest average gross income in 2011, at 3.2 million Rupiahs monthly. Table 6.1 also shows that almost half of the participants earned a monthly income of 5-6 million and over 6 million Rupiahs combined (49.2%). The statistics are also matched by the 2011 Indonesian income report, in that the number of middle-class consumers had risen quickly, while household monthly disposable income stood at over 5 million Rupiahs (Euromonitor International 2011).

Regarding domiciles, almost half of the participants indicated that they reside in Jakarta, the capital of Indonesia (48.1%). Other participants indicated that they live in other cities located on Java and Sumatra, which are the most populated islands in Indonesia. The remaining participants reside either in other cities outside Java and Sumatera islands or abroad. These statistics represent the distribution of Islamic bank customers in Indonesia, as indicated by the distribution of third-party funds being mostly concentrated in Jakarta province, followed by other provinces in Java, Sumatra, Borneo, Sulawesi, Bali, Papua, other islands and abroad (Sharia Banking Statistics 2019).

As illustrated in Table 6.1, more than half of the participants indicated that they are married and have children (53.3%), whilst the rest are single (24.2%), married with no children (13.8%), unmarried (6.2%), divorced (1.4%) or other (0.7%).

Table 6.1. Demographic Profiles of the Participants

Demographic Variables	Category	Research Sample (n = 289)	
		Frequency	Percentage
Age	18-25	41	14.2
	26-35	155	53.6
	36-45	66	22.8
	46-55	23	8
	Above 55	4	1.4
Education	High school or below	9	3.1
	Diploma	9	3.1
	University graduate	106	36.7
	Postgraduate	148	51.2
	PhD/Doctoral degree	15	5.2
	Others	2	0.7
Occupation	Student	40	13.8
	Housewife/househusband	18	6.2
	Doctor/dentist/nurse	7	2.4
	Teacher/lecturer/teaching staff	107	37
	Professional/senior management employee	28	9.7
	Clerical staff	28	9.7
	Technical staff	20	6.9
	Retired/pensioner	2	0.7
	Self-employed	23	8
	Others	16	5.5
Gender	Male	134	46.4
	Female	155	53.6
Monthly Household Income	Less than 2 million Rupiahs	23	8
	2-4 million Rupiahs	88	30.4
	5-6 million Rupiahs	60	20.8
	Over 6 million Rupiahs	82	28.4
	Prefer not to say	36	12.5
Domicile	Jakarta	139	48.1
	Others	150	51.9
Marital Status	Single	70	24.2
	Married and have no children	40	13.8
	Married and have children	154	53.3
	Divorced	4	1.4
	Unmarried	18	6.2
	Others	2	0.7

Source: This research (2022).

Table 6.2. Occupation and Gender Crosstabulation (Frequency)

Occupation	Gender (Frequency)	
	Male	Female
Student	12	**20**
Housewife/househusband	1	17
Doctor/dentist/nurse	2	5
Teacher/lecturer/teaching staff	46	**61**
Professional/senior management employee	21	7
Clerical staff	10	12
Technical staff	15	5
Retired/pensioner	1	1
Self-employed	11	8
Others	15	19

Source: This research (2022).

Moreover, Table 6.2 shows that among the female participants, most were identified as teachers, lecturers or teaching staff (61 people), followed by students (20 people), housewives (17 people), clerical staff (12 people), self-employed (eight people), professionals or senior managers (seven people), doctors, dentists or nurses (five people), technical staff (five people), retirees or pensioners (one person) and others (19 people).

Similarly, most of the male participants were identified as teachers, lecturers or teaching staff (46 people). However, the figures for other occupations were different compared to those for the female participants: professionals or senior managers (21 people), technical staff (15 people), students (12 people), self-employed (11 people), clerical staff (ten people), doctors, dentists, or nurses (two people), retirees or pensioners (one person), househusband (one person) and others (15 people).

6.2.2. Bank Usage Patterns

Table 6.3 shows bank usage patterns which, namely the type of bank with which the participants had an account, and how long they had been a customer of an Islamic bank. The findings indicate that the majority of the participants (77.2%) banked with both Islamic and conventional banks, and almost half of them had been using an Islamic bank for between 1 and 5 years when the interviews took place. With regards to participants who solely used Islamic banks for their banking activities, some of them used more than one institution. Hence, to anticipate these participants who banked with more than one Islamic bank, when they were filling out the survey, they were requested to refer their responses to the bank they considered their main one.

Usage patterns were investigated to explore the customer loyalty-related issues mentioned in Chapter 1. Accordingly, Table 6.3 corroborates prior studies that highlight the fierce competition and loyalty-related issues facing Islamic banks in most countries within both

Islamic and conventional banking markets (Naser & Moutinho 1997; Kamarulzaman & Madun 2013; Jan 2018), particularly in the past 5-10 years.

Table 6.3. Bank Usage Patterns

Bank Usage Patterns	Categories	Research Sample (n=289)	
		Frequency	Percentage
Type(s) of bank(s) with which an account(s) is held	Islamic bank only.	66	22.8
	Islamic and conventional banks.	**223**	**77.2**
Length of time an Islamic bank account has been held	Less than a year.	33	11.4
	1-5 years.	**139**	**48.1**
	6-10 years.	73	25.3
	More than 10 years.	42	14.5

Source: This research (2022).

6.2.3. Islamic Bank Selection Criteria

Participants were also requested to rate a selection of Islamic bank criteria based on their importance, using a 7-Point Likert scale (ranging from Least Important to Most Important). Table 6.4 reports that seven out of 12 criteria were rated 7 (Most Important) by the majority of the participants, including religious reasons, i.e. adherence to Islam (60.6%), quality of services (56.4%), the reputation of the bank (53.6%), convenience (52.9%), availability of ATMs (49.5%), low service charges (43.6%) and friendliness of bank staff (40.8%). Recommendations from others, competitive profit-sharing rates and adequate banking hours were rated 5 (Moderately Important) by the majority of the participants. Meanwhile, the availability of special services was mostly rated 4 (Neutral), and the availability of credit was rated 1 (Least Important) by the majority of the participants.

Table 6.4. Islamic Banking Criteria Based on Its Importance

Islamic Banking Criteria	Importance Rate (in Percentage) (7 = Most Important; 1 = Least Important)						
	7	6	5	4	3	2	1
Religious reasons (adherence to Islam)	**60.6**	14.2	7.6	9	2.1	2.8	3.5
Quality of services	**56.4**	21.8	13.1	5.2	0.7	-	1.4
Reputation of bank	**53.6**	27.7	11.4	3.8	1	0.7	1
Convenience	**52.9**	24.9	13.1	5.9	1.4	0.7	0.3
Availability of ATMs	**49.5**	22.5	14.9	4.5	4.2	2.4	1.7
Low service charges	**43.6**	22.8	15.6	12.5	2.4	1.7	1
Friendliness of bank staff	**40.8**	26.6	17.6	7.3	3.5	1.4	2.4
Competitive profit-sharing rate	9	11.8	**24.9**	21.1	11.8	9.3	11.8
Adequate banking hours	23.5	26	**24.9**	13.5	5.2	4.2	2.8
Recommendation from others	8.7	16.6	**23.9**	21.8	10.4	5.9	12.5
Availability of special services	15.2	11.4	23.5	**24.9**	9.3	8	7.3
Availability of credit	8	9.3	14.5	20.4	13.1	10.4	**23.5**

Source: This research (2022).

6.3. Exploratory Factor Analysis

Exploratory factor analysis (EFA) in this research was conducted initially to reduce the given number of factors and items and to check whether the data were suitable for confirmatory

factor analysis (Hair et al. 2010). To that end, Kaiser-Meyer-Olin (KMO) values were tested, signifying the variance proportion in each factor, and factor loading values were also examined (Hair et al. 2010). EFA was conducted using an SPSS maximum likelihood extraction method, along with the Varimax with Kaiser normalisation rotation method, on 289 complete datapoints to consider the measurement items and factors employed to predict eight proposed latent variables in the further analyses, namely IBL, religiosity, SBC, CBR, service quality, trust, commitment and overall loyalty.

Among the eight proposed constructs, three of them were multidimensional, following the adopted literature, i.e. CBR (Walsh and Beatty 2007; Turker 2009), service quality (Parasuraman et al. 1991) and commitment (Fullerton 2011; Meyer et al. 2001). On the other hand, the remaining constructs were unidimensional: IBL (Disney & Gathergood 2013; Lusardi & Tufano 2015), religiosity (Worthington et al. 2003; Jamal and Sharifuddin 2015), SBC (Escalas & Bettman 2003), trust (Chiou, Droge & Hanvanich 2002) and overall loyalty (Zeithaml et al. 1996; Jamal & Anastasiadou 2009).

In this research, CBR was initially composed of five dimensions, namely customer orientation (four items), good employer (three items), reliable and financially strong company (four items), product and service quality (nine items) and social and environmental responsibility (seven items). All of these dimensions (excluding good employer) and a number of the items were merged and are confirmed in the qualitative findings (see Chapter 5).

Service quality was initially composed of five dimensions, following the study of Parasuraman et al. (1991), i.e. tangibles (10 items), reliability (six items), responsiveness (six items), assurance (six items) and empathy (seven items). All of these dimensions and a number of the items were merged and are confirmed in the qualitative findings (see Chapter 5).

Commitment was initially composed of three dimensions, following the study of Fullerton (2011), namely affective commitment (four items), continuance commitment (three items) and normative commitment (five items). All of these dimensions (excluding continuance commitment) and a number of the items were merged and are confirmed in the qualitative findings (see Chapter 5).

With regards to the unidimensional constructs, the items were partially merged and are confirmed in the qualitative findings (see Chapter 5). These constructs are IBL, SBC, trust and loyalty. IBL was initially composed of four items, following the studies of Disney & Gathergood (2013) and Lusardi & Tufano (2015). SBC was initially composed of seven items, following the study of Escalas & Bettman (2003). Trust was initially composed of 12 items, following the study of Chiou, Droge & Hanvanich (2002), and loyalty was initially

composed of seven items, following the studies of Zeithaml et al. (1996) and Jamal & Anastasiadou (2009).

Meanwhile, religiosity, which was initially operationalised as unidimensional, was divided into two themes (i.e. intrapersonal religiosity and interpersonal religiosity) in the qualitative findings (see Chapter 5). Therefore, intrapersonal religiosity was composed of six items, while interpersonal religiosity was composed of five items.

Given these findings, the conceptual framework of this research consisted of eight constructs, 19 factors and 115 measurement items. The following paragraphs will discuss the EFA results for each construct.

6.3.1. Islamic Banking Literacy

Islamic banking literacy (IBL) was grouped into one factor. The results in Table 6.5 demonstrate good statistical values for the Islamic banking literacy construct, i.e. KMO = 0.828 (sig. .000), variance = 77.19 per cent and Cronbach's Alpha = 0.899. These results indicate that all four IBL items were grouped into one factor with satisfying values, and thus they were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.5. EFA Results of Islamic Banking Literacy.

Factor	Scale Items	Factor Loadings	Statistical Values
Islamic Banking Literacy	When I am shown information about an Islamic banking agreement (e.g., Mudaraba, Musharaka or Mudaraba), I feel confident that I understand how this instrument works (IBL1).	0.882	KMO: 0.828
	Islamic banking products and services are easy to understand and clear to me (IBL2).	0.874	Variance: 77.19%
	I regularly read about Islamic banking products and services (IBL3).	0.848	Alpha: 0.899
	Overall, my knowledge about Islamic banking products and services is very good (IBL4).	0.909	

Source: This research (2022).

6.3.2. Religiosity

Religiosity was divided into two factors, namely intrapersonal religiosity and interpersonal religiosity. The results in Table 6.6 demonstrate good statistical values for the religiosity construct i.e. KMO = 0.861 (sig. .000), variance = 81.65 per cent and Cronbach's Alpha = 0.889. These results indicate that all religiosity items were divided into two factors with satisfying values, and thus they were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.6. EFA Results of Religiosity.

Factors	Scale Items	Factor Loadings	Statistical Values
Intrapersonal Religiosity	The holy Quran and Hadith are my guidance (INREL1).	0.887	
	My religious beliefs lie behind my whole approach to life (INREL3).	0.848	
	Islam is especially important to me because it answers many questions about the meaning of life (INREL4).	0.926	
	Islam helps me with guidance to a good life prospect in the Hereafter (INREL5).	0.900	KMO: 0.861 Variance: 81.65% Alpha: 0.889
	I avoid performing something that is prohibited in Islam (INREL7).	0.651	
Interpersonal Religiosity	I actively involve myself in the preaching activities (INTEREL1).	0.890	
	I enjoy spending time with others of my religious affiliation (INTEREL3).	0.894	
	I enjoy participating in the activities of my religious organisation (INTEREL4).	0.908	

Source: This research (2022).

6.3.3. Self-Brand Connection

Self-brand connection (SBC) was grouped into one factor. The results in Table 6.7 demonstrate good statistical values for the self-brand connections construct, in that KMO = 0.908 (sig. .000), variance = 71.09 per cent and Cronbach's Alpha = 0.932. These results indicate that all seven SBC items were grouped into one factor with satisfying values, and thus they were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.7. EFA Results of Self-Brand Connections.

Factor	Scale Items	Factor Loadings	Statistical Values
Self-Brand Connections	My Islamic bank reflects who I am (SBC1).	0.833	
	I can identify with my Islamic bank (SBC2).	0.888	
	I can feel a personal connection with my Islamic bank (SBC3).	0.867	
	I use my Islamic bank to communicate who I am to others (SBC4).	0.853	KMO: 0.908
	I think my Islamic bank helps me to become the type of person I want to be (SBC5).	0.840	Variance: 71.09% Alpha: 0.932
	I consider my Islamic bank to be me (it reflects who I consider myself to be or the way I want to present myself to others) (SBC6).	0.903	
	My Islamic bank suits me well (SBC7).	0.703	

Source: This research (2022).

6.3.4. Customer-Based Corporate Reputation

Customer-based corporate reputation (CBR) was divided into three factors, namely social & environmental responsibility, competence and customer and employee orientation. Competence was the result of merging two factors, i.e. a reliable and financially strong company and product and service quality. Meanwhile, customer and employee orientation also involved merging two factors, namely customer orientation and good employer. The results in Table 6.8 demonstrate good statistical values for the CBR construct, namely KMO = 0.951 (sig. .000), variance = 76.54 per cent and Cronbach's Alpha = 0.961. These results indicate that all CBR items were divided into three factors with satisfying values and thus were entitled to be included in the further analysis (i.e. measurement model and structural model estimations).

Table 6.8. EFA Results of Customer-Based Corporate Reputation.

Factors	Scale Items	Factor Loadings	Statistical Values
Social & Environmental Responsibility	My Islamic bank would reduce its profits to ensure a clean environment (SER1).	0.725	
	My Islamic bank is environmentally responsible (SER2).	0.831	
	My Islamic bank supports good causes (SER3).	0.828	
	My Islamic bank emphasizes the importance of its social responsibilities to the society (SER4).	0.827	
	My Islamic bank contributes to campaigns and projects that promote the well-being of the society (SER5).	0.825	
	My Islamic bank endeavours to create employment opportunities (SER6).	0.740	
	My Islamic bank acts ethically on all matters (SER7).	0.789	
Competence	My Islamic bank clearly outperforms competitors (RFSC1).	0.717	
	My Islamic bank recognizes and takes advantage of market opportunities (RFSC2).	0.738	KMO: 0.951
	My Islamic bank has strong prospects for future growth (RFSC3).	0.778	Variance: 76.54%
	My Islamic bank has a strong financial performance (RFSC4).	0.793	Alpha: 0.961
	My Islamic bank offers high quality products and services (PSQ1).	0.822	
	My Islamic bank develops innovative services (PSQ3).	0.812	
Customer & Employee Orientation	My Islamic bank has employees who treat customers courteously (CO1).	0.598	
	My Islamic bank is really concerned about its customers' needs/problems (CO2).	0.778	
	My Islamic bank treats its customers fairly (CO3).	0.776	
	My Islamic bank handles customers' complaints very well (CO4).	0.790	
	My Islamic bank maintains high standards in the way that it treats its employees (GE1).	0.786	

Source: This research (2022).

6.3.5. Service Quality

Service quality was populated by five dimensions, namely tangibles, reliability, responsiveness, assurance and empathy. Each of these dimensions was grouped into one factor with satisfying statistical results. The results in Table 6.9 demonstrate good statistical values for each service quality dimension.

Tangibles was grouped into one factor with KMO = 0.790 (sig. .000), variance = 63.93 per cent and Cronbach's Alpha = 0.872. Reliability was grouped into one factor with KMO = 0.872 (sig. .000), variance = 76 per cent and Cronbach's Alpha = 0.937. Responsiveness was grouped into one factor with KMO = 0.897 (sig. .000), variance = 71.78 per cent and Cronbach's Alpha = 0.926. Assurance was grouped into one factor with KMO = 0.839 (sig. .000), variance = 71.04 per cent and Cronbach's Alpha = 0.906. Empathy was grouped into one factor with KMO = 0.915 (sig. .000), variance = 70.91 per cent and Cronbach's Alpha = 0.935.

These results indicate that all items belonging to these service quality dimensions were entitled for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.9. EFA Results of Service Quality.

Factors	Scale Items	Factor Loadings	Statistical Values
Tangibles	My Islamic bank has modern-looking equipment (TAN1).	0.884	
	My Islamic bank's physical facilities are visually appealing (TAN2).	0.899	KMO: 0.790 Variance: 72.45%
	Materials associated with the services of my Islamic bank (such as pamphlets or statements) are visually appealing (TAN4).	0.798	Alpha: 0.872
	My Islamic bank utilises modern technology in the service provision (TAN9).	0.820	
Reliability	When my Islamic bank promises to do something by a certain time, it does so (REL1).	0.865	
	When I have a problem, my Islamic bank shows a sincere interest in solving it (REL2).	0.886	KMO: 0.872
	My Islamic bank performs the service right the first time (REL3).	0.908	Variance: 76%
	My Islamic bank provides its services at the time it promises to do so (REL4).	0.920	Alpha: 0.937
	My Islamic bank insists on error-free records (REL5).	0.868	
	My Islamic bank performs accurate transactions (REL6).	0.777	
Responsiveness	Employees of my Islamic bank tell me exactly when services will be performed (RES1).	0.865	
	Employees of my Islamic bank give me prompt services (RES2).	0.900	KMO: 0.897
	Employees of my Islamic bank are always willing to help me (RES3).	0.872	Variance: 77.39%
	Employees of my Islamic bank are never too busy to respond to my requests (RES4).	0.876	Alpha: 0.926
	My Islamic bank effectively solves my banking-related problems (RES6).	0.885	
Assurance	The employees' behaviours of my Islamic bank instil confidence in me (ASSU1).	0.877	
	Employees of my Islamic bank are consistently courteous (ASSU3).	0.871	KMO: 0.839 Variance:
	Employees of my Islamic bank have the knowledge to answer my questions (ASSU4).	0.908	78.24% Alpha:
	My Islamic bank communicates their products and services very clearly (ASSU5).	0.882	0.906
Empathy	My Islamic bank gives me an individual attention (EMPA1).	0.849	
	My Islamic bank has operating hours convenient to all its customers (EMPA2).	0.790	
	My Islamic bank has employees who give me personal attention (EMPA3).	0.916	KMO: 0.898 Variance:
	My Islamic bank has my best interests at heart (EMPA4).	0.927	70.71% Alpha:
	Employees of my Islamic bank understand my specific needs (EMPA5).	0.912	0.909
	My Islamic bank delays transactions in the prayer times (EMPA7).	0.607	

Source: This research (2022).

6.3.6. Trust

Trust was grouped into one factor. The results in Table 6.10 demonstrate good statistical values for the trust construct, namely KMO = 0.899 (sig. .000), variance = 81.85 per cent and Cronbach's Alpha = 0.955. These results indicate that all six trust items were grouped into one factor with satisfying values, and thus they were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.10. EFA Results Trust.

Factor	Scale Items	Factor Loadings	Statistical Values
Trust	My Islamic bank is truly concerned with Islamic principles (TRU5).	0.873	KMO: 0.899 Variance: 81.85% Alpha: 0.955
	I believe the products and services offered by my Islamic bank are based on Islamic principles (TRU7).	0.932	
	I believe that the Sharia Supervisory Board does their jobs to make sure my Islamic bank complies with the Islamic principles (TRU8).	0.927	
	I believe that my Islamic bank invests customers' money in good or *halal* venues (TRU9).	0.917	
	I believe in the person who takes the lead of my Islamic bank (TRU10).	0.922	
	I believe that my Islamic bank has good business performance (TRU12).	0.854	

Source: This research (2022).

6.3.7. Commitment

Commitment was divided into two factors, namely affective commitment and reinforced commitment. Reinforced commitment was the merging of two factors, i.e. continuance commitment and normative commitment. The results in Table 6.11 demonstrate good statistical values for the commitment construct, namely KMO = 0.871 (sig. .000), variance = 79.76 per cent and Cronbach's Alpha = 0.904. These results indicate that all commitment items were divided into two factors with satisfying values, and thus they were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.11. EFA Results of Commitment.

Factors	Scale Items	Factor Loadings	Statistical Values
Affective Commitment	I feel emotionally attached to my Islamic bank (AC1).	0.915	
	My Islamic bank has a great deal of personal meaning for me (AC2).	0.907	
	I feel a strong sense of identification with my Islamic bank (AC3).	0.891	
Reinforced Commitment	My life would be disrupted if I switched away from my Islamic bank now even if I wanted to (CC2).	0.874	KMO: 0.871 Variance: 79.76% Alpha: 0.904
	It would be too costly for me to switch from my Islamic bank now (CC3).	0.825	
	I feel obligated to continue to doing business with my Islamic bank (NC1).	0.723	
	If I got a better offer from another Islamic bank, I would not think it right to switch away from my Islamic bank (NC3).	0.730	

Source: This research (2022).

6.3.8. Overall Loyalty

Overall loyalty was grouped into one factor. The results in Table 6.12 demonstrate good statistical values for the overall loyalty construct, namely KMO = 0.863 (sig. .000), variance = 71.33 per cent and Cronbach's Alpha = 0.931. These results indicate that all overall loyalty items were grouped into one factor with satisfying values, and thus they were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations).

Table 6.12. EFA Results of Overall Loyalty.

Factor	Scale Items	Factor Loadings	Statistic Values
Overall Loyalty	I consider myself to be loyal to my Islamic bank (LOY1).	0.792	
	My Islamic bank would be my first choice for my banking needs (LOY2).	0.831	
	I think I am committed to my Islamic bank (LOY3).	0.874	KMO: 0.863
	I am willing to say positive things about my Islamic bank to others (LOY4).	0.850	Variance:
	I am willing to recommend family and relatives to do business with my Islamic bank (LOY5).	0.869	71.33%
	I recommend my Islamic bank to someone who seeks advice (LOY6).	0.858	Alpha: 0.931
	I continue to do more business with my Islamic bank (LOY7).	0.835	

Source: This research (2022).

After conducting the EFA, 19 factors were reduced down to 16 factors, and the number of items was reduced from 115 to 82, due to low factor loading values (below 0.50) and cross-loading, in order to improve the statistical measures. Problematic items with correlations greater than 0.85 were also excluded from the analysis (Kline 2011), thereby producing reduced numbers of factors (16 to 13) and scale items (82 to 42) (see Table 6.13). Overall, the EFA results shown in Tables 6.5 to 6.12 demonstrate good statistical values for each predicted construct or factor with all KMO values = above 0.70 (sig. .000), total variance = above 60 per cent and Cronbach's Alpha = above 0.80. Hence, these items and constructs/factors were deemed fit for inclusion in the further analysis (i.e. measurement model and structural model estimations). The items deleted after EFA are summarised in the Appendix.

6.4. Structural Equation Modelling (SEM)

6.4.1. Measurement Model Estimation (Confirmatory Factor Analysis)

The CFA was conducted after completing the EFA, to confirm whether the remaining scale items significantly load to the corresponding factors. Estimations of the measurement model were conducted through a confirmatory factor analysis (CFA), using Amos 25 software with the maximum likelihood (ML) method. At this stage, the researcher included all latent variables in the model and assigned the measurement items to each latent variable (Hair et al. 2010). Moreover, additional measures were examined before testing the causal model, namely reliability, validity and goodness-of-fit indices (GFIs).

Two reliability tests were performed to ensure that both internal and composite reliability were established. Internal reliability refers to the stability of the scale items when measuring the constructs (Bryman 2012), whereas composite reliability (CR) is the internal consistency of a latent construct (Fornell and Larcker 1981). Good internal reliability is indicated by Cronbach's Alpha (α) values greater than 0.70 (Anderson and Gerbing 1988), and good CR is indicated by CR scores over 0.70 (Hair et al., 2010). Tables 6.13 to 6.20 demonstrate that both the Cronbach's Alpha and CR for each factor were over the cut-off values. Hence, these results indicate that internal reliability and CR were established.

Furthermore, two validity tests were conducted to ensure that both convergent and discriminant validity were established. Convergent validity was tested to ensure that the items for a specific factor or construct contributed a good proportion of variance (Hair et al. 2010) by examining whether each item met the cut-off value (0.50) or provided a higher factor loading (Anderson and Gerbing 1988), and whether each factor met the acceptable (over 0.50) average variance extracted (AVE) value (Fornell and Larcker 1981). The findings in Tables 6.13 to 6.20 indicate that each item was significantly (at p<.001 level)

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loaded on its corresponding factor with strong factor loading over 0.50. Tables 6.13 to 6.20 also show that AVE values were greater than the cut-off point of 0.50. Therefore, convergent validity was established.

Discriminant validity was also tested to examine whether the research constructs were well explained by the corresponding indicators. According to the literature, discriminant validity can be established in three ways: if the correlations between latent variables are below 0.85 (Kline 2011); if the maximum shared variance (MSV) values are lower than the AVE values (Hair et al. 2010) and if the square root of the AVE values is higher than inter-construct correlations (Fornell and Larcker 1981). The findings in Tables 6.13 to 6.20 reveal that the MSV value of each factor was lower than the corresponding AVE value. Additionally, Table 6.21 shows that the correlations between constructs were below 0.85, while the square root of AVE values (presented in bold) was above the inter-construct correlations. Therefore, discriminant validity was established.

6.4.1.1. Islamic Banking Literacy

Islamic banking literacy (IBL) consists of three items which were grouped into one factor. The results shown in Table 6.13 indicate that IBL established good internal reliability and CR with Cronbach's Alpha (α) = 0.899 and CR = 0.903, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.793 (item 3) to 0.885 (item 4) – as reported in Table 6.13. Additionally, discriminant validity was established in three ways: MSV = 0.289 was lower than AVE = 0.699 (see Table 6.13), the correlations between Islamic banking literacy and other constructs were below 0.85, ranging from 0.27 to 0.54 (see Table 6.21), and the square root of AVE = 0.84 was higher than the inter-construct correlations (see Table 6.21).

Table 6.13. CFA Results of Islamic Banking Literacy

Factor/Items	Factor Loading	α	CR	AVE	MSV
Islamic Banking Literacy		0.899	0.903	0.699	0.289
When I am shown information about an Islamic banking agreement (e.g., mudaraba, musharaka, or murabaha), I feel confident that I understand how this instrument works (IBL1).	0.838				
Islamic banking products and services are easy to understand and clear to me (IBL2).	0.826				
I regularly read about Islamic banking products and services (IBL3).	0.793				
Overall, my knowledge about Islamic banking products and services is very good (IBL4).	0.885				

Source: This research (2022).

6.4.1.2. Religiosity

Religiosity was divided into two factors: intrapersonal religiosity and interpersonal religiosity. With regards to intrapersonal religiosity, three items were grouped into this construct. The results shown in Table 6.14 indicate that intrapersonal religiosity established good internal reliability and CR with Cronbach's Alpha (α) = 0.904 and CR = 0.953, respectively. For validity, convergent validity was established, indicated by high factor loadings ranging from 0.821 (item 1) to 0.977 (item 2) – as reported in Table 6.14. Additionally, discriminant validity was established in three ways: MSV = 0.278 was lower than AVE = 0.827 (see Table 6.14), the correlations between intrapersonal religiosity and other constructs were below 0.85, ranging from 0.10 to 0.53 (see Table 6.21), and the square root of AVE = 0.91 was higher than the inter-construct correlations (see Table 6.21).

With regards to interpersonal religiosity, three items were grouped into this construct. The results shown in Table 6.14 indicate that interpersonal religiosity established good internal reliability and CR with Cronbach's Alpha (α) = 0.916 and CR = 0.920, respectively. For validity, convergent validity was established, indicated by high factor loadings ranging from 0.797 (item 1) to 0.941 (item 2), as reported in Table 6.14. Additionally, discriminant validity was established in three ways: MSV = 0.278 was lower than AVE = 0.795 (see Table 6.14), correlations between interpersonal religiosity and other constructs were below 0.85, ranging from 0.22 to 0.53 (see Table 6.21), and the square root of AVE = 0.90 was higher than inter-construct correlations (see Table 6.21).

Table 6.14. CFA Results of Religiosity

Factors/Items	Factor Loading	α	CR	AVE	MSV
Intrapersonal Religiosity		0.904	0.953	0.827	0.278
The Holy Quran and Hadith are my guidance (INREL1).	0.821				
My religious beliefs lie behind my whole approach to life (INREL3).	0.977				
Islam helps me with guidance to a good life prospect in the Hereafter (INREL5).	0.924				
Interpersonal Religiosity		0.916	0.920	0.795	0.278
I actively involve myself in the preaching activities (INTEREL1).	0.797				
I enjoy spending time with others of my religious affiliation (INTEREL3).	0.941				
I enjoy participating in the activities of my religious organisation (INTEREL4).	0.929				

Source: This research (2022).

6.4.1.3. Self-Brand Connection

Self-brand connection (SBC) consisted of three items grouped into one factor. The results shown in Table 6.15 indicate that SBC established good internal reliability and CR with Cronbach's Alpha (α) = 0.898 and CR = 0.900, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.806 (item 1) to 0.942 (item 3), as reported in Table 6.15. Additionally, discriminant validity was established in three ways: MSV = 0.450 was lower than AVE = 0.751 (see Table 6.15), correlations between SBC and other constructs were below 0.85, ranging from 0.16 to 0.67 (see Table 6.21), and the square root of AVE = 0.87 was higher than the inter-construct correlations (see Table 6.21).

Table 6.15. CFA Results of Self-Brand Connection

Factor/Items	Factor Loading	α	CR	AVE	MSV
Self-Brand Connection		0.898	0.900	0.751	0.450
I can identify with my Islamic bank (SBC2).	0.806				
I use my Islamic bank to communicate who I am to others (SBC4).	0.846				
I consider my Islamic bank to be me (it reflects who I consider myself to be or the way I want to present myself to others) (SBC6).	0.942				

Source: This research (2022).

6.4.1.4. Customer-Based Corporate Reputation

After conducting EFA, customer-based corporate reputation (CBR), which consists of five factors (customer orientation, good employer, reliable and financially strong company, product and service quality, social & environmental responsibility), was divided into three factors: social and environmental responsibility, competence and customer and employee orientation (see section 6.3.4). Therefore, for the sake of this research, only these three CBR dimensions were included in further analysis. With regards to social and environmental responsibility, three items were grouped into this construct.

The results shown in Table 6.16 indicate that social and environmental responsibility established good internal reliability and CR with Cronbach's Alpha (α) = 0.946 and CR = 0.946, respectively (Anderson and Gerbing 1988, Hair et al. 2010). In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.921 (item 1) to 0.929 (item 3), as reported in Table 6.16. Additionally, discriminant validity was established in three ways: MSV = 0.534 was lower than AVE = 0.854 (see Table 6.16), correlations between social and environmental responsibility and other constructs were

below 0.85, ranging from 0.28 to 0.73 (see Table 6.21), and the square root of AVE = 0.92 was higher than inter-construct correlations (see Table 6.21).

With regards to competence, four items were grouped into this construct. The results shown in Table 6.16 indicate that competence established good internal reliability and CR with Cronbach's Alpha (α) = 0.920 and CR = 0.921, respectively. In terms of validity, convergent validity was established, as indicated by high factor loadings ranging from 0.835 (item 1) to 0.909 (item 3), as reported in Table 6.16. Additionally, discriminant validity was established in three ways: MSV = 0.587 was lower than AVE = 0.745 (see Table 6.16), correlations between competence and other constructs were below 0.85, ranging from 0.23 to 0.73 (see Table 6.21), and the square root of AVE = 0.86 was higher than the inter-construct correlations (see Table 6.21).

With regards to customer and employee orientation, four items were divided into this construct. The results shown in Table 6.16 indicate that customer and employee orientation established good internal reliability and CR with Cronbach's Alpha (α) = 0.930 and CR = 0.931, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.837 (item 4) to 0.912 (item 3), as reported in Table 6.16. Additionally, discriminant validity was established in three ways: MSV = 0.627 was lower than AVE = 0.771 (see Table 6.16), correlations between the customer and employee orientation and other constructs were below 0.85, ranging from 0.22 to 0.79 (see Table 6.21), and the square root of AVE = 0.88 was higher than the inter-construct correlations (see Table 6.21).

Table 6.16. CFA Results of Customer-Based Corporate Reputation

Factors/Items	Factor Loading	α	CR	AVE	MSV
Social & Environmental Responsibility		0.946	0.946	0.854	0.534
My Islamic bank supports good causes (SER3).	0.921				
My Islamic bank emphasized the importance of its social responsibilities to the society (SER4).	0.923				
My Islamic bank contributes to campaigns and projects that promote the well-being of the society (SER5).	0.929				
Customer & Employee Orientation		0.930	0.931	0.771	0.627
My Islamic bank is really concerned about its customers' needs/problems (CO2).	0.874				
My Islamic bank treats its customers fairly (CO3).	0.888				
My Islamic bank handles customers' complaints very well (CO4).	0.912				
My Islamic bank maintains high standards in the way it treats its employees (GE1).	0.837				
Competence		0.920	0.921	0.745	0.587
My Islamic bank has strong prospects for future growth (RFSC3).	0.835				
My Islamic bank has a strong financial performance (RFSC4).	0.864				
My Islamic bank offers high quality products and services (PSQ1).	0.909				
My Islamic bank develops innovative services (PSQ3).	0.843				

Source: This research (2022).

6.4.1.5. Service Quality

After conducting EFA (see Table 6.9), service quality was further divided into two factors, due to item deletions: tangibles and empathy (see Table 6.17). Therefore, for the sake of this research, only two service quality dimensions were included in further data analysis. With regards to tangibles, three items were grouped into this construct. The results shown in Table 6.17 indicate that tangibles established good internal reliability and CR with Cronbach's Alpha (α) = 0.855 and CR = 0.862, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.761 (item 3) to 0.911 (item 2), as reported in Table 6.17. Additionally, discriminant validity was established in three ways: MSV = 0.360 was lower than AVE = 0.676 (see Table 6.17), correlations between tangibles and other constructs were below 0.85, ranging from 0.27 to 0.60 (see Table 6.21), and the square root of AVE = 0.82 was higher than the inter-construct correlations (see Table 6.21).

With regards to empathy, three items were grouped into this construct. The results shown in Table 6.17 indicate that empathy established good internal reliability and CR with Cronbach's Alpha (α) = 0.943 and CR = 0.944, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.880 (item 1) to

0.960 (item 2), as reported in Table 6.17. Additionally, discriminant validity was established in three ways: MSV = 0.627 was lower than AVE = 0.848 (see Table 6.17), correlations between empathy and other constructs were below 0.85, ranging from 0.25 to 0.79 (see Table 6.21), and the square root of AVE = 0.92 was higher than the inter-construct correlations (see Table 6.21).

Table 6.17. CFA Results of Service Quality

Factors/Items	Factor Loading	α	CR	AVE	MSV
Tangibles		0.855	0.862	0.676	0.360
My Islamic bank has modern-looking equipment (TAN1).	0.787				
My Islamic bank physical facilities are visually appealing (TAN2).	0.911				
Materials associated with the services of my Islamic bank (such as pamphlets or statements) are visually appealing (TAN4).	0.761				
Empathy		0.943	0.944	0.848	0.627
My Islamic bank has employees who give me a personal attention (EMPA1).	0.880				
My Islamic bank has my best interests at heart (EMPA4).	0.960				
Employees of my Islamic bank understand my specific needs (EMPA5).	0.921				

Source: This research (2022).

6.4.1.6. Trust

Trust consisted of three items grouped into one factor. The results shown in Table 6.18 indicate that trust established good internal reliability and CR with Cronbach's Alpha (α) = 0.933 and CR = 0.935, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.903 (item 1) to 0.919 (item 2), as reported in Table 6.18. Additionally, discriminant validity was established in three ways: MSV = 0.462 was lower than AVE = 0.826 (see Table 6.18), correlations between trust and other constructs were below 0.85, ranging from 0.25 to 0.68 (see Table 6.21), and the square root of AVE = 0.91 was higher than the inter-construct correlations (see Table 6.21).

Table 6.18. CFA Results of Trust

Factor/Items	Factor Loading	α	CR	AVE	MSV
Trust		0.933	0.935	0.826	0.462
I believe that the Sharia Supervisory Board does their jobs to make sure my Islamic bank complies with the Islamic principles (TRU8).	0.903				
I believe that my Islamic bank invests customers' money in good or halal venues (TRU9).	0.919				
I believe in the person who takes the lead of my Islamic bank (TRU10).	0.905				

Source: This research (2022).

6.4.1.7. Commitment

After conducting EFA, commitment was divided into two factors: affective commitment and reinforcement commitment. With regards to affective commitment, three items were grouped into this construct. The results shown in Table 6.19 indicate that affective commitment established good internal reliability and CR with Cronbach's Alpha (α) = 0.953 and CR = 0.953, respectively. In relation to validity, convergent validity was established, indicated by high factor loadings ranging from 0.919 (item 1) to 0.953 (item 3), as reported in Table 6.19. Additionally, discriminant validity was established in three ways: MSV = 0.411 was lower than AVE = 0.630 (see Table 6.19), correlations between affective commitment and other constructs were below 0.85, ranging from 0.22 to 0.67 (see Table 6.21), and the square root of AVE = 0.93 was higher than the inter-construct correlations (see Table 6.21).

With regards to reinforced commitment, three items were grouped into this construct. The results shown in Table 6.19 indicate that reinforced commitment established good internal reliability and CR with Cronbach's Alpha (α) = 0.830 and CR = 0.836 respectively. In relation to validity, convergent validity was established indicated by high factor loadings ranging from 0.728 (item 3) to 0.854 (item 1) as reported in Table 6.19. Additionally, discriminant validity was established in three ways: MSV = 0.411 was lower than AVE = 0.630 (see Table 6.19), the correlations between reinforced commitment and other constructs were below 0.85 ranging from 0.10 to 0.64 (see Table 6.21), and the square root of AVE = 0.79 was higher than the inter-construct correlations (see Table 6.21).

Table 6.19. CFA Results of Commitment

Factors/Items	Factor Loading	α	CR	AVE	MSV
Affective Commitment		0.953	0.953	0.870	0.450
I feel emotionally attached to my Islamic bank (AC1).	0.919				
My Islamic bank has a great deal of personal meaning for me (AC2).	0.926				
I feel a strong sense of identification with my Islamic bank (AC3).	0.953				
Reinforced Commitment		0.830	0.836	0.630	0.411
My life would be disrupted if I switched away from my Islamic bank (CC2).	0.854				
It would be too costly for me to switch from my Islamic bank now (CC3).	0.795				
If I got a better offer from another Islamic bank, I would not think it was right to switch away from my Islamic bank (NC3).	0.728				

Source: This research (2022).

6.4.1.8. Overall Loyalty

Overall loyalty consists of three items which were grouped into one factor. The results shown in Table 6.20 indicate that overall loyalty established good internal reliability and CR with Cronbach's Alpha (α) = 0.932 and CR = 0.926, respectively. In terms of validity, convergent validity was established, indicated by high factor loadings ranging from 0.865 (item 1) to 0.932 (item 2), as reported in Table 6.20. Additionally, discriminant validity was established in three ways: MSV = 0.429 was lower than AVE = 0.807 (see Table 6.20), correlations between customer loyalty and other constructs were below 0.85, ranging from 0.22 to 0.66 (see Table 6.21), and the square root of AVE = 0.90 was higher than the inter-construct correlations (see Table 6.21).

Table 6.20. CFA Results of Overall Loyalty

Factor/Items	Factor Loading	α	CR	AVE	MSV
Overall Loyalty		0.932	0.926	0.807	0.429
I am willing to say positive things about my Islamic bank to others (LOY4).	0.865				
I am willing to recommend family and relatives to do business with my Islamic bank (LOY5).	0.932				
I recommend my Islamic bank to someone who seeks advice (LOY6).	0.897				

Source: This research (2022).

Overall, the 13 factors (IBL, intrapersonal religiosity, interpersonal religiosity, SBC, social & environmental responsibility, competence, customer & employee orientation, tangibles, empathy, trust, affective commitment, reinforced commitment and overall loyalty) demonstrated adequate reliability and validity – as indicated by the establishment of internal reliability, CR, convergent validity and discriminant validity (Tables 6.13 to 6.20).

Table 6.21. Inter-Construct Correlations and Square Root of AVE

Constructs	1	2	3	4	5	6	7	8	9	10	11	12	13
1. IB_Literacy	**0.84**												
2. Intra_Religiosity	0.27	**0.91**											
3. Inter_Religiosity	0.47	0.53	**0.9**										
4. Self-BrandConn.	0.41	0.16	0.42	**0.87**									
5. Soc_Env_Resp.	0.52	0.28	0.37	0.42	**0.92**								
6. Competence	0.48	0.23	0.26	0.38	0.73	**0.86**							
7. Cust_Emp_Orie	0.33	0.26	0.22	0.31	0.65	0.77	**0.88**						
8. Tangibles	0.49	0.28	0.27	0.46	0.57	0.6	0.59	**0.82**					
9. Empathy	0.35	0.25	0.26	0.41	0.61	0.61	0.79	0.57	**0.92**				
10. Trust	0.32	0.26	0.25	0.37	0.62	0.64	0.68	0.48	0.6	**0.91**			
11. Affec_Commit	0.54	0.22	0.4	0.67	0.67	0.6	0.54	0.56	0.57	0.6	**0.93**		
12. Reinf_Commit	0.4	0.1	0.36	0.54	0.56	0.49	0.38	0.4	0.43	0.33	0.64	**0.79**	
13. Overall_Loyal	0.5	0.26	0.29	0.47	0.63	0.61	0.57	0.57	0.56	0.62	0.66	0.56	**0.9**

Source: This research (2022).

In addition to the reliability and validity tests, goodness-of-fit indices (GFIs) were also examined, in order to measure whether the items and factors assigned to a measurement model would produce a good model fit. The following paragraphs discuss the extent to which the measurement model was indicated by the goodness of fit indices.

The present research assessed the fitness of measurement model, using several goodness of fit indices and following the guidelines for acceptable levels of GFIs (Hu and Bentler 1999; MacDonald and Marsh 1990; Greenspoon and Saklofske 1998; Forza and Filippini 1998). As specified in Table 6.22, these included Chi-Square/df (CMIN/df), the comparative fit index (CFI), the goodness of fit indices (GFIs), the root mean square error of approximation (RMSEA), the p-value for the test of close fit (PCLOSE) and the Tucker-Lewis index (TLI).

Table 6.22. Goodness-of-Fit Indices

Measure	Thresholds
Chi-square/df (CMIN/df)	< 3 good fit; < 5 sometimes acceptable.
CFI	> 0.95 good fit; 0.90 adequate fit; > 0.80 sometimes acceptable.
GFI	> 0.95 good fit; 0.90 adequate fit; > 0.80 acceptable.
RMSEA	< 0.05 good fit; 0.05-0.08 adequate fit; > 0.10 poor fit.
PCLOSE	> 0.05 good fit.
TLI	> 0.95 good fit; 0.90 adequate fit.

Sources: Hu and Bentler (1999); MacDonald and Marsh (1990); Greenspoon and Saklofske (1998); Forza and Filippini (1998).

The results demonstrate that the required levels of GFIs as listed in Table 6.22 were achieved: Chi-Square (χ^2/df) = 1.729 (Tabachnik and Fidell 2007, Kline 2005), RMSEA = 0.050 (Steiger 2007), PCLOSE = 0.448, TLI = 0.946 (McDonald and Marsh 1990, Sharma

et al. 2005), CFI = 0.953 (Wheaton et al. 1977, Byrne 1989, p. 55). Although GFI = 0.832 was slightly lower than the recommended cut-off of 0.95 (Miles and Shevlin 1998), it is considered acceptable (Greenspoon and Saklofske 1998, Forza and Filippini 1998). Consequently, the measurement model met the required criteria of the goodness-of-fit indices. Based on these CFA results, it can be concluded that the measurement model provided evidence of good reliability, validity and model fit. Having discussed the CFA results for each research construct, the following section examines structural model estimation and the results.

6.4.2. Structural Model Estimation

After conducting a thorough inspection through numerous analyses (i.e. EFA, CFA and model fit), a structural model estimation was performed to examine a causal model consisting of 18 hypotheses (see Figure 6.1). The following paragraphs present the results for the hypotheses testing, while the summary in Table 6.23 demonstrates that 15 out of the 18 hypotheses were supported and three were not so.

Figure 6.1. Model of Islamic Bank's Customer Loyalty in Indonesia
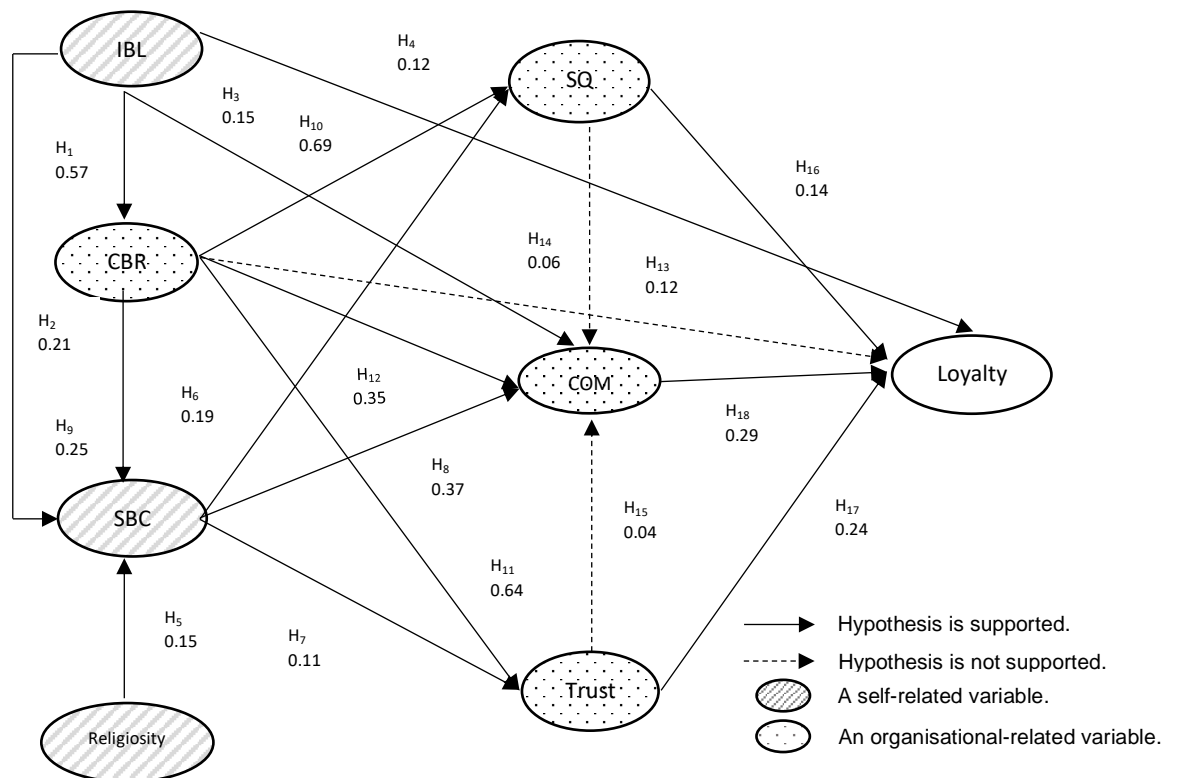
CBR: Customer-based corporate reputation; SBC: Self-brand connection; SQ: Service quality; IBL: Islamic banking literacy. Source: This research (2022).

Hypothesis 1 (H₁) tested whether IBL has a positive relationship with CBR. The structural model estimation result demonstrates that H_1 is **supported** with a p-value < 0.001 and a

standardised coefficient (β) = 0.57. This result confirms that a significant positive relationship exists between IBL and CBR in this research context.

Hypothesis 2 (H$_2$) tested whether IBL has a positive relationship with SBC. The structural model estimation result demonstrates that H$_2$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.21. This result confirms that a significant positive relationship exists between IBL and SBC in this research context.

Hypothesis 3 (H$_3$) tested whether IBL has a positive relationship with commitment. The structural model estimation result demonstrates that H$_3$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.15. This result confirms that a significant positive relationship exists between IBL and commitment in this research context.

Hypothesis 4 (H$_4$) tested whether IBL has a positive relationship with loyalty. The structural model estimation result demonstrates that H$_4$ is **supported** with a p-value < 0.05 and a standardised coefficient (β) = 0.12. This result confirms that a significant positive relationship exists between IBL and loyalty in this research context.

Hypothesis 5 (H$_5$) tested whether religiosity has a positive relationship with SBC. The structural model estimation result demonstrates that H$_5$ is **supported** with a p-value < 0.05 and a standardised coefficient (β) = 0.15. This result confirms that a significant positive relationship exists between religiosity and SBC in this research context.

Hypothesis 6 (H$_6$) tested whether SBC has a positive relationship with SQ. The structural model estimation result demonstrates that H$_6$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.19. This result confirms that a significant positive relationship exists between SBC and SQ in this research context.

Hypothesis 7 (H$_7$) tested whether SBC has a positive relationship with trust. The structural model estimation result demonstrates that H$_7$ is **supported** with a p-value < 0.05 and a standardised coefficient (β) = 0.11. This result confirms that a significant positive relationship exists between SBC and trust in this research context.

Hypothesis 8 (H$_8$) tested whether SBC has a positive relationship with commitment. The structural model estimation result demonstrates that H$_8$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.37. This result confirms that a significant positive relationship exists between SBC and commitment in this research context.

Hypothesis 9 (H$_9$) tested whether CBR has a positive relationship with SBC. The structural model estimation result demonstrates that H$_9$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.25. This result confirms that a significant positive relationship exists between CBR and SBC in this research context.

Hypothesis 10 (H$_{10}$) tested whether CBR has a positive relationship with SQ. The structural model estimation result demonstrates that H$_{10}$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.69. This result confirms that a significant positive relationship exists between CBR and SQ in this research context.

Hypothesis 11 (H$_{11}$) tested whether CBR has a positive relationship with trust. The structural model estimation result demonstrates that H$_{11}$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.64. This result confirms that a significant positive relationship exists between CBR and trust in this research context.

Hypothesis 12 (H$_{12}$) tested whether CBR has a positive relationship with commitment. The structural model estimation result demonstrates that H$_{12}$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.35. This result confirms that a significant positive relationship exists between CBR and commitment in this research context.

Hypothesis 13 (H$_{13}$) tested whether CBR has a positive relationship with loyalty. The structural model estimation result demonstrates that H$_{13}$ is **not supported**. This result confirms that a significant positive relationship does not exist between CBR and loyalty in this research context.

Hypothesis 14 (H$_{14}$) tested whether SQ has a positive relationship with commitment. The structural model estimation result demonstrates that H$_{14}$ is **not supported**. This result confirms that a significant positive relationship does not exist between SQ and commitment in this research context.

Hypothesis 15 (H$_{15}$) tested whether trust has a positive relationship with commitment. The structural model estimation result demonstrates that H$_{15}$ is **not supported**. This result confirms that a significant positive relationship does not exist between trust and commitment in this research context.

Hypothesis 16 (H$_{16}$) tested whether SQ has a positive relationship with loyalty. The structural model estimation result demonstrates that H$_{16}$ is **supported** with a p-value < 0.05 and a standardised coefficient (β) = 0.14. This result confirms that a significant positive relationship exists between SQ and loyalty in this research context.

Hypothesis 17 (H$_{17}$) tested whether trust has a positive relationship with loyalty. The structural model estimation result demonstrates that H$_{17}$ is **supported** with a p-value < 0.001 and a standardised coefficient (β) = 0.24. This result confirms that a significant positive relationship exists between trust and loyalty in this research context.

Hypothesis 18 (H$_{18}$) tested whether commitment has a positive relationship with loyalty. The structural model estimation result demonstrates that H$_{18}$ is **supported** with a p-value <

0.001 and a standardised coefficient (β) = 0.29. This result confirms that a significant positive relationship exists between commitment and loyalty in this research context.

Table 6.23. Results of Hypotheses Testing

Hypothesized Path	Standardized Regression Weights (β)	Critical Ratio (t-value)	Results
H_1 (+) IBL → CBR	0.57	8.958***	Supported
H_2 (+) IBL → SBC	0.21	3.258***	Supported
H_3 (+) IBL → Commitment	0.15	3.383***	Supported
H_4 (+) IBL→ Loyalty	0.12	2.480**	Supported
H_5 (+) Religiosity → SBC	0.15	2.632**	Supported
H_6 (+) SBC → SQ	0.19	4.617***	Supported
H_7 (+) SBC → Trust	0.11	2.312**	Supported
H_8 (+) SBC → Commitment	0.37	8.193***	Supported
H_9 (+) CBR → SBC	0.25	4.169***	Supported
H_{10} (+) CBR → SQ	0.69	17.068***	Supported
H_{11} (+) CBR → Trust	0.64	13.996***	Supported
H_{12} (+) CBR → Commitment	0.35	5.004***	Supported
H_{13} (+) CBR → Loyalty	0.12	1.574	Not Supported
H_{14} (+) SQ → Commitment	0.06	0.942	Not Supported
H_{15} (+) Trust → Commitment	0.04	0.667	Not Supported
H_{16} (+) SQ → Loyalty	0.14	2.190**	Supported
H_{17} (+) Trust → Loyalty	0.24	4.252***	Supported
H_{18} (+) Commitment → Loyalty	0.29	5.262***	Supported

Note: ***$p < 0.001$ (sig.); **$p < 0.05$ (sig.); *$p < 0.1$ (sig.)

CBR: Customer-based corporate reputation; SBC: Self-brand connection; SQ: Service quality; IBL: Islamic banking literacy.

Source: This research (2022).

In addition to the causal relationship (hypotheses) testing, goodness-of-fit indices (GFIs) were also examined, in order to measure whether the structural model would produce a good model fit. The following paragraph highlights the extent to which the structural model was indicated by the goodness of fit indices.

The results reported in Table 6.24 demonstrate that the GFIs adequately support a good fit to the proposed structural model (see Figure 6.1) – according to the GFI thresholds shown in Table 6.22. The results suggest that the required levels of GFIs were achieved, indicated by Chi-square/df (CMIN/df) = 2.068, CFI = 0.991, GFI = 0.984, AGFI = 0.938, PCLOSE = 0.283 and TLI = 0.973. Although RMSEA = 0.061 was slightly higher than the cut-off of 0.05 for a good fit, it is considered a moderate fit (Hu and Bentler 1999, MacDonald and Marsh 1990, Greenspoon and Saklofske 1998, Forza and Filippini 1998).

Table 6.24. Model Fit Summary

Fit Indices	Values	Goodness-of-fit Adequacy
Chi-square/df (CMIN/df)	2.068	Good
CFI	0.991	Good
GFI	0.984	Good
AGFI	0.938	Good
RMSEA	0.061	Adequate
PCLOSE	0.283	Good
TLI	0.973	Good

Source: This research (2022).

Having tested the structural model illustrated in Figure 6.1, a structural estimation of a modified model was conducted, to improve statistical measures and model fit compared with the initial model. A second structural model was estimated, to examine whether better statistical measures and model fit could be produced under modified hypotheses testing. The modified structural model consists of only 15 hypotheses as three "not supported" variable relationships in the initial model were excluded from the modified model. These omitted variable relationships included the connection between CBR and loyalty, service quality and commitment and trust and commitment. Results for the second model testing are summarised in Table 6.25, demonstrating that all 15 hypotheses were supported.

Table 6.25. Results for Second Model Testing

Hypothesized Path	Standardized Regression Weights (β)	Critical Ratio (t-value)	Results
H_1 (+) IBL → CBR	0.47	8.958***	Supported
H_2 (+) IBL → SBC	0.21	3.258**	Supported
H_3 (+) IBL → Commitment	0.16	3.419***	Supported
H_4 (+) IBL → Loyalty	0.13	2.720**	Supported
H_5 (+) Religiosity → SBC	0.15	2.632**	Supported
H_6 (+) SBC → SQ	0.19	4.617***	Supported
H_7 (+) SBC → Trust	0.11	2.312**	Supported
H_8 (+) SBC → Commitment	0.38	8.843***	Supported
H_9 (+) CBR → SBC	0.25	4.169***	Supported
H_{10} (+) CBR → SQ	0.69	17.068***	Supported
H_{11} (+) CBR → Trust	0.64	13.996***	Supported
H_{12} (+) CBR → Commitment	0.42	9.177***	Supported
H_{13} (+) SQ → Loyalty	0.19	3.557***	Supported
H_{14} (+) Trust → Loyalty	0.28	5.506***	Supported
H_{15} (+) Commitment → Loyalty	0.32	5.919***	Supported
Note: ***$p < 0.001$ (sig.); **$p < 0.05$ (sig.)			

CBR: Customer-based corporate reputation; SBC: Self-brand connection; SQ: Service quality; IBL: Islamic banking literacy. Source: This research (2022).

In addition to causal relationship (hypotheses) testing, GFIs were also examined, to measure whether the structural model would produce a good model fit. The following paragraph discusses the extent to which the structural model was indicated by the goodness of fit indices.

The results reported in Table 6.26 demonstrate that the GFIs adequately support a good fit to the modified structural model (see Figure 6.2), according to the relevant thresholds shown in Table 6.22. The results suggest that the required levels of GFI were achieved, indicated by Chi-square/df (CMIN/df) = 1.889, CFI = 0.991, GFI = 0.981, AGFI = 0.942, PCLOSE = 0.356 and TLI = 0.977. Although RMSEA = 0.056 was slightly higher than the cut-off of 0.05 for a good fit, it is considered a moderate fit (Hu and Bentler 1999, MacDonald and Marsh 1990, Greenspoon and Saklofske 1998, Forza and Filippini 1998).

Table 6.26. Model Fit Summary

Fit Indices	Values	Goodness-of-fit Adequacy
Chi-square/df (CMIN/df)	2.068	Good
CFI	0.991	Good
GFI	0.984	Good
AGFI	0.938	Good
RMSEA	0.061	Adequate
PCLOSE	0.283	Good
TLI	0.973	Good

Source: This research (2022).

After conducting two structural model estimations (illustrated in Figures 6.1 6.2), the next step was to compare the results of both models. The results clearly demonstrate that the modified structural model mostly produced better-standardised hypothesis coefficients (β), namely H_3 (increased to 0.16) and H_4 (increased to 0.13), H_8 (increased to 0.38), H_{12} (increased to 0.42), H_{13} (increased to 0.19), H_{14} (increased to 0.28) and H_{15} (increased to 0.32).

Likewise, most of the GFI measures were improved, namely Chi-Square/df (improved to 1.889), AGFI (improved to 0.942), PCLOSE (improved to 0.356), TLI (improved to 0.977) and RMSEA (improved to 0.056). Given these better results, the second model was established herein as the final model for Islamic bank customer loyalty in Indonesia (Figure 6.2).

Figure 6.2. Final Model of Islamic Bank's Customer Loyalty in Indonesia
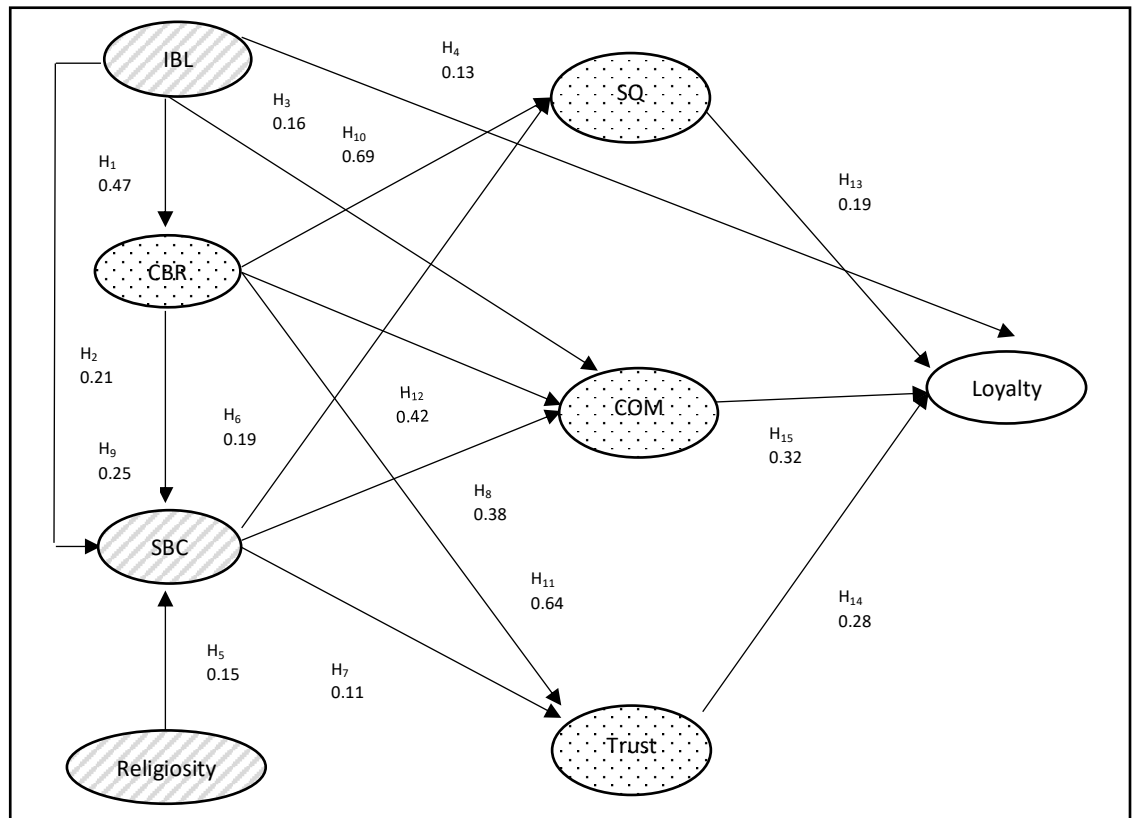
CBR: Customer-based corporate reputation; SBC: Self-brand connection; SQ: Service quality; IBL: Islamic banking literacy.

→ Hypothesis is supported.

⬯ A self-related variable.

⬯ An organisational-related variable.

Source: This research (2022).

Having established the final model in the present research (see Figure 6.2), R Square will be discussed to examine the extent to which the variation of a dependent variable is explained by the independent variable(s) in the final Islamic bank customer loyalty model for Indonesia. The R Square values shown in Table 6.27 indicate the following: a 52 per cent variation in loyalty is explained by commitment, trust, service quality and IBL, a 57 per cent variation in commitment is explained by CBR, SBC and IBL, a 60 per cent variation in service quality is explained by CBR and SBC, a 48 per cent variation in trust is explained by CBR and SBC, a 21 per cent variation in SBC is explained by CBR, IBL and religiosity and a 22 per cent variation in CBR is explained by IBL.

In addition, Figure 6.2 demonstrates the loyalty model and the β weights, illustrating the unique strength of relationships between both independent and dependent variables. Accordingly, commitment is the strongest predictor of loyalty (β = 0.32), followed by trust (β

= 0.28) and service quality (β = 0.19). In terms of commitment, CBR is identified as the strongest predictor of commitment (β = 0.42), followed by SBC (β = 0.38) and IBL (β = 0.16). CBR is the strongest predictor of trust (β = 0.64), followed by SBC (β = 0.11). In terms of SQ, CBR is identified as the strongest predictor of SQ (β = 0.69), followed by SBC (β = 0.19). In addition, CBR is also found as the strongest predictor of SBC (β = 0.25), followed by IBL (β = 0.21) and religiosity (β = 0.15). Therefore, commitment and CBR are the most important factors in customer loyalty to Islamic banking services among Indonesian Muslims.

Table 6.27. Squared Multiple Correlations (R Square)

Construct	R Square
Customer-Based Corporate Reputation	0.22
Self-Brand Connections	0.21
Trust	0.48
Service Quality	0.60
Commitment	0.57
Loyalty	0.52

Source: This research (2022).

6.5. Summary of Chapter

Chapter 6 has discussed the findings of the quantitative phase of the current research, as well as provided descriptive statistics in terms of the participants' demographic profiles, bank usage patterns and Islamic bank selection criteria. In addition, it has discussed the findings of the exploratory factor analysis (EFA) and detailed the reliability and validity of the measurement scales used in this research. The use of EFA on the eight constructs helped to reduce the original 115 items and 19 factors down to 42 items and 13 factors. This chapter also presented and discussed two structural equation modelling (SEM) approaches, namely measurement model estimation, using confirmatory factor analysis (CFA), and structural model estimation. The CFA results demonstrated good statistical measures, illustrating good reliability, validity and goodness-of-fit indices (GFIs) for the measurement model. With regards to the structural model estimation, two models were estimated and compared, in order to help obtain the optimal model fit. The results demonstrated that the modified model produced better-standardised coefficients (β) of the hypotheses and goodness-of-fit adequacy, compared to the initial model. This modified model consisted of 15 hypotheses, all of which were supported and indicated good measures (i.e. standardised regression weights, p-value and GFI). Having discussed the findings from the quantitative study, the following chapter (Chapter 7 – Discussion) examines the rationale behind and justifications for the findings generated by both the qualitative and the quantitative studies.

Chapter 7 Discussion of Findings

7.1. Introduction

The chapter aims to discuss the research findings presented in Chapter 5 and Chapter 6 in the context of the reviewed literature presented in Chapter 2. The discussion focuses on elaborating the pattern of Islamic bank usage and addressing Research Questions 1 to 3 (see Chapter 1) presented in sections 7.2-7.5, respectively. Section 7.2 discusses the pattern of Islamic bank usage based on both qualitative and quantitative findings. Section 7.3 discusses the customer loyalty patterns and the factors that drive it among IB customers in Indonesia based on the qualitative findings. Based on the quantitative findings, sections 7.4 and 7.5 discuss the effects of self-related and ORV on customer loyalty to Islamic banks in Indonesia. Finally, section 7.6 provides a summary to conclude the chapter.

7.2 The Pattern of Islamic Bank Usage

The participants' responses from both qualitative and quantitative studies indicate that they had been banking with their Islamic banks for a year to five years when the data was collected. Aligned with the customer loyalty literature (Tabrani et al., 2018; Suhartanto et al., 2018; Shabbir et al., 2018; Thaker et al., 2019), these findings may imply that the participants were reasonably loyal to Islamic banks.

Regarding the motivations, the qualitative and quantitative findings point to the fact that the primary motivation for selecting IBs was religious related. These findings validate the prior studies in the area of the selection criteria of IBs (Kaakeh, Hassan & Almazor 2018; Usman et al., 2017; Echchabi & Olaniyi 2012; Haque et al., 2009; Gait & Worthington 2008; Amin & Isa 2008; Karim & Affif 2006; Naser et al., 1999; Metawa & Almossawi 1998) suggesting that there was a positive relationship between a religious-related motivation and a customers' intention to use Islamic banks. For example, Kaakeh et al. (2018) found that the most significant motivation to deal with IBs was that the customers strove to practice their religion. Thus, they used IBs that were perceived as Islamic (i.e., promoting a Sharia-compliant banking system) instead of CBs that promote usury (Riba). Moreover, about half of the participants believed that quality of services, bank reputation and convenience were among the most important criteria they considered when selecting an IB after the religious aspect (i.e., adherence to Islam).

However, these findings may not reflect a true loyalty towards an IB as the qualitative finding reveals that only 40% of the participants held a sole account with an IB, whilst 60% of whom

used a CB simultaneously with an IB. Moreover, the quantitative data reveals that only 22.8% of the participants held a sole account with an IB, whilst 77.2% of whom held accounts with both IB and CB. These findings reflect past research (Wilson et al., 2013) suggesting that only a small number of IB customers in Indonesia were genuinely loyal and had switched totally from CBs to IBs. These customers used both types of banks concurrently and banked more frequently with CBs than with IBs (Wilson et al., 2013).

One possible explanation for this tendency could be a lack of awareness or misperceptions about IB's abilities to communicate an image conformed to participants' expectations regarding Sharia-compliant products and services. This is plausible as the current research's participants indicated that quality of services or products and bank reputation came after adherence to Islam when asked about the most critical criteria in selecting IBs (see Chapter 6 Table 6.4). Thus, when the participants are not aware and have misperceptions of an IB's services quality and Sharia-compliant reputation, their evaluations of an IB may be highly affected and may dilute the tendency to choose an IB or to treat it as their only bank (Levesque & McDougall 1996).

Moreover, the findings of this study support the notion that IB customers appear to compare the performance and evaluations of product and service offerings by both IBs and CBs. This notion is in line with the confirmation paradigm, in that customers compare the performance, expectations, and evaluations of products and services (Goode & Moutinho 1995). Customers whose expectations or essential selection criteria are met by their banks' product or service offerings tend to repurchase them regularly and try line extensions (East 1997). In this case, IB customers do not acknowledge religious reason (i.e., adherence to Islam) as the sole determinant for choosing and keep patronising an IB because they also consider other factors that trigger IB customers to compare the performance and evaluations of CBs (Mansour 2019). For example, customers who pay close attention to Sharia-compliant services and the reputation of an IB were doubtful about the authenticity of the Halal financial services that Islamic banks offer and the banks' ability to provide high-quality Sharia-compliant services (Tara 2014). Therefore, the current findings indicate that there were primary selection criteria that were not met by IB (i.e., quality of services, bank reputation and convenience) that induced the participants to operate CBs simultaneously with IBs.

In support of the current findings, prior studies have examined that a bank's selection criteria serve as the main factors influencing customers' decisions in selecting a bank (Anderson et al., 1976; Leverque & McDougall 1996). In this research, the participants viewed that service quality, bank reputation, and convenience were the next major bank selection criteria after adherence to Islam to the point that their decisions to choose an IB, actively

use and become loyal to the IB were critically based on their favourable or unfavourable evaluations of these criteria. This finding is supported by prior studies suggesting that the determinants of IB selection criteria include customers' perceptions of service quality (Ltifi et al., 2016; Bizri 2013; Awan & Bukhari 2011), bank reputation (Sayani & Miniaoui 2013; Nasser et al., 2013) and convenience (Rehman & Masood 2012; Rashid et al., 2009; Jahiruddin & Haque 2009). That said, IB customers who perceived the other determinants of IB selection criteria (e.g., service quality, bank reputation) were unmet have become also loyal to other banks (i.e., conventional banks).

The phenomenon of customers being loyal to multiple brands has been reported in the literature using different terms, such as multi-brand loyalty (Dick & Basu 1994; Fournier & Yao 1997; Jacoby 1971; McMullan & Gilmore 2008; Oliver 1999), divided loyalty (Uncles et al., 2003), and polygamous loyalty (Uncles & Kwok 2013). Across various markets, customers appear to be loyal to multiple brands (Uncle & Kwok 2013). For example, in the telecommunication industry, many customers subscribe to various mobile phone service providers (Quoquab et al., 2014). Similarly, most customers use multiple financial service providers (Ngobo 2004).

In the literature, brand loyalty is classified as a two-dimensional construct consisting of attitudinal and behavioural loyalty (Brunner et al., 2008; Chaudhuri & Holbrook 2001; Ngobo 2017; Walsh et al., 2008; Watson et al., 2015). Behavioural loyalty measures loyalty based on purchase sequences and frequency, while attitudinal loyalty addresses repurchase behaviour that is associated with other factors than those derived from habitual or lack of viable alternative situations (Dick & Basu 1994; Watson et al., 2015). Specifically, customers who have attitudinal loyalty tend to remain loyal to the same brand, but those who are behaviourally loyal are more likely to switch to other brands (Arifine et al., 2014). Thus, these dimensions distinguish between spurious loyalty and true loyalty (Dick & Basu 1994; Watson et al., 2015).

Multi-brand loyalty (MBL) is defined as consistent purchase of multiple brands accompanied by high involvement and commitment, while ignoring other brands (Felix 2014). MBL reflects an attitudinal and behavioural responses to multiple brands in one product category (Jacoby 1971 & Oliver 1999). A customer engages in MBL when they express positive attitudes towards multiple brands and simultaneously repurchase the brands (Arifine et al., 2014).

Few researchers distinguished different types of MBL and its driving factors (Felix 2014; Ramaswami & Arunachalam 2016; Dick & Basu 1994; Jacoby 1971). MBL is categorised into three types (Felix 2014): perfect substitute loyalty, specialised loyalty and biased loyalty. Perfect substitute loyalty occurs when customers perceive multiple brands in a

product category as identical and split their loyalty between them. Specialised loyalty develops when customers differentiate brands and combine them to satisfy different needs or adjust their purchases to different situations. Biased loyalty occurs when customers are loyal to multiple brands but prefer one over the others (Felix 2014).

Aligned with Felix's (2014) perfect substitute and specialised loyalty, Ramaswami & Arunachalam (2016) proposed two explanations of MBL: equivalence explanation and comparative advantage explanation. The equivalence explanation suggests that customers develop high and similar attitudinal loyalty to several brands of which value propositions are perceived as similar. Meanwhile, the comparative advantage explanation suggests that customers believe firms/brands offer different value propositions in which combined value is similar.

In addition, scholars have speculated about the factors that might affect MBL. Dick & Basu (1994) proposed that MBL occurs when strong attitudes toward multiple brands are married with the perception that the alternatives are equally satisfying. Moreover, both ambiguous or overload product information may motivate customers to become multi-brand loyal (Walsh et al., 2007). Such phenomenon of MBL justifies the current research findings where the majority of IB customers were indicated as loyal customers for more than one bank by operating both IB and CB simultaneously.

However, the qualitative findings pointed out that customers specialised their loyalty by differentiating between their IB and CB and combined them to fulfil different needs or address different situations. Accordingly and aligned with the concept of specialised loyalty (Felix 2014), those customers separated the use of the two banks. For example, they used IBs for their personal use and CBs for their business dealings or vice versa. Also, participants used IBs to store some amount of their salaries for long-term savings or pay a mortgage, and remained using CBs to manage their regular banking activities (i.e., paying bills, online purchases, money transfers, etc.). Other participants used IBs to manage their annual Zakat (charity) payments which they believed has helped them to observe one of the five pillars of Islam. Due to these different purposes of use, the participants tended to use one of these alternatives more frequently than another, if not equally between the two (Wilson et al., 2013). Such findings aligned with the comparative advantage explanation (Ramaswami & Arunachalam 2016) as these customers viewed the value propositions of the two banks differently, hence they combined both banks to extract the ultimate values.

In the case of customers who used one alternative more frequently than another (IB over CB), such findings aligned with the concept of biased loyalty that occurs when customers are loyal to multiple brands but prefer one over the others (Felix 2014). Specifically, the

qualitative findings pointed out that these customers combined the use of IBs and CBs instead of using only CBs because they also seek for brand emotional value from their IBs that were not satisfied by using their CBs alone. Brand emotional value is defined as the benefit gained from the feelings that a brand produces (Sweeney & Soutar 2001; Arifine et al., 2014). This emotional value induces customers to place their Islamic banks in high regard based on the emotions that the brand generates in them upon using the brand, such as a sense of pleasure and happiness (Kumar, Lee & Kim 2007). This implies that, in addition to seeking the functional benefits, IB customers were also looking for spiritual contentment as a result of patronising Islamic banks that they believed as Sharia-compliant and helpful in making them become a better Muslims and observing their obligations (i.e., avoiding sins from usury, paying Zakat or charity for the needy, etc.).

However, the findings also identified that several customers who operated both IB and CB could not identify the differences between the two, particularly in terms of the Sharia compliance authenticity and the Sharia-compliant services. They perceived both banks as identical and split their loyalty between them as a result. Hence they used both banks at their convenience without specialising the uses of each. Such findings aligned with the concepts of perfect substitute loyalty (Felix 2014) and the equivalence explanation (Ramaswami & Arunachalam 2016).

7.3 Discussion of Qualitative Findings

7.3.1 Customer Loyalty

This section aims to address Research Question 1, which is focused on developing a better understanding of customer loyalty and its antecedents from the perspectives of Islamic bank customers in Indonesia. Accordingly, to better understand customer loyalty, the participants were requested to describe their interpretations of how they meant by being loyal to their Islamic banks. The participants' narratives indicated their loyalty as a form of commitment to making their Islamic banks their first choice or not switching to another Islamic bank and keeping using their Islamic banks if the banks comply with Sharia principles.

One possible explanation for this tendency could be that the participants indicated that they understood what is permissible (Halal) and what is prohibited (Haram) despite their simultaneous usage of Islamic and conventional banks. This notion is aligned with prior research stating that Muslim customers are obliged to select and use products/services within a wide range of permissible ones and avoid those prohibited as the Halal-Haram principles fundamentally apply to all aspects of life, including in choosing banking services that have to conform with Islamic principles (Kamri 2008). Any activities that involve

usury are strictly prohibited and must be avoided by Muslims because taking usury or interest is forbidden in the Qur'an:

"And Allah has permitted trading and forbidden Riba (usury)." (Al-Baqarah: 275)

In this sense, the finding indicates that the participants would maintain their commitment to patronising their Islamic banks given their adherence to Islamic principles (i.e., to avoid prohibited usury in the CB system) was found to be the most important selection criteria of Islamic banks in this study (see section 7.2.1). This finding also corroborates the findings of prior studies involving the effect of religious-related motivations on selecting an Islamic bank (Kaakeh et al., 2018; Usman et al., 2017; Echchabi & Olaniyi 2012; Haque et al., 2009; Gait & Worthington 2008; Amin & Isa 2008; Karim & Affif 2006; Naser et al., 1999; Metawa & Almossawi 1998).

Prior research in the Islamic-bank-selection criteria literature suggests that adherence to Islamic principles strongly influenced customers to keep patronising Islamic banks and becoming loyal customers, regardless of whether the Islamic banks meet their expectations (Hidayat et al., 2015). On the contrary, prior studies in the CB sector suggest that customers become loyal to a bank when their evaluations of the services are favourable or satisfactory. Thus excellent and satisfying bank services are key determinants of customer loyalty (Chigori, Viljoen, Ford & Cilliers 2020; Amin 2016; Levy 2014). However, when it comes to Islamic banks' customers in Indonesia, understanding customer loyalty is more complex as the current qualitative finding signifies a different pattern to the prior studies, that is a combination of the findings in the IB sector (Hidayat et al., 2015) and the CB sector (Chigori et al., 2020; Amin 2016; Levy 2014).

Regardless the fact that a majority of the participants were loyal to both Islamic and conventional banks, the participants indicated that their loyalty to Islamic banks was manifested in their actions by making their Islamic banks as the first/only choice of Islamic bank, or kept using their Islamic banks provided that their expectations were met to some extent. To put in another way, the participants were not blindly committed to using their Islamic banks without ensuring that their Islamic banks were meeting their requirements of banking services and Sharia compliance, despite the dominant roles of their adherence to Islamic principles and religious-related motivations in selecting Islamic banks in the first place.

Therefore, this qualitative finding demonstrates that, in the IB context, the nature of customer loyalty is not solely determined by customers' adherence to Islamic principles and their religious motivations, but also the extent to which the banks combine the utilitarian aspects with Sharia compliance in shaping their competence play significant roles. This

research contributes to the literature of IB services as it extends prior research's findings of Islamic-bank-selection criteria (Wilson et al., 2013; Iqbal et al., 2018; Mansour 2019) to the literature of IB customer loyalty. In this case, Wilson et al. (2013) suggested that customers seek both functional (e.g. product choices, good customer services, convenient access, among others) and emotional benefits (e.g., being able to adhere to Islamic principles) from using an Islamic bank. Similarly, Iqbal et al. (2017) and Mansour (2019) highlight that the religious-based bank selection criterion is no longer a sole factor influencing customers to choose an Islamic bank. Instead, the religious factor is embedded into utilitarian factors.

In addition to that, the qualitative findings indicate that participants' loyalty is manifested in an attitude of not being willing to spread a negative WOM (NWOM) about unpleasant experiences that the participants encountered with their Islamic banks. Balaji et al. (2016) defined an NWOM as "a customer's effort to share negative or unfavourable feedback or opinions with friends, family and others". They found that one of the strongest determinants of NWOM was the feeling of injustice resulting from the service failure that a customer encountered (Balaji et al., 2016). Moreover, prior research examines the impact of NWOM. It suggests that spreading an NWOM can influence the impressions of the receivers based on the expressed words of the customer who shares their negative product/service experiences (Eisingerich, Chun, Liu, Jia & Bell 2015).

A potential explanation for the participants' unwillingness to spread an NWOM about the service failure of their Islamic banks could be that being Muslims, they might have wanted to follow Islamic principles which strictly prohibit backbiting. For example, according to Akyuz (2011), Islam prohibits backbiting or spreading unpleasant behaviours of others because it enables the destructive behaviours to be heard by others and contributing to its dissemination means promoting the evil itself. Moreover, backbiting is prohibited in Islam because it involves harming a man's dignity and reputation. According to the Al-Makasib book, a man's dignity should not be harmed in the same way as his/her body and flesh should not be harmed by anything (Muniri & Golvardi 2017). This prohibition is strictly stated in the Qur'an as well:

 "Those who wish to spread ugly words and actions among the believers will be punished painfully in this world and the world after. Allah knows, and you do not know." (An-Nur:19)

This prohibition is also in line with the hadith of the Prophet Muhammad (retold by Bukhari and Muslim on atrocities, mannerism, repentance, and revealing the weaknesses of others) which encourages the believers to conceal the weaknesses of others because the believers' sins fall under Allah's forgiveness, and thus disclosing them is prohibited.

Accordingly, this study offers a unique insight not identified by past studies of customer loyalty and NWOM intentions (Balaji, Khong & Chong 2016; Bolkan, Goodboy & Bachman 2012) in a sense that despite the service failures, many Islamic banks' customers chose not to spread the NWOMs. However, the finding has implications for Islamic bank marketers as they need to encourage customers to talk about the negative experiences directly to their staff since these marketers are less likely to be informed if the customers do not disseminate any negative words associated with the service failures.

In addition to the participants' unwillingness to spread NWOMs, they expressed their loyalty by saying positive WOMs (PWOM) about their Islamic banks. This finding is in line with past studies, which suggest that a PWOM is an outcome of customer loyalty (Omoregie et al., 2019; Ghosh 2018; Mukerjee 2018; Tripathi 2017; Dick & Basu 1994). Furthermore, making positive recommendations to others about a company is one of the examples of PWOMs (Brown, Barry, Dacin & Gunst 2005), and the qualitative finding of this current research shows that the participants expressed their loyalty in the form of a willingness to recommend their Islamic banks to their friends, relatives and anyone whom in need of advice. Similar to what has been discussed in Chapter 4 (Table 4.9), the finding that demonstrates the participants' willingness to say PWOMs and recommend an Islamic bank to family, friends and someone who seeks advice validated a study by (Zeithaml et al., 1996) in which the same attitudes were used as the indicators of customer loyalty (Zeithaml et al., 1996).

From an Islamic anthropological view, Islamic culture tends to be collectivistic compared to Western culture, which is mostly individualistic (Hall 1976). Muslim societies are also characterised by social stability (Hall 1976), which is achieved by a mutually responsive brotherhood and sisterhood extending the Islamic community bond (Al-Krenawi & Graham 2000). Furthermore, Al-Krenawi & Graham (2002) argue that bonding in the Muslim community reflects how a Muslim views his/her place within a society who constantly concerned with others and seeks to achieve broader social welfare. In this context, participants' tendency to give recommendations or advice about Islamic banks can be considered an act of helping, which is strongly encouraged in Islam. The Holy Qur'an points out:

"Help each other in the acts of goodness and piety and do not extend help to each other in sinful acts or transgression behaviours." (Al-Ma'idah: 2)

Moreover, some evidence demonstrates that customers' sociability can distinguish between those who do and do not commit in PWOM (Lau & Ng 2001) in the sense that customers with socially-oriented values and personalities tend to hold PWOM intentions (Ferguson, Paulin & Bergeron 2010). Accordingly, the qualitative finding is aligned with a postulation

that those within Islamic societies who tend to be collectivists have a greater inclination to engage in PWOM, including giving recommendations to others about their Islamic banks.

7.3.2 Islamic Banking Literacy

The first phase of this research (in-depth interviews) also focused on exploring what IBL is meant for IB customers in Indonesia by asking questions about their levels of understanding of IB. When asked to self-evaluate and describe their levels of understanding about IB, most participants believed that they understood just the basic concepts or terms of IB (i.e., the profit-sharing system, the types of IB products). If not, they knew a little about it. Only a few participants stated that they had had broad knowledge about IB concepts developed through continuous interactions with Islamic banks, observations of how bank services were delivered, and intensive learning about the IB industry. Accordingly, the current research finding is broadly in line with prior studies suggesting a general lack of awareness and understanding of IB concepts, features, and principles among IB customers (Bley & Kuehn 2004; Rammal & Zurbruegg 2007; Lateh et al., 2009; Beck et al., 2013).

Having some basic understanding of IB has implications for understanding Islamic banks' use of Arabic-named features, as Wilson et al. (2013) reported, who argued that a lack of understanding made IB products and services unattractive to customers. Moreover, there are implications in terms of the extent to which customers are motivated to engage in an information search behaviour (Engel, Blackwell, & Miniard 1995), particularly in the case of highly involving products and services, including those offered by banking institutions which are categorised into a high-risk industry (Mourali, Laroche, & Pons 2005).

Having some basic understanding of IB also has implications regarding intentions to use IB services (Muslichah & Sanusi 2019). Past research has reported that the level of awareness of Islamic finance had a positive relationship with the usage intention of Islamic financial services (Gait & Worthington 2008). Likewise, the research of Mahdzan et al. (2017) also demonstrates that consumers' understanding and perceived benefits of IB have significant effects on the adoption of Islamic banks in Malaysia.

Moreover, and having some basic understanding of IB may influence customers' perceptions of Islamic banks to the extent that customers may deal with uncertainties, such as whether Islamic banks are different from conventional banks (Hamid & Nordin 2001; Bley & Kuehn 2003), whether Islamic banks are truly Sharia compliant in terms of the profit and loss sharing scheme and the operational of IB instruments (Khan 2010). Given most Muslim customers prefer IB services due to their needs to use interest-free financial services according to Islamic principles (Metawa & Almossawi 1998; Dusuki & Abdullah 2007), such

uncertainty perceptions may lead to negative perceptions about Islamic banks in general (Abdullah & Anderson 2015).

This notion is consistent with other research that revealed that customers' lack of knowledge of IB had caused scepticism about Islamic banks (Souiden & Rani 2015) and Islamic banks were not entirely favoured (Ahmad & Haron 2002). Thus, it may justify customers' doubt whether Islamic banks can fulfil their promises in terms of meeting customers' religious expectations (Metawa & Almossawi 1998; Dusuki & Abdullah 2007).

Despite the importance of understanding customers' IBL, the conceptualisation of IBL is nascent in the literature and scholars who studied IBL (Bley & Kuehn 2003; Zaman et al., 2017; Albaity & Rahman 2019) have not reached a consensus, particularly when it comes to an understanding and measuring customers' IBL which generate two different streams of approaches in the literature.

For example, Albaity and Rahman (2019) measured IBL based on how much the participants knew the accurate IB information indicated by the correct response to the questions related to IB. This approach is rooted in objective knowledge: "accurate information about the product class stored in long-term memory" (Park et al., 1994). Meanwhile, Zaman et al. (2017) measured IBL based on the participants' self-assessed knowledge of IB that is in line with subjective knowledge: "people's perceptions of what and how much they know about a product class" (Park et al., 1994).

Whilst measuring IBL using the objective knowledge test involves participants' access to the product-class information saved in their memories, using self-assessed or subjective knowledge does not require such access (Reder & Ritter 1992). Thus, since self-assessed knowledge is less influenced by stored product-class information than objective knowledge (Park et al., 1994), measuring IBL using a self-assessed approach is presumably more suitable for participants who perceived their knowledge of IB low as the participants of this research. Additionally, measuring IBL among such participants using a self-assessed knowledge approach may provide a more accurate assessment. Self-assessed knowledge is more influenced by participants' product experience cues, which are more accessible in this type of memory than product-class information cues (Park et al., 1994).

According to the reviewed literature, IBL is a new term, and research that measures IBL using a respondents' self-assessment approach is scarce (Zaman et al., 2017). This current research is the first to measure IBL using combining insights from a qualitative study and the literature review. Particularly, this current research employed a self-assessment approach that is based on the insight from the interpretation of the participants' narratives, whilst the prior studies of IBL (Bley & Kuehn 2003; Zaman et al., 2017; Albaity & Rahman

2018) were absent in providing sound justifications for selecting the IBL measurement approach.

To conclude, the qualitative findings reveal that the majority of the participants perceived that their understanding of the IB concept and Islamic banks was low. Accordingly, the researcher employed a self-assessment approach as the most suitable means of understanding customers' IBL. The findings also imply that IBL may play an essential role among Indonesian bank customers in influencing their intention to use Islamic banks and become loyal customers.

7.3.3 Religiosity

To understand religiosity, the first phase of this research (i.e., in-depth interviews) focused on exploring how the participants viewed religiosity by asking them to describe what they meant by being religious and how religious they were, which was indicated by how they viewed the importance of religion, the extent to which they applied religion in their lives and how religion affected their future behaviour towards Islamic banks.

The findings point that the participants' religiosity was manifested in two forms, namely intrapersonal religiosity and interpersonal religiosity. In terms of intrapersonal religiosity, this study reveals that participants' religiosity levels were embodied in: the degree to which they viewed Islam as a guide to a good life in the Hereafter, the extent to which they referred to the Quran and Hadith as their guide in life, and how their activities were bound to Islamic principles (i.e., they avoided activities that are restricted or prohibited in Islam). These three forms of religiosity were found as new to the literature of religiosity.

Moreover, the study finds that participants' religiosity levels were manifested in several other ways, such as the extent to which they spent time trying to grow their understanding of Islam, how they put their religious beliefs behind their whole approach to life and the degree to which they viewed the importance of Islam in the meaning of life. In these cases, findings are in line with those reported by Worthington et al. (2003) and Jamal & Sharifuddin (2015).

In this research, the extent to which the participants viewed Islam as a guidance to a good life in the Hereafter and the degree to which they referred to the Quran and Hadith as their guidance in life belongs to the religious belief dimension of religiosity (Tiliouine & Belgoumidi 2009). These are in line with the concept of religious belief that deals with faith matters such as believing in God, the Judgement Day, the Paradise and the Hell, and the Sacred Books (Tiliouine & Belgoumidi 2009).

As a consequence of the participants' beliefs in the Islamic concepts of the Judgement Day and the Hereafter, participants' narratives indicate that not only did they believe the Quran and Hadith as the guidance, but also their life orientations were heading to the direction of Islam aiming to achieve a good life in this world and the Hereafter. Due to this, participants' religiosity was also manifested in the extent to which they viewed Islam and their religious beliefs as necessary in their whole approach to life and in explaining the meaning of life, which is consistent with prior studies (Worthington et al., 2003; Jamal & Sharifuddin (2015). These findings are justifiable as the literature suggests that highly religious people demonstrated their tendency to evaluate the world through religious frameworks based on their religious values. Hence, they integrated their religious values into their life and practised them in their daily living (Worthington 1988).

In view of the participants' beliefs about the concepts of the Hereafter, participants of this research also narrated that they avoided performing activities that are prohibited in Islam and indicated their respect towards restrictions according to Islamic teaching. This form of religious commitment is consistent with the concept of religious practice in understanding individual's religiosity that deals with practical matters such as observing Islamic prayers, fasting, and avoiding or respecting restrictions (Tiliouine & Belgoumidi 2009).

Such an act of avoiding prohibited matters is justified in the prior research within the context of the British Muslims (Jamal & Sharifuddin 2015). Jamal & Sharifuddin (2015) identified that Muslim consumers evaluated the products or services prior to consumptions in the manner of whether they were halal (permissible) or not as they understood the consequences of consciously consuming non-halal products or services, which could point to the risk of spiritual punishment in this world and the Hereafter (Wilson & Liu 2010).

Owing to that reasoning, the need to evaluate products or services in a halal manner may lead to consumers' motivation to increase their understanding of Islam. In line with that notion, the participants' narratives indicate that they described their religiosity levels to the extent to which they spend time growing their knowledge of Islam. The indication is also consistent with Tiliouine & Belgoumidi (2009). It is consistent with the religious enrichment dimension of religiosity that they refer to as activities that enhance religious knowledge and experiences.

The participants' manifestation of religiosity is broadly in accord with the Islamic teaching that encourages Muslims to seek knowledge as pursuing the knowledge is obligatory (Osman 1991, p. 1) and is a way to Paradise (Mashayekh, Nill, & Mirshahjafari 2016). This philosophy is referred to the Quran:

"Say: 'Are those who know equal to those who know not?' It is only men of understanding who will remember (i.e., get a lesson from Allah's Signs and Verses)" (Al-Zumar 39:9).

In addition, such a philosophy is also according to the Prophet Muhammad's saying: "Whoever follows a path in the pursuit of knowledge, Allah will make a path to Paradise easy for him." (Narrated by al-Bukhaari, Kitaab al-'Ilm, 10). Islam emphasises the importance of knowledge because science and knowledge are the major prerequisites for rationality, and knowledge significantly influences individuals' thoughts and behaviours (Abul-Aynain 1992, p. 76).

Other studies also posit that according to the Prophet Muhammad's saying, an intelligent person is an individual who controls his/her ego and prepares for the Hereafter (Mashayekh et al., 2016). On the ground of this, an individual must have the sanity and knowledge to be responsible for his/her deeds and protect them from committing forbidden behaviours regarding Islam (Kalin 2012). Moreover, The Holy Quran repeatedly encourages Muslims to acquire knowledge because rational and responsible behaviours are nurtured through acquiring the proper comprehension of truth in the universe (Al-Hudawi 2011).

In terms of interpersonal religiosity, the study finds that the participants' religiosity levels were manifested in the degree to which they were actively involved in preaching activities and the extent to which they supported the development of the Islamic economy or IB. Moreover, participants' religiosity levels were also manifested in the extent to which they enjoyed spending time with others from their religious affiliations. Whilst the findings that indicate the participants' involvement in preaching activities and the development of IB are novel to the literature of religiosity, the later manifestation (i.e., spending time with others from their religious affiliations) is validating those reported by Worthington et al. (2003; Jamal & Sharifuddin (2015).

The degree to which participants are actively involved in preaching activities is consistent with prior research, which categorised preaching and giving Islamic advice to others into a religious altruism dimension of religiosity (Tiliouine & Belgoumidi 2009). Furthermore, this manifestation of religiosity is fundamentally by Islam teachings, where any causes or activities that can enhance social wellbeing are highly concerned, rather than focusing on gaining individual benefits (Kashif et al., 2015).

This is also in line with the Islamic perspective, where Muslims are encouraged to increase their religious knowledge and share it with others (Abdullah & Nadvi 2011). Hence, Muslims are taught to practice dawah or spread the Islamic teachings based on the Quran and Hadith to the human being, which offers both worldly and religious benefits to individuals

and others, including to bring about a spiritual reformation (Ali 2003) and to trigger many economic activities in the society (Timothy & Iverson 2006).

Such Islamic teaching essentially alarms Muslims to save themselves and others from the punishment of hell in the Hereafter. This can be done by preaching and giving advice to others to help a person refraining others, particularly one's family members, from the punishment of hell by helping them gain Islamic knowledge that is useful as the guide to perform a deed (Kashif et al., 2015). The practice of dawah is prescribed in the following Quranic verses:

"And there has to be a group of people, among you, who call towards the good, bid the Fair, and forbid the Unfair. And it is these who are successful" (Al-Imran: 104).

"Save yourself and your family members from the fire of hell" (At-Tahrim: 6).

In addition to that, these commandments were upheld by The Prophet Muhammad, who stated: "Instruct them to refrain from deeds that Allah has prohibited, and ask them to carry out deeds that Allah has enjoined. This will rescue them from the Hell-Fire". (Hadith; Kashif et al., 2015)

In this regard, participants' manifestation of religiosity in the preaching or dawah activities is holistic as it advocates not only personal wellbeing (i.e., subjective satisfaction for being able to practice Islamic teaching), but also a social change in a sense that dawah helps members of a community, mainly the Muslim, to exhibit high standards of ethical performance based on Islamic teaching which is pivotal for a society to grow in harmony (Ismail & Desmukh 2012).

In terms of how the participants supported the development of the Islamic economy or IB, this manifestation of religiosity may be influenced by the association of IB with the term halal that Muslim customers perceive as a holistic concept with broad social and cultural implications, which encourage them to use products and services that promote morality and social wellbeing in all aspects of life (Alserhan 2010). Adding to that, Islamic norms of the economic framework promote solidarity, mutual help, and mutual indemnification of harm and losses. Islam highly values helping others in times of need and assisting in righteousness (Ayub 2007). The spirits of solidarity and mutual help are part of Muslims' virtues as the Qur'an clearly states that:

"Assist one another in the doing of good and righteousness. Assist not one another in sin and transgression, and keep your duty to Allah" (Al-Ma'idah: 2).

These Islamic virtues are also declared in the Hadith of the Prophet Muhammad: "The Believers, in their affection, mercy and sympathy towards each other are like one human body – if one of its organs suffers and complains, the entire body responds with insomnia and fever" (Narrated by Muslim; Ayub 2007). In this case, the participants described that supporting the IB development was a form of solidarity in Muslim communities and regarded as a duty to promote the Islamic economy.

Finally, participants' religiosity was also manifested in how they enjoy spending time with others from their religious affiliations. This is consistent with prior research, which operationalised and measured religious commitment in numerous ways, such as individuals' memberships in religious organisations, attendance in worship places and religious activities (Worthington 1988; Hill & Hood 1999). Similarly, prior research suggests that religious groups demonstrated higher preferences for moral and relational values (e.g., helpful, honest, forgiving) but a lower preference for self-centred and personal competency values (Lau, 1989; Cukur, De Guzman, & Carlo 2004). In this present research, the extent to which participants enjoy having interactions with others from their religious affiliations has indicated a strong root in the Islamic philosophy as Islam has essentially given extra attention to solidarity and collective tendencies (Kagitcibasi 1997; Cukur et al., 2004) which are in line with the Quran and Hadith teaching.

When we take a look at Muslims at large, they are familiar with the concept of a Muslim society or called the ummah in the Arabic term, which refers to a large number of individuals who have similar beliefs and goals and who move forward together to achieve their common goals (Shari'ati 1979). Mainly, the concept of ummah does not entail merely the group of people who claim to be Muslims. Instead, it implies an essential meaning of how Muslims should relate to each other within a Muslim community and with other communities, which is manifested in ideas and acts for moral principles as the duty of Muslims (Ibrahim 1991). Moreover, the concept of ummah presents that an individual of faith is tied with a Muslim community, and it is believed as a critical attribute of Islamic society (Raji 1998). The existence of ummah is extraordinary in Islam and for Muslims, as God said in the Quran's verses:

"The believers are but brothers, so make reconciliation between your brothers and fear Allah that you may receive mercy" (Al-Hujurat:10).

"The believing men and the believing women are allies of one another. They enjoin what is right and forbid what is wrong" (At-Tawbah: 71).

This underlying Islamic philosophy serves as the value that is strongly preserved among Muslims, which may explain the extent to which Muslims enjoy spending time with others from their religious affiliations (i.e., Muslim brotherhood).

Overall, the qualitative findings add novelty to the literature not only by identifying a religiosity scale that is more contextual from the perspectives of IB customers in Indonesia as compared to prior studies in the IB sector (Alhazmi 2019; Suhartanto et al., 2018; Abou-Youssef et al., 2015; Souiden & Rani 2015; Usman et al., 2015), but also revealing what being religious for the participants meant. In this case, the participants acknowledged Islam, the Quran and Hadith as their guide in life and the afterlife. This implicated their behaviour to the extent that they avoided performing something prohibited according to Islamic principles. Furthermore, the participants viewed that being religious involved the extent to which they were engaged in preaching activities and supported the development of IB. Arguably, these findings explain the participants' loyalty behaviour (i.e., keeping Islamic banks as their first choice and getting engaged in PWOM to support the development of IB, rather than in NWOM).

According to prior research of British Muslims, consuming halal products or services is important for Muslim consumers not only to conform to religious traditions (Jamal 2003) but also to reinforce self-identities, especially to consumers with a collective self (Triandis & Gelfand 1998) and to portray self-expressive benefits (Hartmann & Apaolaza-Ibánez 2012). Furthermore, consuming halal brands may offer value-expressive benefits to a consumer, such as the feeling of being a responsible consumer and fulfilling religious obligations (Jamal & Sharifuddin 2015).

Therefore, consuming halal brands can inspire religious Muslims to express their self-identities, and in turn, their loyalty to a brand (Alserhan 2010). On the ground of these assertions, we can argue that not only did the participants of this present research prefer using IB services to conform to Islamic principles, but also they sought self-expressive benefits to fulfil their self-identities as Muslim customers. The following section discusses the pattern of SBC that may influence customer loyalty towards Islamic banks among Indonesian Muslim customers.

7.3.4 Self-Brand Connection

When asked to describe self-connections with Islamic banks (i.e., SBC), participants talked about how they incorporated their Islamic banks into their self-concepts, in line with the findings reported by past studies of SBC (Escalas & Bettman 2003). However, the research findings contribute novelty to the current literature of SBC as it reveals a religious influence

that was prominently presented in the process where SBC was developed. These findings are consistent with prior research by Mathras et al. (2017), suggesting that religious beliefs and values serve as one of the most significant aspects that influence the core values of consumers and businesses.

This justification has its roots in signalling theory (Spence 1973) in a way that the religious values being communicated by an Islamic bank can signal religious core values that are significant to their customers and persuasive in determining customers' overall assessments of an Islamic bank (Connelly et al., 2011; Ho-Dac et al., 2013; Liu & Minton 2018). As the internalisation of religious beliefs and values was clearly expressed among the participants, the participants appreciated religious cues that their Islamic banks communicated to some extent and influenced their positive responses towards their Islamic banks. A logical explanation of the participants' responses to Islamic banks lies in the importance of Islamic banks to the participants' self-concepts (Liu & Minton 2018; Mathras et al., 2016; Minton & Kahle 2014).

Accordingly, and as previously discussed in Chapter 5, the importance of Islamic banks to the participants' self-concepts was manifested in several forms of SBCs, all of which were strongly related to self-defining aspects of the participants' religion. Firstly, the participants described that their Islamic banks reflected the way they wanted to assert, present and communicate their self-identities as Muslims who adhere to Islamic teaching to themselves and others. Here, the participants' evaluations and decision making about their Islamic banks were positively influenced by the signals from their Islamic banks that matched their ideology and self-concepts that they wanted to express to themselves and others (Taylor et al., 2010). In other words, the participants with a tendency to validate and present the self as practising Muslims tended to articulate their core values using an Islamic bank whose values were perceived as more aligned to their innate religious-self inclination (Liu & Minton 2018).

Secondly, the participants described the importance of their Islamic banks because they perceived the banks suited and reflected them as they shared similar Islamic values, attitudes and the same vision to supporting IB to the extent that they could identify with their Islamic banks. The findings align with prior studies suggesting brands represent shared identity (Catalin & Andrea 2014; Solomon et al., 2013; Escalas & Bettman 2003). For example, Catalin & Andrea (2014) suggest that brands help consumers feel that they are part of a particular group because consumers are social beings who need to be part of groups and present or share their values and identity with the group members. Each group is characterised by its set of values, norms and beliefs, and each group member's identity contributes to the group's identity, vice versa (Mirkah & Karami 2020). Moreover, brands

serve as a means of self-expression to help in-group members express their identity and distinguish it from out-group members (Solomon et al., 2013). In that case, consumers choose brands that enable them to present their identity similar to the shared identity of a group in which they belong (Escalas & Bettman 2003).

When it comes to the current findings, a possible explanation for why the participants could identify with their Islamic banks is that the participants of whom religious self-identity was predominantly prominent viewed themselves as unique individuals and developed mutual aspects of the believers (i.e., Islamic values, attitudes, and the spirit to support Islamic banks) when they patronised their Islamic banks. This notion is plausible as prior research suggests that religion allows individuals to shape their identities and find their place in the social landscape (Damon 1983) as both religions and brands help individuals send cues of their sought memberships (Epley et al., 2008) and enable them to sense and communicate their identity aspects (Shachar et al., 2011).

Moreover, religious identity can be shared as an identity of a particular community, whether large or small (Floistad 2019). As a result, not only did the participants identify with their Islamic banks, but also they felt that patronising their Islamic banks meant that they became part of a community that supported the growth of the IB industry. This finding is aligned with prior research suggesting that a possession contributes to consumers' social ambitions (e.g., to support the development of the IB industry) by displaying it to their social connections with other group members (Escalas & Bettman 2003) because products/services that a member of a certain community purchase can impact how other members of the community feel about the products/services (McAlexander et al., 2002). Similarly, customer identification with an Islamic bank can generate a psychological effect on other members of a religious community therein the customer of Islamic bank belongs and lead to the development of social identification with an Islamic bank among whom (Marticotte et al., 2016).

Finally, the participants described the importance of their Islamic banks because they helped the participants become the type of person they wanted to be as Muslims that uphold Islamic values and principles. One logical explanation for this finding is that Islamic banks set Islamic standards in their service operations. Their customers (i.e., Muslim customers) consider vital as it allows them to practice their religion, such as avoiding usury (Nemati et al., 2018). This notion is plausible as, according to self-completion theory, consumers utilise brands to insulate their self-identity (Casidy 2012) to achieve their aspirations and satisfy their needs to look and feel better (Escalas & Bettman 2003), in this case, to be practising Muslims.

Moreover, the findings of this study have their roots in self-congruence theory (Rokeach and Rothman, 1965), suggesting that the congruence of core values between consumers and brands can affect consumption decisions. In other words, a brand that is well connected to consumers' self-concept or core values can affect their judgments and undoubtedly influence their behaviour (i.e., to be what they are aspired to be) (Markus 1997). In that case, religious brands (e.g., Islamic banks) which have been studied as having positive attributes, are likely to attract customers if the brands express and reflect their core values and are aligned to customers' innate religious-self disposition or what they are aspired to be (Minton, 2015; Minton and Kahle, 2017; Taylor et al., 2010; Liu & Minton 2018).

Overall, the qualitative findings (see Chapter 5) indicate that the participants' religious self-concepts or innate religious values influenced their responses to their Islamic banks' activities and created a link between the participants' self-concepts and their Islamic banks (i.e., SBC). Accordingly, this current study contributes to the literature of SBC by examining the causes of the participants' responses to Islamic banks to provide novel insight into why these responses appear.

Moreover, the current study's findings reveal for the first time the participants' views about how and why they developed a connection with their Islamic banks involving their innate religious-self disposition.

7.3.5 Customer-Based Corporate Reputation

When the participants were requested to describe what they perceived about customer-based corporate reputation (CBR) in association with their Islamic banks, the majority of them described their views with regards to four aspects, including customer orientation (CO), reliable and financially strong company (RFSC), product and service quality (PSQ), and social and environmental responsibility (SER). These findings confirm prior studies of CBR in the service sector (Walsh & Beatty 2007; Wepener & Boshoff 2015; Walsh et al., 2017) and pointed to a novel finding in understanding the reputation of Islamic banks from the participants' perspectives. In the following discussion, these findings are categorised into two aspects: functional aspects (i.e., non-faith-based factors) and emotional aspects (i.e., faith-based factors).

Regarding the functional aspects, participants' narratives indicate that they described CBR based on complaints handling, a wide range of service features, highly accessible e-banking facilities, competitive credit scheme and advanced IT system. They also talked about the reputation of their Islamic banks in terms of an economic factor such as a strong financial performance. This finding is in line with prior research suggesting bank's reputation

evaluation criteria involving bank's functional aspects, which include convenience, product and service range, competitive prices (interest rate, fees, and charges), remote or e-banking option, bank's commitment, competence and compassion in serving customers (Devlin & Gerrard 2004; Iqbal et al., 2018). Moreover, Bushman & Wittenberg-Moerman (2012) reported that a bank's reputation depends on the availability of good-quality credit and the durability of the bank's profitability, indicating the bank's experience and strong financial performance (Godlewski et al., 2012).

In addition to the functional aspects, the participants mentioned that the emotional or faith-based aspects influenced how they viewed their Islamic banks' reputation, which has not been reported in the growing body of CBR literature, such as products and services that reflect Islamic values and are distinguishable from that of conventional banks. The explanation to this is perhaps when it comes to consumption, Muslim customers must only select products and services that are excellent and lawful (halal) and keep away from those that are prohibited (haram) and do not comply with Islamic specifications (Mustafar & Borhan 2013). This philosophy is based on God's commandment in the Quran:

"O Mankind! Eat of that which is lawful and good on the earth and follow not the footsteps of Shaitan (Satan). Verily, he is to you an open enemy." (Al-Baqarah: 168).

Despite that, there are various types of products and services available in the market today that are unclear in terms of the rulings. In that case, the Prophet Muhammad had encouraged Muslims to avoid doubtful or uncertain matters and be mindful of consumptions or doubtful activities to get blessings from God (Mustafar & Borhan 2013).

Moreover, the participants also evaluated other emotional or faith-based aspects that influenced their views about the reputation of their Islamic banks, such as the banks' attentions on CSR-based activities and ethical matters. The possible explanation for this could be because, in Islam, a Muslim must act according to Islamic teaching in a way that both material and spiritual aspects of the self should be incorporated and given equal importance in the context of an individual's relationships with God, humans, and the environment (Mustafar & Borhan 2013; Kamri 2008). In short, Islam promotes the implementation of ethical values in daily affairs, which is focused on creating the balance between the achievement of individual benefits and the public benefits (maslahah) to ensure the wellbeing of an individual and the society without causing any damages in both parties (Mustafar & Borhan 2013; Ahmad 1999). In that case, the idea of achieving both individual and public benefits (maslahah) through CSR-based activities and ethical conduct are considered very important in Islam. It is stated in the Qur'an that:

"But seek, with that (wealth) which Allah has bestowed on you, the home of the Hereafter and forget not your portion of lawful enjoyment in this world; and do good as Allah has been good to you and seek not mischief in the land. Verily, Allah likes not the Mufsidun (those who commit great crimes and sins, oppressors, tyrants, mischief-makers, corrupts)." (Al-Qasas: 77).

Prior research demonstrated that companies with a deep concern for CSR activities and social affairs are effective in enhancing customers' views of the companies that result in favourable corporate reputation (Su et al., 2020; Choi & Lee 2018; Garcia-Madariaga & Rodriguez-Rivera 2017; Jalilvand et al., 2017; Saeidi et al., 2015; Taghian et al., 2015). Similar studies of CSR from the corporate perspectives were also conducted in the IB sector, indicating that Islamic banks pay massive attention to the contribution of CSR-based activities in enhancing the IB performance (Harun et al., 2020; Bukhari et al., 2020). Islamic banks, in this case, manifest the advantages of CSR in various constructive programs to improve green ecology and socio-economic aspects (Xie et al., 2017) such as the preservation of the environment, the development of human capital for marginalised people, easy investment programmes for low-economic communities, and poverty mitigation (Jaieyeoba et al., 2018).

7.3.6 Service Quality

When asked to describe the quality of Islamic banks' services, findings reveal that participants mainly described their views from the perspectives of tangibles, reliability, responsiveness, assurance, and empathy supporting past studies that identified SQ using five dimensions of SERVQUAL (Parasuraman et al., 1991; Rezaei, Kothadiya, Tavasszy & Kroesen 2018; Tumsekcali, Ayyildiz & Taskin 2021). In line with the traditional service marketing literature where SQ is considered as multi-dimensional (Parasuraman et al., 1991; Rezaei et al., 2018; Tumsekcali et al., 2021), this study finds that, in terms of the main functional aspects of banking services, the participants mentioned about physical facilities from the tangibles aspect (e.g., cash machines availability, modern IT and e-banking systems) and the way their Islamic banks provided the services from the perspectives of reliability, responsiveness, assurance, and empathy factors (e.g., accurate transactions, service waiting time, problem-solving, clear communications and customised service provisions).

However, unlike past SQ research in the IB sector (Othman & Owen 2001; Abdullrahim & Robson 2017; Haron, Subar & Ibrahim 2020; Dandis, Wright, Wallace-Williams, Mukattash, Eid & Cai 2021), the findings of this research point to additional insight such as participants describing their views of SQ about the main functions of banking services and the extent to

which Islamic values and principles were implemented in running the Islamic banks and why they are important for the participants.

The new insight is unique, and it contributes to our understanding of how Islamic bank customers in Indonesia viewed SQ from their Islamic perspectives because prior studies mainly investigated SQ of Islamic banks without incorporating faith-based aspects in the evaluation (Haron et al., 2020; Alshurideh et al., 2017; Qureshi et al., 2012), if not involving only an additional dimension of "compliance with Islamic law" that is adopted from the CARTER model (Othman & Owen 2001) as used in prior research (Dandis et al., 2021; Rehman 2012; Sadek et al., 2010). However, the inclusion of compliance with the Islamic law dimension in the past studies is separated from the other dimensions such as tangibles, reliability, responsiveness, assurance and empathy.

Rather than separating compliance with Islamic law from Parasuraman's SERVQUAL dimensions, this current research contributes novelty to the literature by examining SQ using the Parasuraman's SERVQUAL model involving the five dimensions that are viewed from the Islamic perspectives of the participants. A similar attempt has been made in a prior study where Islamic aspects appear in four factors of SQ among British Muslim customers. However, this study did not elaborate on the justifications of the qualitative findings (Abdullrahim & Robson 2017). Therefore, this current research fills the gap by discussing the philosophical background that may explain why Islamic bank customers viewed SQ from Islamic perspectives.

Moreover, this study finds that the participants also described their views of SQ from the Islamic perspectives with regards to tangibles, assurance, and empathy factors (e.g., Islamic architecture and ambience, prayer rooms availability, staff's Islamic appearance, Sharia compliance in the operations, and transaction delays as to perform punctual prayers).

The findings are consistent with prior research (Wilson et al., 2013; Iqbal et al., 2017; Mansour 2019), suggesting that Muslim customers appreciate and look for benefits not only from the functional aspects but also non-functional aspects, such as emotional or spiritual benefits (e.g., the ability to observe Islamic principles and halal consumption lifestyles in life, obtain tranquillity, and confidence in achieving good life the Hereafter).

The findings also point to the participants' positive attitudes toward their Islamic banks that provided prayer rooms and delayed transactions to perform punctual prayers. These Islamic banks' actions reflected the practices of Islamic fundamentals in the business how Islamic banks emphasise the importance of remembrance of God while in trade. The practices of

Islamic fundamentals in running the business of Islamic banks refer to the following Qur'an verses:

"[Are] men whom neither commerce nor sale distracts from the remembrance of Allah and performance of prayer and giving of zakah. They fear a Day in which the hearts and eyes will [fearfully] turn about." (An-Nur: 37).

"Indeed, those who recite the Book of Allah and establish prayer and spend [in His cause] out of what We have provided them, secretly and publicly, [can] expect a profit that will never perish." (Fatir: 29)

Furthermore, the findings (i.e., Islamic banks perform the services properly and accurate transactions) point towards participants also emphasised the importance and relevance of Islamic ethics when speaking about SQ. Such findings are in line with Haniffa & Hudaib (2007), suggesting that Islamic banks are viewed as having an ethical identity due to the underlying business philosophy that has its roots in religion and Islamic ethical business foundation drawn from the Sharia or Islamic law that is often called as "ethics in action". With that ethical identity, Islamic banks are seen as institutions that bring the finance (i.e., banking) and the law into harmony with the Islamic faith and the ethics as Sharia itself is more than just law. Instead, it is a combination of religion, law and ethics (Zaki, Sholihin & Barokah 2014). For example, in providing accurate transactions, Muslims are commanded to provide accurate information and strictly prohibited to confound or hide the truth with the falsehood. This is stated in The Qur'an:

"And do not mix the truth with falsehood or conceal the truth while you know [it]." (Al-Baqarah: 42).

In addition to that, the participants also expressed their assurance towards the services of their Islamic banks regarding how their Islamic banks operate according to Islamic principles or Sharia compliance. As a result, Islamic banks that are not consistent with customers' values may be judged as being unethical, which can influence their like and dislike (Rehman & Shabbir 2010) and customers' considerations of using another Islamic bank that is not in contradiction with their religious beliefs and Islamic ethics (Yun et al., 2008).

This notion aligns with prior studies that identified a more robust ethical judgment among customers with particular religious affiliations. For example, US Christian customers negatively judged companies as unethical as they promoted matters in conflict with the customers' beliefs (Flurry & Parker 2011; Putrevu & Swimberghek 2013). A similar effect was also found among Muslim customers in Turkey, where a more assertive ethical

behaviour appeared, particularly those who observed Islamic principles (Schneider et al., 2011).

7.3.7 Trust

When the participants were requested to describe what trusting their Islamic banks' means, the majority of them mentioned that they trusted their Islamic banks due to their confidence in terms of how the Islamic banks run the business according to their expectations, that complies with Islamic values, Islamic ethics and Sharia principles. This finding is in line with prior studies suggesting that customers defined trust as a feeling of confidence that their Islamic banks perform accordingly with their expectations (Fullerton 2011; Sumaedi et al., 2015). The following paragraphs discuss the findings that point to such expectations and the accomplishment thereof can develop the participants' confidence, which in turn, their trust towards Islamic banks.

This research finds that the participants trusted their Islamic banks when their funds were managed with honesty, reliability and reasonable safety assurance and used for good purposes or intentions. This finding is aligned with past research of trust (Amin et al., 2013; Hoq et al., 2010; Chiou et al., 2002; Ahmad 1997), suggesting that Islamic banks earn customer trust from their gestures that are based on Islamic traits such as fairness, honesty, trustworthiness and ethical values that preserve the good intentions of the Islamic banks.

Moreover, this study finds that the participants trusted their Islamic banks. They believed that their Islamic banks offered Sharia-compliant products and services and managed the banking operations according to Islamic principles. This is in line with past research suggesting the importance of Sharia compliance as the fundamental aspect in developing customer trust. Hence Islamic banks that comply with Islamic principles tended to be trusted by their customers (Amin et al., 2013; Hoq et al., 2010; Othman & Owen 2001; Ismail 1992). Inconsistent with Hoq et al. (2010), the findings also reveal that trusting Islamic banks was described as believing that the Sharia Supervisory Board (SSB) does the job in ensuring their Islamic banks comply with IB principles.

In addition to confirming past studies, this research reveals new unique insight and contributes to our understanding of how Islamic bank customers in Indonesia trusted their Islamic banks. For example, the participants trusted their Islamic banks because they believed their money was invested in halal venues. More importantly, they believed that their banks had had good business performance and were well managed by trustworthy leaders.

Overall, these findings point to the trust features associated with Islamic banks' ideal ethical identity differentiating them from their conventional counterparts. According to Haniffa &

Hudaib (2007), Islamic banks must depict distinctive features drawn from both Sharia and business ethics in doing their activities. In this case, Islamic business ethics differs from traditional business ethics as the former unites religious and non-religious ethical systems so that Islamic teachings encompass all aspects of life, including connecting the divine and moral guidance for business (Sternberg 2000, p. 71). The unity of religious and non-religious ethical systems connects religion and righteous attitudes inseparable (Badawi 2001) in business as a form of worship (Nasution 2009).

Accordingly, prior studies identified such features of an ideal ethical identity of Islamic banks which include: focus on serving the needs of Muslim societies and promoting social justice and economic regeneration; maintaining commitments to complying with Sharia principles; engaging in fund investment activities that operate within Sharia principles (i.e., halal venues); fulfil contractual relationships with all stakeholders; ensure that top management and board members indicate good righteousness, knowledge and competence about IB and good corporate governance; and reinforce SSB authorities among Islamic jurisprudence specialists to ascertain Sharia compliance in place and enhance the credibility of Islamic banks (Mudawi 1984; Karim 1990; Gambling et al., 1993; Siddiqi 1995; Haniffa & Hudaib 2007).

In summary, the findings of this study, both traditional and novel, reveal that customers trust their Islamic banks due to their confidence in how the Islamic banks run the business according to the business ethics of Islamic banks. The findings, in general, are consistent with prior research (Wilson 2005), suggesting that the implementation of IB business ethics can generate a unique value that creates customer trust and a broader customer base.

7.3.8 Commitment

When the participants were requested to describe the meaning of their commitment to an Islamic bank and to what extent they maintained their commitment, most of them described their commitment in three forms: affective commitment, continuance commitment and normative commitment. The findings are consistent with prior studies (Fullerton 2011; Meyer et al., 2001) in terms of the forms of the commitment but unique as it is viewed differently from the participants' Islamic perspectives that are discussed in the following paragraphs.

In terms of affective commitment, the study finds that customers criticise their Islamic banks when the services are poor as a manifestation of their affective commitments to help the Islamic banks improve the services. This finding is consistent with prior research (Chae et al., 2017; Erkmen & Hancer 2015; Bloemer et al., 2013; Fullerton 2011; Meyer et al., 2001)

and unique as there is a non-traditional explanation to this finding from the Islamic perspective. In this case, providing criticisms is a part of the Islamic values to which the participants held, where providing advice to others is a charity and to some extent can be obligatory, especially to the leaders of Muslims and those who are responsible for the affairs of many Muslims.

Therefore, Muslims are encouraged to give advice sincerely and act on it to make positive changes in themselves and each other. This teaching is in line with Islamic teachings as stated in the Quran and the Hadith:

"By the Time. Most surely man is indeed in Loss. Except those who have believed and done righteous deeds and advised each other to truth and advised each other to patience." (Quran Al-'Asr: 1-3).

"The religion is nasihah (sincere advice or every type of virtue)." The people asked, "To whom?". The Prophet Muhammad replied, "To Allah and His Book and His Messenger and the leaders of the Muslims and the common folk." (Hadith narrated by Bukhari & Muslim).

Moreover, this study reveals that the participants instilled a personal meaning of an Islamic bank which was manifested as an affective commitment (Fullerton 2011; Meyer et al., 2001). In this case, most participants built intimacy with their Islamic banks as they have a passion for taking part in the Islamic economy development by maintaining good relationships with their Islamic banks. It is explained by Echols & Shadily (2014) that intimacy is the feelings of friendship, closeness, communion and harmony that can be applied in both personal and business relationships. However, the intimacy here is unique as it involves the relationship between customers and their Islamic banks with a background of the participants' desire to participate in the Islamic economy development. Arguably, the participants built such intimate relationships with their Islamic banks because it involves their religious commitment that plays a significant role in constructing their moral systems, attitudes, values and consumption styles (Khraim 2010; Muhammad & Mizerski 2010; Nora 2019).

Take an example in the service marketing context. The relationship between a client and the service personnel is based on trust and friendship, representing an affective commitment (Price & Arnould 1999). This trust-and-friendship relationship can increase a feeling of equality (Cater & Zabkar 2009; Sumaedi et al., 2015), and personal confidence (Fullerton 2011; Sharma et al., 2015) can increase emotional bonds between customers and service providers. That will lead to customers' favourable attitudes towards the brand, which can induce regular purchases based on affective commitment (Fournier 1998). As a

result, these customers are affectively committed to the relationships with their service firms (Shukla et al., 2016).

Moreover and similar to the current research findings, prior studies of marketing relationships have identified that affective commitment has its roots in attachment, identification, and shared values which are linked to profound personal aspects (Gruen et al., 2000; Fullerton 2003; Bansal et al., 2004; Fullerton 2004). Prior empirical work also suggests that affective commitment is the centre of a consumer-brand relationship. Consumers share identification with brands both as individuals and as part of the community (McAlexander et al., 2002).

Therefore, we can argue that the same logic is true to the IB context as Muslim customers with their Islamic values and personal goals share identification with their Muslim communities and Islamic banks, and thus consider Islamic banks as their focal brands and community brands which can lead to deep attachments to Islamic banks. This notion is supported by empirical work that finds that as Muslim customers build stronger attachments to their Islamic banks, they build a greater affective commitment that strengthens their emotional bonds with their Islamic banks (Sumaedi et al., 2015).

In terms of continuance commitment, the study finds that the participants believed their lives would be disrupted if they terminated their relationships with their Islamic banks based on their judgements of costs/risks that might occur or potential benefits that they might lose if they terminated the relationships. This finding is in line to some extent with prior research (Fullerton 2011; Meyer et al., 2001; Sumaedi et al., 2015; Tabrani et al., 2018) but unique and unlike prior studies which consider switching costs, time, effort and psychological stress as the potential risks for terminating the relationship with a service provider (Cater & Cater 2010; Blut et al., 2016; Thuy et al., 2016). Instead, this study reveals that the participants have had underlying faith-based reasons for maintaining their relationships with Islamic banks.

In this case, the participants were aware of the spiritual risks (i.e., being sinful or accountable for their actions) that they might encounter if they left their Islamic banks and switched away to the conventional alternatives. This finding is consistent with prior studies. For instance, Jamal & Sharifuddin (2015) identified that Muslim consumers understood the consequences of consciously consuming non-halal products or services, which could point to the risk of having a spiritual punishment in this world and the Hereafter (Wilson & Liu 2010). Moreover, avoiding the spiritual risks (i.e., being sinful or accountable for their actions) by keeping patronising Islamic banks can make Muslim customers feel more

righteous, closer to God, delighted for following the Islamic teaching (Ilyas et al., 2011) and doing something beneficial for themselves and the society (Budiyanto 2010).

The findings also point to a normative commitment. The participants maintained the relationships with their Islamic banks because they felt obliged to continue doing business with their Islamic banks and thought switching away from the Islamic banks would not seem right to do to them. Moreover, they have benefited from their Islamic banks in the past and have had obligations to fulfil (i.e., paying debts or loans).

The findings partially confirmed prior studies that initially conceptualised normative commitment (Meyer et al., 2001; Fullerton 2011) and have been extended to other studies (Bansal et al. 2004; Cater and Zabkar 2009), which emphasise normative commitment on the guilty feelings that customers sense for discontinuing the relationship with their service providers (Cater and Zabkar 2009) and the sense that they are obligated to do business with the service providers (Bansal et al. 2004). However, the findings reveal that the participants show a different way of perceiving normative commitment in comparison to prior studies (Fullerton 2011; Cater and Zabkar 2009; Bansal et al. 2004; Meyer et al., 2001) by involving religious reasons such as being able to observe Islamic norms, fulfil their obligations to paying loans, support their Islamic banks and avoid usury practices in conventional banks.

The participants' commitment was also built on the foundation of benevolence in Islamic values that they have accepted or adopted when patronising their Islamic banks. Such values include the fair equity-participation system (Hassan et al., 2008), mutual profit and loss sharing (Haron 1997; Idris et al, 2011), trading activities based on the social-justice goals, and prohibition of trading that involves speculation or gharar, gambling or maisir and illicit products or activities (Idris et al., 2011; Manzoor et al., 2010). These values brought benefits to customers of Islamic banks as they are consistent with customers' self and ideology which helped in customers' evaluations and decision-making process (Liu & Minton 2018; Connelly et al., 2011; Fetscherin & Heinrich 2015; Taylor et al., 2010). Since the participants benefited from such positive values, they maintained their commitment (i.e., normative commitment) to Islamic banks to avoid losing the benevolence that followed their beliefs and ideology.

Overall, this study reveals that most of the participants built their commitment to their Islamic banks in the forms of affective commitment, continuance commitment and normative commitment in consistent with prior research (Fullerton 2011; Meyer et al., 2001) but unique in the sense that these forms of commitment have underlying religious reasons that allow

the findings to provide novel insight into the literature of commitment, particularly in the IB context.

7.4 Discussion of Quantitative Findings

7.4.1 Islamic Banking Literacy and Customer-Based Corporate Reputation

The finding is in line with the expectation that the participants' IBL has a significant positive impact on the perceptions of their Islamic banks' reputation (CBR) (H_1). This finding is aligned with prior studies in the financial literacy context (Lusardi & Tufano 2015; Disney & Gathergood 2013), suggesting that customers with poor financial literacy tend to express confusion over financial concepts, lack of confidence when judging or evaluating financial terms and products, and less likely to engage in behaviour that could increase their awareness of financial concepts that often leads to the vulnerability of choosing high-cost credit and unfavourable perceptions and attitudes towards investment and personal saving products (Santini, Ladeira & Ponchio 2019; Dholakia et al., 2016; Krische 2014).

The findings from these past studies (Dholakia et al., 2016; Lusardi & Tufano 2015; Krische 2014; Disney & Gathergood 2013) are in line with past research (Cordell 1997; de Bont and Shoormans 1995) suggesting that customers with a high level of knowledge have better abilities for processing more extensive information, and thus are able to evaluate products or services and its reputation in better ways.

Similarly, when dealing with Islamic banks, an increased literacy of IB helps customers in understanding and evaluating various features and characteristics of IB (Abdullah & Anderson 2015), including whether the Islamic banks are Sharia-compliant and have a strong foundation of ethics (Dinc, Cetin, Bulut & Jahangir 2020; Bhatti 2020). Arguably, enhanced knowledge and understanding of IB products and services help customers reduce disinformation and make better judgements about their Islamic banks' reputation. More specifically, this current research finds that better knowledge and understanding of IB products and services contributes positively to CBR of Islamic banks specifically when it comes to evaluating the aspects of social and environmental responsibility, competence, and customer and employee orientation involving Islamic banks in Indonesia.

Moreover, the finding is in line with prior studies suggesting that increasing customers' knowledge can be considered imperative to securing the reputational advantages that result from a company's CSR activities (Kim 2019) as prior studies have found that customers' scepticisms of a company's CSR activities are often caused by customers' poor knowledge of a company's CSR activities rather than customers' intrinsic doubt of CSR motives (Kim & Ferguson 2016; Singh et al., 2009).

More importantly, unlike past studies in the Islamic finance sector (Albaity & Rahman 2019; Mahdzan et al., 2017; Zaman et al., 2017; Abdullah & Anderson 2015; Bley & Kuehn 2004), this research contributes significantly by narrowing down the concept of Islamic financial literacy to IBL and showing that a better knowledge and understanding of IB products and services generates positive evaluations of three specific sub-dimensions of CBR namely social and environmental responsibility, competence, and customer and employee orientation.

7.4.2 Islamic Banking Literacy and Self-Brand Connection

The finding is in line with the expectation that the participants' IBL has a significant positive impact on their perceived SBCs (H_2). This implies that participants who perceived themselves as highly literate of IB tended to have stronger SBCs with Islamic banks.

The reason behind the positive relationship between IBL and SBC is that having good knowledge and understanding of IB instruments and services allowed the participants as customers to control the processing of information that is relevant to their self-schemas (Campbell 1990; Soneji, Riedel & Martin 2015) and use their beliefs and attitudes about Islamic banks to help them behave in rational ways (Fazli-Salehi, Torres, Madadi & Zuniga 2021) to protect their self-identity (Ismail 2017). Moreover, adequate knowledge and understanding of IB instruments and services could help customers in identifying whether an Islamic bank is consistent with their ingroup members (i.e., those who feel similar) that they want to associate with or their outgroup members (i.e., those who feel different) that they want to avoid being associate with (Escalas & Bettman 2005).

Based on social identity theory, individuals actively create a perception of their self-identity and purchase goods or services that help define them (Dwivedi et al., 2016; Belk 1988). In line with Sheth & Parvatiyar (1995), when customers feel that their Islamic banks can help satisfy their self-definition needs, they build a relationship with their Islamic banks. In this case, customers' knowledge and understanding of IB help them to process relevant information and identify whether their Islamic banks have the qualities to fulfil their self-definition needs.

Arguably, the finding of this research shows that individuals require adequate knowledge of Islamic banks to help process information and evaluate whether the banks can help customers achieve functional, emotional and self-expressive benefits (Marticotte, Arcand & Baudry 2016; Wirtz et al., 2013) after which they could decide whether to utilise the benefits by building a connection with their Islamic banks in order to fulfil their self-definition needs. Thus, information about brands, including IB services, is very influential in the customers'

decision-making processes, without which customers may choose brands that are contrary to their ideology or self-concepts (Sirgy 1982; Fetscherin and Heinrich 2015) (Taylor et al. 2010).

Accordingly, this research finding demonstrates that IBL, closely associated with knowledge, plays a positive role in building customers' connections with Islamic banks to shape or verify customers' self-concepts. However, there is no prior research that can support this finding since the literature of IBL (Muslichah & Sanusi 2019; Albaity & Rahman 2019; Mahdzan et al., 2017; Zaman et al., 2017; Abdullah & Anderson 2015; Bley & Kuehn 2004) and SBC (Fazli-Salehi et al., 2021; Chand & Fei 2020; Nemati et al., 2018; Moliner et al., 2018; Kwon & Mattila 2015; Dwivedi et al., 2016; Escalas and Bettman 2000) is relatively newly developed and the direct causal relationship between the two is absent in the literature. Therefore, this finding supports the hypothesis for the first time and contribute to the literature by examining the direct relationship between IBL and SBC.

7.4.3 Islamic Banking Literacy and Commitment

The finding aligns with the expectation that the participants' IBL has a significant positive impact on their commitment to Islamic banks (H_3). This expectation is consistent with prior studies in the pro-environmental apparel context (Copeland & Bhaduri 2020) suggesting that consumers' knowledge and understanding about the environmental impact of their apparel purchases are significant to reduce pro-environmental scepticism, which in turn influences their evaluations of the brand, and ultimately their long-term relationship (i.e., trust and commitment) with the brand.

This indicates that consumers aware of environmental issues in the apparel sector tended to be more concerned about their buying decisions and engaged in pro-environmental or safer purchases for the environment (Kozar & Hiller Connell 2010). In this light, having knowledge and understanding about pro-environmental brands helps consumers identify the impact of brands' actions and appreciate the values and benefits they might attain from such actions (Ogle et al., 2004). As a result, the more consumers understand the impact of a brand/product on the environment, the more likely they share values with the brand, have a positive attitude towards the brand's perceived benefits and support the brand/product by maintaining purchases or a long-term relationship (D'Souza et al., 2006; Zhao et al., 2017).

When it comes to the IB sector, this research finds that the knowledge of IB services is relevant to a customer understanding of what an Islamic bank stands for (i.e., values and benefits), its practices and the services they provide to its customer. In this case, when the existing customers have misinformation about Islamic banks, it can lead to negative

perceptions that can unfavourably influence future customer relationships with Islamic banks, vice versa (Romani et al., 2016). As a result and in support of previous studies (Copeland & Bhaduri 2020; Zhao et al., 2017; Romani et al., 2016; Leary et al., 2014), the findings demonstrate that customers' IBL helps customers to identify and appreciate shared values and perceived benefits being communicated by their Islamic banks. Thus, it significantly and favourably influences customer commitment.

Moreover, in sync with qualitative findings, customers' IBL has a significant and positive effect on commitment. It allows customers to express their commitment to Islamic banks by criticising when the services are poor or below their expectations. In this light, customers with adequate knowledge and understanding of IB are more likely to better evaluate an Islamic bank's services and initiatives based on their knowledge that can lead to lower scepticism about Islamic banks (Tobler et al., 2012) and ultimately communicate their concerns or criticisms to their Islamic banks as a manifestation of their commitment to maintaining the patronising intentions (Reiter 2015; Hiller Conner & Kozar 2012).

In addition and in line with the qualitative findings, customers' IBL enhanced customers' commitment to an Islamic bank that keeps them acquiring positive values and benefits from their Islamic banks (Idris et al., 2011; Hassan et al., 2008; Haron 1997). Rooted in social exchange theory, individuals will engage in exchange if the benefits exceed the exchange costs and will terminate the exchange if the costs exceed the benefits (Zhao et al., 2017). In this case, IBL helps customers understand the benefits and values they might acquire from maintaining a relationship with an Islamic bank (Copeland & Bhaduri 2020; Ogle et al., 2004).

However, there is no prior research that can support this finding since the literature of IBL (Muslichah & Sanusi 2019; Albaity & Rahman 2019; Mahdzan et al., 2017; Zaman et al., 2017; Abdullah & Anderson 2015; Bley & Kuehn 2004) is recently developed and the direct causal relationship between IBL and commitment is absent in the literature. Therefore, this finding supports the hypothesis for the first time and contribute to the literature by examining the direct relationship between IBL and commitment.

7.4.4 Islamic Banking Literacy and Customer Loyalty

The finding aligns with the expectation that the participants' IBL significantly impacts their loyalty to Islamic banks (H_4). This expectation is consistent with prior studies (Bell, Auh & Eisingerich 2017), suggesting that customers' understanding of service providers helps customers decide which behaviour to adopt in a service delivery process. Thus, knowledgeable customers tend to be more loyal to a service provider. In addition, as

customers' expertise enhances, customers tend to be more confident in evaluating service alternatives within the market as they can make a more comprehensive and accurate assessment of providers and their attributes (Seifert et al., 2015). With such capability, customers can unbundle the alternatives easily with confidence to select service providers that best suit their needs and circumstances (Bell et al., 2017; Brucks 1986).

When it comes to the IB context, as customers grow their knowledge and understanding of IB, they become experts in an array of skills and behaviour that help evaluate an IB service and can make switching between service providers less appealing as customers become more complacent with a specific way of doing things with their Islamic banks (Bell, Auh & Smalley 2005).

Moreover, in sync with qualitative findings, IB customers manifested their loyalty by making their Islamic banks their first choice and not switching to another Islamic bank provided that their Islamic banks meet their expectations, particularly in Sharia compliance. This finding is in line with prior studies suggesting that customers' expectations are satisfied. That satisfaction is shaped by the central processing of customers' high knowledge, the strength of loyalty is more likely to be greater (Tuu et al., 2011; Chandrashekaran et al., 2007; Fabrigar et al., 2006; Chiou et al., 2002). In this case, customers with underlying high knowledge and understanding of IB tend to be loyal customers and keep their Islamic banks as their first choice for their banking activities.

In addition, this research finds that the quantitative finding is consistent with the qualitative one, particularly in terms of how IBL enhances loyalty that is manifested in their willingness to engage in positive WOM (PWOM). This finding aligns with Ferguson, Paulin & Bergeron (2010), who suggest that customers' information adequacy is associated with positive WOM. Customers whose service experiences are high tend to have adequate information about a service provider, strengthening their PWOM intention. In this case, customers who indicated high IBL levels are more likely to spread PWOM as a form of their loyalty towards Islamic banks.

However, since the literature of IBL is nascent and much of the existing studies on WOM concepts focus on identifying the type of individuals who are prone to engage in spreading WOM and the influences on consumer purchase behaviour (Rahman & Mannan 2018; Ferguson et al., 2010; Brown, Barry, Dacin & Gunst 2005), there is no prior research that can support this finding, particularly in the IBL-Loyalty and IBL-PWOM relationships. Therefore, this finding supports the hypothesis for the first time and contribute to the literature by examining the direct relationship between IBL and loyalty.

7.4.5 Religiosity and Self-Brand Connection

The finding is in line with the expectation that the participants' religiosity has a significant positive impact on their self-brand connection (H_5). This expectation is aligned with prior research suggesting that customers' religiosity is viewed as the underlying factor influencing customers' response to the religious branding of faith-filled brands (Taylor et al., 2010). In that case, customers who find their faith and religiosity are consistent with the religious branding of a faith-filled brand tend to enhance their connections with the brands, and vice versa (Minton 2015).

According to signalling theory (Spence 1973), religious cues portrayed in parallel with the branding elements provide essential information that helps customers evaluate whether the products and services are consistent with their requirements (i.e., self-identity or self-concept). Moreover, such religious cues help customers in reducing the risk of misinformation (Connelly et al., 2011) and providing better information when evaluating products/services (Liu & Minton 2018; McInnis et al. 1991; Ariely 2000) to avoid choosing ones that are contrary to their ideology (Taylor et al., 2010) that may risk their identity or self-concepts (Fetscherin and Heinrich 2015; Sirgy 1982), thereby in line with self-congruence theory (Rokeach & Rothman 1965).

Customers can identify with multiple identities, such as family, cultural, national or religious identity and carry these identities within themselves (Beji-Becheur et al., 2012) with different importance in various situations (Reed et al., 2012). Some identities emphasise the definition of "who we are", and religion is considered one of the most influential aspects of identity (Verkuyten 2007). Religious identity is very influential due to various benefits that religious affiliations serve beyond spiritual benefits such as social, economic and psychological benefits (Peek 2005).

Ideally, the more an individual is religious, the more likely they will act by religious principles they believe and observe (Muhammad et al., 2012). Past research studied members of various religious communities and identified the vital roles of consumption behaviour in shaping and presenting the members' religious identities (Karatas & Sandikci 2013; Izberk-Bilgin 2012; Sandikci & Ger 2010). This circumstance is more common among Muslim customers because Islam governs the spiritual and personal aspects of its followers' lives and the social aspects (Muhammad et al., 2016; Bakar et al., 2013; Turner 2006). As a result, it is reported that religious Muslims are more likely to incorporate their faith system in day-to-day consumption (El-Bassiouny 2014).

Accordingly, Muslim customers behave consistently with the ways they wish to maintain the sense of their religious identity (Hollenback & Kaikati 2012), one of which is done by consuming products/services that help them to engage in halal consumption behaviour

(Izberk-Bilgin 2012). Prior studies suggest that indulging in halal consumption behaviour indicates that individuals are identifying themselves as Muslims and maintaining the identity of Muslim communities as their self-identity (Mohd Suki & Mohd Suki 2015; Sandikci & Ger 2010; Wilson & Liu 2010). Thus, highly religious customers tend to maintain their religious identity and make it the main driver of their engagement in halal consumption behaviour (Jamal & Sharifuddin 2014; Sandikci & Ger 2010). As Muslim customers develop their preference towards halal products/services, they also grow the meaningful connection (i.e., SBC) that may result from customers' perceptions about the products/services that share the same Islamic values as theirs and are perceived religiously congruent by them (Butt et al., 2017; Hollenbeck & Kaikati 2012).

Moreover, in sync with the discussion of the qualitative findings, this quantitative finding implies that customers' religiosity shaped their religious self-concept that influenced their responses to and evaluations of Islamic banks, which creates a strong connection between the customers and their Islamic banks. In this case, customers who indicated themselves as highly religious are more likely to have a strong SBC with their Islamic banks. However, since the literature of SBC in the IB context is underdeveloped and much of the existing studies on religiosity concepts focus on identifying religiosity measurements and the relationships between religiosity and ORV (i.e., corporate image, trust and loyalty) (Abou-Youssef et al., 2015; Souiden & Rani 2015; Usman et al., 2015; Suhartanto et al., 2018), there is no prior empirical research that can support this finding, particularly in the religiosity-SBC relationship. Therefore, this finding supports the hypothesis for the first time and contribute to the literature by examining the direct relationship between (Islamic) religiosity and SBC.

7.4.6 Self-Brand Connection and Service Quality

The finding aligns with the expectation that the SBC has a significant positive impact on the participants' perceptions of SQ involving Islamic banks (H_6). This expectation is based on Ferraro et al. (2013), who reported that individuals with solid SBCs tend to have their self-images closely tied to and reflected in brands with which their self-images are congruent. Thus these individuals are more likely to feel attached to such brands (Park et al. 2010). As a result, customers with a strong SBC maintained their favourable perceptions of a brand because their strong connections secluded them from negative attitudes or behaviours (Ferraro et al., 2013).

Moreover, the finding provides support for the prior studies which identified that customers with stronger brand relationships are rather unaffected from the negative brand information or brand failure (Chandler & Schwarz 2010), tend to make more positive brand attributions, and be more benevolent in evaluating the brand (Hess et al., 2003). Similarly, the finding is

also consistent with prior empirical works, which provide a logical rationale for such positive brand evaluations in the sense that customers considered religious brands very important in defining their self-identity, due to the religious values associated with religious brands that represent customer's religious values to some extent (Mathras et al., 2016; Minton & Kahle 2014).

As the brand is perceived as very important, customers with great SBCs experience lower self-esteem or an uncomfortable feeling when their brands fail to portray favourable service evaluations since the customers and the brand have become intertwined. Thus, unfavourable service evaluations are interpreted as harming customers' self-identity or positive self-view (Cheng et al., 2012). A psychological explanation for such a situation is that customers feel threatened when they are unsuccessful in performing something as expected, particularly in comparison to others (Cheng et al., 2012; Tesser, 2000). These prior studies provide indirect support for the current research, which finds that SBC significantly impacts the participants' perceptions of SQ involving Islamic banks. In this case, IB customers felt that Islamic banks have become part of their identity and self-concepts. Therefore, when service failure occurs, rather than dismissing or pushing aside objective evidence of the service failure, customers with strong SBCs lower their evaluations and become more forgiving (Cheng et al., 2012).

However, there is no prior research that can directly corroborate this finding as the literature of SBC focuses on the relationships between SBC and the outcome variables of marketing such as brand relationship quality, WOM intention, purchase intention and loyalty (Dwivedi 2014; Dwivedi et al., 2014; Kwon & Mattila 2015; Lin et al., 2017; Moliner et al., 2018; Nemati et al., 2018; Chand & Fei 2020). Hence, this research contributes to the existing literature of SBC as the first of its kind by examining the direct relationship between SBC and SQ that involves Islamic-faith aspects in the IB context.

7.4.7 Self-Brand Connection, Trust and Commitment

The finding is consistent with the expectation that the participants' SBC has a significant positive impact on relational quality aspects involving Islamic banks, including trust (H_7) and commitment (H_8). This expectation is in line with prior research (Escalas & Bettman 2003), suggesting that SBCs are expected to enhance long-term positive attitudes towards brands. This finding is also consistent with several widely used theories to support relational marketing concepts, including social exchange theory (Blau 1964) and self-verification theory (Swann & Read 1981).

Social exchange theory suggests that when customers' relevance and expectations are met, they develop more robust customer identification and favourable relational behaviour with a brand in an ongoing relationship (Dwivedi 2014; Einwiller et al., 2006). Meanwhile, self-verification theory supports the finding as, according to this theory, customers would engage in long-term relationships with brands as long as such relationships verify self-concepts that they have incorporated in their self-schemes, resulting in trust and commitment (Westhuizen 2018; Escalas 2013). Moreover, in sync with social exchange theory and self-verification theory, the findings point out that customers trust and are committed to their Islamic banks due to strong identifications and connections between their self-concepts and the Islamic banks in terms of Islamic principles and ethics. Accordingly, the manifestations of Islamic principles and ethics as part of their self-concepts are strongly felt in their trust and commitment attitudes (See Sections 7.3.7 and 7.3.8).

To date, there are no studies in the literature that can support the findings of direct relationships between SBC and trust and SBC and commitment. However, this research finding is in line with prior studies suggesting that customers develop SBCs to meet their self-definitional needs (Sirgy 1982). Once a brand fulfils customers' self-identity creation needs, they may develop a favourable relationship with the brand followed by greater trust and commitment in the brand (Wang and Bloemer 2008). Moreover, customers tend to behave consistently, which strengthens their self-concepts. Thus, behaving inconsistently causes psychological discomfort that may invalidate an individual's self-concept (Sirgy et al., 2008). The finding points to the fact that the participants maintained their commitment to their Islamic banks to avoid life disruption through some psychological discomfort that switching away from their Islamic banks may have caused.

7.4.8 Customer-Based Corporate Reputation and Self-Brand Connection

The finding is consistent with the expectation that the participants' perceptions of CBR have a significant positive impact on SBC involving Islamic banks (H_9). This implies that CBR, which consisted of three aspects: social & environmental responsibility, competence, and customer & employee orientation involving Islamic banks' functional and Islamic-ethics aspects, enhanced customers' SBCs towards Islamic banks. This finding contributes novelty to the literature of CBR by identifying Islamic bank customers' responses towards Islamic banks' activities regarding the three aspects of CBR by extending it to the context of SBC from the Islamic perspective.

Moreover, this finding is in line with prior research suggesting that customers tend to identify with and support an Islamic bank when they believe that its activities and ethical conduct are consistent with Sharia principles (Mostafa & ElSahn 2016). As a result, customers of

Islamic banks may perceive the character of their Islamic banks as identical to theirs when they perceive a match between the Islamic banks' reputation and Islamic ethics. This finding points to the fact that this match positively influences customers' identification with their Islamic banks, which caused them to build connections with and emotionally attached to them.

In addition, this finding is consistent with prior research (Escalas & Bettman 2003), suggesting that SBCs are expected to enhance long-term positive attitudes towards brands, which also aligned with several theories that are widely used to support relational marketing concepts, such as social exchange theory (Blau 1964) and self-verification theory (Swann & Read 1981).

Moreover, in sync with the qualitative finding, CSR-based activities (social & environmental responsibility) were the most outstanding aspect of CBR in the quantitative study. These findings align with prior studies suggesting that customers with religious self-identity tend to include CSR activities into Islamic ethics evaluation based on customers' ethical judgements (Ahmed et al., 2013; Bakar et al., 2013). In other words, customers of Islamic banks evaluate the extent to which the Islamic banks' CSR activities are ethical from Islamic perspectives and whether it is viewed as "me" or "not me" according to customers' religious self-identity (Mostafa & ElSahn 2016).

Furthermore, both quantitative and qualitative findings support prior studies suggesting that when customers view CSR activities as consistent with their ideas, values and ethical behaviour, their identification increases (Connolly & Prothero 2008; Sheikh & Beise-Zee 2011). The findings are also consistent with Deng & Xu (2015), who reported the crucial role of CSR activities in constructing and maintaining long-term relationships with customers.

However, no studies in the literature can support the findings of direct relationships between CBR and SBC. Cultural aspects, particularly faith-based aspects, are absent in prior studies on CBR (Boshoff & Sarstedt et al., 2013). Likewise, the involvement of Islamic faith-based aspects is largely ignored in the SBC literature. Therefore, this finding provides novelty to the literature of CBR and SBC by examining the direct relationship between the two constructs in the IB context.

7.4.9 Customer-Based Corporate Reputation and Service Quality, Trust and Commitment

The finding is in line with the expectation that the participants' perceptions of CBR have a significant positive impact on the perceptions of SQ involving their Islamic banks (H_{10}). This finding is aligned with signalling theory (Spence 1973) which suggests that customers utilise a corporate reputation as a cue to judge a company's SQ (Abd-El-Salam et al., 2013) and

to shape attitudes for the company (Walsh et al., 2009). However, no previous studies can support the direct relationship between CBR and SQ in any context, not to mention the IB context.

The finding implies that CBR, which consisted of three aspects: social & environmental responsibility, customer & employee orientation, and competence involving Islamic banks' functions and Islamic ethics, enhanced customers' perceptions of SQ. This finding contributes novelty to the literature of CBR by identifying Islamic bank customers' responses towards Islamic banks' activities regarding the three aspects of CBR (social & environmental responsibility, customer & employee orientation and competence) by extending it to the context of SQ from the Islamic perspective. Since both qualitative and quantitative findings found that social & environmental responsibility factor (i.e., CSR-based activities) was the most outstanding aspect of CBR, the discussion will focus on this factor.

In terms of social & environmental responsibility (CSR initiatives), the finding aligns with Kolodinsky et al. (2010), who identified that customers' positive responses from CSR activities could influence their perceptions of brand quality. Other research found that CSR enhances patronage intentions through perceived SQ (Liu et al., 2014). In addition, it reported that CSR activities that are poorly managed could impair company reputation and product/service evaluation (Creyer & Ross 1997; Sen & Bhattacharya 2001). In this study, social & environmental responsibility indicates the extent to which an Islamic bank supports good causes, emphasises the importance of CSR, and promotes social wellbeing positively influenced how customers perceive SQ.

Moreover, this finding is consistent with prior studies of faith-based brands, which identified that brands with clear religious symbols and features such as Islamic banks are viewed by their customers as products or services that lead to more community contributions (i.e., CSR activities), indicate higher operating standards and a stronger moral compass, thereby indicate higher quality and reassuring business conduct in comparison with non-religious brands (Dotson and Hyatt 2000; Taylor et al. 2010; Minton 2015; Minton and Kahle 2017; Liu and Minton 2018). This finding provides novelty to the literature of CBR and SQ by examining the direct relationship between the two constructs in the IB context.

Furthermore, the finding is in line with the expectation that the participants' perceptions of CBR significantly impact customer trust involving their Islamic banks (H_{11}). The finding supports prior studies suggesting a solid corporate reputation indicates a corporate's trustworthiness to customers, motivating customers to attach themselves to the company (Bartikowski & Walsh 2011; Hennig-Thurau & Klee 1997).

In this research, the trust operates through the belief that Islamic banks comply with Islamic principles, invest in excellent or halal venues, and have a trusted leader (see section 7.3.7).

The finding indicates that the participants of this research believed that their Islamic banks comply with Islamic principles as they perceived that their Islamic banks reflected Islamic traits such as sincerity, ethical values, equity, fairness (Ahmad 1997; Sauer 2002; Hoq et al. 2010) and promote social justice (Ahmad and Hassan 2000). Perhaps these Islamic traits perceptions appeared because the participants viewed that their Islamic banks were concerned with the participants' needs and problems sincerely, treated their customers and employees fairly and they were in compliance with high standards, supported good causes and social responsibility, and promoted the wellbeing of the society (see section 7.3.5). Besides, it may be that the participants believed in the leaders of their Islamic banks (see section 7.3.5) because they perceived their Islamic banks were competent in the sense that the banks offered high-quality, innovative products and services and signal strong financial performance and growth prospects (see section 7.3.5).

Prior studies found similar ideas that support the positive effect of corporate reputation on trust. For example, Morgan & Hunt (1994) posit that a good corporate reputation can increase customers' confidence and reduce the risk of negatively evaluating the quality of products and services. Thus corporate reputation plays a significant role in creating relational trust. When customers have no transaction experience, an excellent corporate reputation indicates the company's competence (Campbell 1999). Thus, customers may trust such an excellent corporate reputation (Barone, Manning & Miniard 2004). Moreover, customers tend to perceive a company as trustworthy due to their favourable perceptions (Keh and Xie 2009; Walsh et al. 2009; Ali et al. 2015), including in the banking sector (Fombrun 1996). Likewise, in the IB context, Hoq et al. (2010) and Amin et al. (2013) link corporate image with trust and found that corporate image positively influences trust.

Despite that, no studies investigate the direct relationship between CBR and trust from the Islamic perspective in the IB services context. However, the qualitative findings support this finding that perhaps CBR, which consisted three aspects, namely social & environmental responsibility, competence and customer & employee orientation involving Islamic banks' functional and Islamic-ethics aspects enhanced customers' trust towards Islamic banks which aspects are associated with the ideal ethical identity of Islamic banks (see section 7.3.7). Therefore, this present research fills the gap by expanding the study of the causal relationship between CBR and trust to the IB context from the Islamic ethical perspective.

Furthermore, the finding is in line with the expectation that the participants' perceptions of CBR significantly impact customer commitment to their Islamic banks (H_{12}). This finding is aligned with prior research suggesting that a favourable corporate reputation may lead to commitment-inducing emotional bonds (Walsh et al., 2012). However, the literature has not

studied the direct relationship between CBR and commitment that involves Islamic perspectives in the IB context.

In sync with the qualitative findings, there are possible explanations to support the significant positive impact of CBR on commitment associated with functional and faith-based aspects. In terms of functional aspects, customers may be committed to their Islamic banks because of their perceptions about complaints handling, competence, compassion in serving customers, a wide range of service features, and highly accessible e-banking facilities (see section 7.3.5). These notions align with prior studies that the services provided by the personnel in a company are essential to developing emotional attachment and a long-term relationship with the customers (Kandampully 1998). Berry and Lampo (2004) argue that the emotional involvement with customers, for instance, the provision of innovative services and caring service experiences, emotionally touches the customers and elevates the brand to a more powerful meaning and customer commitment.

In terms of emotional or faith-based aspects and in addition to the finding justification from the Islamic perspectives (see section 7.3.5), it may be that Islamic banks' stance and efforts on the social and environmental responsibility aspect portray altruism and thus evoke the sense of identification within the participants' self who uphold social-altruistic values (Stern et al. 1993), from which they build around their commitment towards their Islamic banks. This idea relates to Mark (1999), who posits that customers position the brands in their minds and want the brands to be closely associated with their lifestyles and passions. With the social-altruistic motives, individuals are motivated to engage in altruistic behaviours and maintain the altruistic values as their lifestyles because they are concerned about the welfare of society, and thus they are motivated to help others and feel morally obliged to do good (Stern et al. 1993; Ross 2010). Given that customers may view that their patronage of Islamic banks' behaviours can help them satisfy their social-altruistic motives and contribute to society and the environment, they build commitment towards their Islamic banks.

Overall, this finding is consistent with Bartikowski and Walsh (2011), who demonstrate that CBR has a significant positive effect on commitment. Similarly, a study in the service sector suggests that customers tend to have favourable intentions to continue doing business with a service firm or commit when they attribute an excellent reputation to a service firm (Bettencourt 1997; Zeithaml et al. 1996). Nevertheless, since no studies address the direct relationship between CBR and commitment in the Islamic banking context, this present research fills the gap by expanding the study of the causal relationship between CBR and commitment to the IB context by considering the Islamic perspective as well.

7.4.10 Service Quality and Loyalty

The finding is in line with the expectation that the participants' perceptions of SQ significantly positively impact the perceptions of loyalty involving their Islamic banks (H_{13}). This finding is consistent with prior studies (Haron et al., 2020; Alshurideh et al., 2017; Hidayat et al., 2015; Saeed et al., 2014 Butt et al., 2013), which found that the improvements in service quality can enhance customer loyalty towards Islamic banks. However, since these studies were replicating research from non-IB contexts, this finding provides novelty to the literature of SQ and loyalty in the IB context by examining the relationship between the two from the Islamic perspective.

This quantitative finding points to the fact that SQ operates through tangibles and empathy. Moreover, and in sync with the qualitative finding (see section 7.3.1), it may be that the tangibles aspect, such as the modern-looking equipment or the physical facilities, and the communication materials that were visually appealing induced participants' willingness to say positive things about their Islamic banks to others. Perhaps, the employees' empathy that was shown in terms of personal attention and their concerns of the participants' interests and needs increased the participants' willingness to recommend their Islamic banks to their families, relatives, and those who seek advice. In this case, the finding is aligned with a postulation that those within Islamic societies tend to be collectivists constantly concerned of others and seek to achieve broader social welfare, thus have a greater inclination to engage in giving recommendations to others about their Islamic banks (Al-Krenawi & Graham 2002; Hall 1976).

These notions are related to prior studies that suggest the effect of SQ on positive word-of-mouth (WOM), which is a manifestation of loyalty behaviour (Zeithaml et al., 1996). For example, Boulding et al. (1993) demonstrate that the more favourable customers' perceived overall SQ, the more likely the customers are to engage in beneficial behaviours to the company, such as generating positive WOM and recommendations.

7.4.11 Trust and Loyalty

The finding is in line with the expectation that the participants' perceptions of trust significantly impact the perceptions of loyalty involving their Islamic banks (H_{14}). This finding is consistent with prior studies (Kwon et al., 2020; Kabadayi 2016; Amin et al., 2013; Kantsperger & Kunz 2010), which found that trust plays a crucial role in enhancing customer loyalty.

This finding is also consistent with prior studies in the IB context, which found trust is mainly developed from the bank's compliance with Islamic principles (Thaker et al., 2019; Suhartanto et al., 2018; Arshad et al., 2016; Hidayat et al., 2015; Butt and Aftab 2013;

Kayed & Hassan 2011; Hoq et al. 2010). This suggests that IB customers, mainly Muslim customers, trust Islamic banks that claim to comply with Islamic principles and Sharia values.

In sync with the qualitative finding, trust was manifested in several ways, including the belief that the Sharia Supervisory Board did their jobs to make sure their Islamic banks' comply with the Islamic principles, and the belief that the banks invested their money in halal venues and managed by trustworthy leaders (see section 7.3.7). Accordingly, these trust forms may explain why customers were loyal to their Islamic banks (i.e., willing to spread PWOM and recommend their Islamic banks to others).

The finding is also similar to prior studies, which suggest that customers' beliefs indicate trust in the IB context that their Islamic banks comply with the Islamic law (Hassan and Lewis 2007; Tameme and Asutay 2012). Customers of Islamic banks, mainly Muslim customers, highlight the importance of compliance with Islamic principles more than other aspects (Amin et al., 2013). These customers build a relationship with Islamic banks on the foundation of trust because they perceived and believed that their banks complied with the Islamic principles (Metwally 1996; Metawa and Almossawi 1998; Naser et al. 1999; Othman and Owen 2002; Okumus 2005; Hoq et al. 2010). These customers' perceptions significantly influence the customers to develop a relationship with Islamic banks (Hoq et al. 2010).

In this sense, Islamic banks that operate by Islamic principles are more likely to be trusted by Muslim customers (Amin et al., 2013). Compliance with the Islamic principles is highly concerned as the foundations of Islamic banking conduct from which customers' trust is developed (Ismail 1992; Othman and Owen 2001; Hoq et al. 2010).

Besides the belief that their Islamic banks comply with the Islamic law, the participants' willingness to say good things about their Islamic banks and recommend to others may also be triggered by their beliefs in the leaders of their Islamic banks. This finding relates to the prior studies that define trust as customers' feelings of confidence, security, and assurance that the bank will look after them (Kumra and Mittal 2004; Jarvinen 2014). Given that, it may be that the participants believe in the leaders of their Islamic banks because they were confident that the banks were under good management and leadership, and thus the banks would take care of their money and fulfil their needs.

In addition, the literature reports that trustworthiness and honesty are mandatory personal traits in Islam. Hence customers of Islamic banks expect that the banks perform the operations in the gestures that are based on these Islamic traits (Iqbal and Mirakhor 2007 cited in Amin et al. 2013), and the banks' personnel should perform their duties with devotion

and sincerity (Hoq, Sultana, and Amin 2010). In this case, it is plausible to argue that the participants' beliefs in the leaders of their Islamic banks were a foundation of their trust because they expected that the leaders, including the Sharia Supervisory Board among others, were trustable in assuring the staff performing the banks' operations following the Islamic traits.

This present study contributes to the existing literature by confirming that trust in the IB context has distinct features to trust in the conventional banking context (Metwally 1997; Naser and Moutinho 1997; Warde 2000; Iqbal and Mirakhor 2007; Hoq et al. 2010). Mainly, this study redefined trust by adding the Islamic compliance and leadership aspects to the dimensions of trust. In addition, this research also contributes to the existing literature by extending the research of the causal relationship between trust and loyalty in the frame of the IB sector, which to date has received very little attention in the literature (Amin et al. 2013).

7.4.12 Commitment and Loyalty

The finding is in line with the expectation that the participants' perceptions of commitment significantly impact the perceptions of loyalty involving their Islamic banks (H_{15}). This finding is consistent with prior studies (Tabrani et al., 2018; Hassan et al., 2012), which found that commitment is vital in enhancing customer loyalty towards Islamic banks. In support of Fullerton (2011) and Meyer et al. (2001) and sync with the quantitative finding, commitment is manifested in the forms of affective commitment, and reinforce commitments and points to a novelty as these forms of commitment involve underlying faith-based aspects (see section 7.3.8). Accordingly, these novel forms of commitment may explain why customers were loyal to their Islamic banks (i.e., willing to spread PWOM and recommend their Islamic banks to others).

In terms of affective commitment, the findings reveal that customers have a strong sense of identification with and were emotionally attached to their Islamic banks. They have had significant personal meaning for the customers (see section 7.3.8). These forms of affective commitment were indicated by their willingness to provide criticism and build an intimate relationship as an engagement in the Islamic economy development. Moreover, regarding reinforced commitment, this research finds that customers believed they would encounter spiritual and psychological risks and lose the benevolence that followed suit with their faith if they switched away from their Islamic banks (see section 7.3.8).

Accordingly, this finding relates to prior studies that link brand love and consumer likelihood to engage in spreading PWOM. For example, Batra, Ahuvia, and Bagozzi (2012) developed a brand love model that incorporates seven factors: positive emotional connection, self-

brand integration, anticipated separation distress, passion-driven behaviours, long-term relationship, and attitude certainty strength, and positive overall attitude valence. They found that consumers who love their brands tend to share their positive experiences with others (Batra et al., 2012; Ahuvia, Bagozzi, and Batra 2014).

In this case, these brand love aspects (Batra et al. 2012) are assumed to be linked to the elements that construct both affective commitment and reinforced commitment in this present research, which in general include: emotional attachment, great personal meaning, and a strong sense of identification with their Islamic banks as well as avoidance from the distress or risks a switching to another bank can cause.

This present research contributes to the existing literature by expanding the study of a causal relationship between commitment and loyalty to the IB context, which has been largely unexplored to date. In addition, this research revealed a different way of defining commitment, particularly affective commitment, compared to prior studies (Verhoef et al. 2002; Bugel et al. 2011; Brock and Zhou 2012; Strandberg et al. 2015). These prior studies emphasize the measures of affective commitment in the extent to which customers are emotionally attached with the banks and feel the meaning about their relationship with their banks, while this present research involves the faith-aspect in addition to the emotional attachment aspect (Meyer et al. 2001; Fullerton 2011). Such involvement of faith and emotional aspects provides novelty in researching the causal relationship between commitment and loyalty, particularly in the IB context.

7.5. Summary of Chapter

Chapter Seven has provided the discussions of the research findings generated in both the qualitative and quantitative phases within the context of the reviewed literature. The qualitative research findings are discussed in several topics, including the discussion of customer loyalty, the elaboration of both self-related and ORV in the IB context to address Research Question 1 (What is meant by loyalty, and what factors influence it from the perspectives of IB customers in Indonesia?). The quantitative findings are discussed in subsections consisting of 15 hypotheses, including the effects of SRV on customer loyalty and the roles of ORV in enhancing customer loyalty. These quantitative findings were discussed to address Research Question 2 and Research Question 3. In addition to that, the pattern of Islamic bank usage is discussed based on the qualitative and quantitative findings, which is presented at the beginning of the chapter. Having discussed the research findings, the next chapter will address the contributions of the present research and the implications for research and managerial practice. These are followed by acknowledging

the research's limitations and suggestions for future research. Finally, the next chapter closes with the conclusion of the present research.

Chapter 8 Conclusions, Implications, Recommendations and Limitations

8.1. Introduction

This final chapter consists of six sections. Section 8.2 presents summary of key findings followed by Section 8.3 discussing theoretical contributions and implications. Section 8.4 highlights the research implications for practice, whereas Section 8.5 presents the limitations and recommendations for future research. Finally, Section 8.6 concludes the thesis.

8.2. Summary of Key Findings

The primary aims of the current research were twofold. First, to develop a better understanding of customer loyalty from the faith-based perspectives and self-schemes of IB customers in Indonesia in response to the religious value systems communicated by their Islamic banks. Secondly, to investigate the extent to which a range of ORV and SRV contribute to enhancing this customer loyalty. In order to address these research aims, the researcher designed three research questions. Research question 1 aimed to explore the meaning of loyalty and the antecedents of loyalty from the perspectives of IB customers in Indonesia. Research question 2 looked into the roles of SRV in enhancing customer loyalty towards Islamic banks, particularly IBL, religiosity and SBC. Moreover, research question 3 aimed to examine the roles of ORV, including CBR, SQ, trust, commitment and loyalty.

Overall, the research revealed that being loyal to Islamic banks meant that customers kept using their Islamic banks as their first choice and engaged in PWOM (i.e., recommended others) for combined non-religious and religious reasons. The findings pointed that the antecedents of customer loyalty were commitment, trust, SQ, and IBL. Commitment in this research was essentially manifested in affective commitment, continuance commitment and normative commitment and played an essential role as it appeared as the strongest loyalty predictor. Commitment was influenced by CBR, SCB and IBL with CBR served as the strongest antecedent. CBR was manifested in competence, customer & employee orientation, and SER, which encompassed functional and faith-based aspects. This research also pointed that CBR appeared as crucial ORV as it played many roles in enhancing self- and ORV (i.e., SBC, SQ, trust and commitment). In addition to that, SRV played essential roles in this study. In this case, IBL was the most substantial SRV as it positively influenced CBR, SBC, commitment and loyalty. Besides, the research revealed

that SBC has had significant and positive influences on SQ, trust and commitment, where religiosity has played a positive role in enhancing SBC.

8.3. Theoretical Contributions and Implications

This study added novelty to the literature by investigating IB loyalty-related issues in Indonesia involving customers' perceptions of the philosophies and the essential features of IB to distinguish the loyalty model in the IB sector from the loyalty models in the traditional services industry (Yoo et al., 2000; Fullerton 2003; Jamal & Anastasiadou 2009; Ofori et al., 2017; Ghosh 2018; Omoregie et al., 2019; Arifine et al., 2019). No similar study has been reported in the past studies (Tabrani et al., 2018; Suhartanto et al., 2018; Shabbir et al., 2018; Thaker et al., 2019; Saleh et al., 2017), hence this study contributed to the literature of relationship marketing, particularly in the domain of customer loyalty.

To date, empirical research on relationship marketing has focused mostly on a range of direct antecedent variables, such as SQ, corporate reputation, trust and commitment, to explain variations in a dependent variable, usually loyalty (Dick & Basu 1994; Coetzee et al. 2013; Morgan & Hunt 1994; Nguyen et al. 2013; Fullerton 2011; Bartikowski & Walsh 2011). However, the direct effects of SRV on relational marketing variables in explaining loyalty have not been reported (Sharma & Patterson 2000). Moreover, past studies have not investigated the effects of ORV and SRV and the interplay of these variables in explaining customer loyalty within the IB context. Accordingly, this research developed, validated and tested a comprehensive customer loyalty model that is unique from the existing loyalty literature (Dick & Basu 1994; Zeithaml 2000; Fullerton 2003; Jamal & Anastasiadou 2009; Evanschitzky et al., 2012; Arifine et al., 2019; Arslan 2020).

Overall, the model complements relational marketing variables that are categorised into ORV (i.e. SQ, corporate reputation, trust, commitment and loyalty) with relatively new variables that are classified into SRV (i.e. IB literacy, SBC and religiosity) to obtain a deeper understanding of customer loyalty attitudes and behaviour toward IB services. This research provides both theoretical and practical contributions as follows:

8.3.1. Islamic Banking Literacy (IBL)

Whilst past studies have emphasised the importance of financial literacy in general (Lusardi & Mitchell 2011; Atkinson & Messy 2011; Allgood & Walstad 2013; Mende & van Doorn 2015), very few have explored its role within the IB context (Bley & Kuehn 2004; Abdullah & Anderson 2015; Zaman et al., 2017; Mahdzan et al., 2017; Albaity & Rahman 2019; Muslichah & Sanusi 2019). This research contributed to the literature by investigating the

role of Islamic banking literacy (IBL) in explaining customer loyalty towards Islamic banks, which has not been studied.

The current research contributed to the literature by narrowing down the concept of Islamic financial literacy (Albaity & Rahman 2019; Mahdzan et al., 2017; Zaman et al., 2017) to IBL. This research conceptualised IBL from the customers' faith-based perspectives to understand how it influenced customer loyalty towards Islamic banks to address Research Questions 1 and 2. Accordingly, the qualitative findings revealed that there was a general lack of understanding of IB concepts, features and principles among Islamic banks' customers. This limited understanding of IB has led customers felt uncertain and sceptical whether Islamic banks could meet customers' expectations and deliver their promises.

Moreover, due to the low awareness and understanding of IB concepts among IB customers in Indonesia, the study identified a self-assessed approach as the most accurate approach to measuring customers' IBL. The particular approach was suitable for customers who had had low awareness of a product category (Park et al., 1994). This research contributed to being the first study that measured IBL using a self-assessed approach based on the combining insights derived from the qualitative study and the literature review (Lusardi & Tufano 2015; Disney & Gathergood 2013). The prior studies of IBL (Bley & Kuehn 2003; Zaman et al., 2017; Albaity & Rahman 2018) have overlooked the empirical ground for selecting the IBL measurement approach.

Using the self-assessed IBL approach, the research had tested four hypotheses to examine the direct positive effects of IBL on CBR, SBC, commitment and loyalty (H_1-H_4), which all came supported. The finding (H_1) demonstrated that better knowledge and understanding of IB products and services had generated positive evaluations of three specific sub-dimensions of CBR, namely social and environmental responsibility (SER), competence, and customer and employee orientation (CEO). To put into perspective, when dealing with Islamic banks, an increased IBL helped customers understand and evaluate various features and characteristics of IB (Abdullah & Anderson 2015), reduce disinformation and make better judgements about their Islamic banks' reputation, whether the Islamic banks were Sharia-compliant and had had a strong foundation of Islamic business ethics (Dinc, Cetin, Bulut & Jahangir 2020; Bhatti 2020) in terms of SER, competence, and CEO aspects.

Moreover, the research pointed that IBL had positively impacted the strength of SBC towards Islamic banks (H_2). In this case, customers' knowledge and understanding of IB had helped them to process relevant information, identify whether their Islamic banks had the qualities to fulfil their self-definition needs and evaluate whether the banks could help customers achieve functional, emotional and self-expressive benefits (Marticotte, Arcand & Baudry 2016; Wirtz et al., 2013). Customers had utilised such information to decide whether

they wanted to gain the self-expressive benefits by building a connection with their Islamic banks to fulfil their self-definition needs. Therefore, IBL had positively influenced customers' decision-making processes in terms of helping them evaluate whether their self-concepts were matched with their Islamic banks, which led them to develop an SBC with Islamic banks of their choices.

Furthermore, the findings (H$_3$) demonstrated that IBL had positively influenced customers' commitment to Islamic banks. The research revealed that customers' IBL had helped them identify and appreciate shared values and perceived benefits communicated by their Islamic banks. Thus, it significantly and favourably influenced customer commitment. The findings pointed that adequate IBL had allowed customers to express their commitment to Islamic banks by criticising when the services were poor or below their expectations as a manifestation of their commitment to Islamic banks (Reiter 2015; Hiller Conner & Kozar 2012).

In addition, the findings (H$_4$) pointed that IBL had positively influenced customers' loyalty to Islamic banks. Adequate IBL allowed customers to become more complacent with a specific way of doing things with their Islamic banks and make switching between service providers less appealing (Bell, Auh & Smalley 2005). Furthermore, customers with underlying high IBL appeared as loyal customers who kept their Islamic banks as their first choice and engaged in PWOM since adequate information about Islamic banks had strengthened their PWOM intentions.

Overall, the findings of H$_1$-H$_4$ contributed to the literature by conceptualising IBL based on the customers' faith-based perspectives and examining its direct effects on CBR, SBC, commitment and loyalty which provided supports to the hypotheses for the first time, particularly in the context of non-luxury and faith-filled brands such as Islamic banks. Therefore, this research revealed a theoretical implication to the IB context that IBL appeared as one of the most prominent SRV that played essential roles in enhancing customer loyalty and its antecedents, including CBR, SBC and commitment.

8.3.2. Religiosity

The research provided novelty and contributed to the literature by providing a more relevant religiosity conceptualisation to the IB sector and examining the direct relationship between (Islamic) religiosity and SBC. Moreover, the findings extended the literature of religiosity to the literature of SBC in the IB context that, according to prior studies, is focused on identifying religiosity measurements and its relationships with ORV (i.e., corporate image,

trust and loyalty) (Abou-Youssef et al., 2015; Souiden & Rani 2015; Usman et al., 2015; Suhartanto et al., 2018).

More specifically, the study extended the concepts of intrapersonal religiosity and interpersonal religiosity (Worthington et al., 2003; Jamal & Sharifuddin 2015) to the IB context. Intrapersonal religiosity appeared as the extent to which customers referred to The Holy Quran and The Hadith as their guide in life, how their activities were bound to Islamic principles, and the degree to which they viewed Islam as a guide to a good life and afterlife. Meanwhile, interpersonal religiosity was manifested in the extent to which customers were engaged in preaching activities to support Islamic banks' development.

Moreover, the research had tested and supported H_5 to examine the direct positive effect of religiosity on SBC. The research reported that customers' religiosity had shaped their religious self-concepts that influenced their responses to and evaluations of Islamic banks, which created strong connections between the customers and their Islamic banks. In this case, customers who had indicated themselves as highly religious customers tended to have a strong SBC that was manifested in a strong identification with Islamic banks as a means to communicate and present themselves to others, vice versa (Escalas & Bettman 2003).

Overall, the research aligned with prior studies (Mohd Suki & Mohd Suki 2015; Sandikci & Ger 2010; Wilson & Liu 2010), suggesting that customers engaged in Halal consumption behaviour since they needed to secure their self-identity that was identified as Muslims. The research also revealed that highly religious customers tended to maintain their religious identity by making it the main reason for engaging in halal consumption behaviour (Jamal & Sharifuddin 2014; Sandikci & Ger 2010). In this case, customers developed meaningful connections (i.e., SBC) with Islamic banks based on the congruency and shared Islamic values between them and their Islamic banks (Butt et al., 2017; Hollenbeck & Kaikati 2012). Therefore, this research helped in understanding how customers build connections with their Islamic banks, considering their self-identity as Muslims that had rooted in their religious self.

8.3.3. Self-Brand Connection

This research explored how SBC was developed based on the IB customers' perspectives and extended the SBC literature (Liu & Minton 2018; Mathras et al., 2016; Minton & Kahle 2014; Escalas & Bettman 2003) to the IB context by pointing out that customers presented their prominent religious core values in the process where they developed SBCs involving their Islamic banks. In that case, customers articulated their Islamic self-concepts by

validating and presenting themselves to others as Muslims through utilising Islamic banks of which values were aligned with their religious-self inclination (Liu & Minton 2018).

As customers' SBC developed with their Islamic banks, they believed that their Islamic banks helped them become the type of person they had wanted to be (i.e., practising Muslims). They also believed that they shared mutual Islamic values and attitudes, and developed the spirit of supporting Islamic banks as they patronised Islamic banks.

The research tested the nomological networks of SBC with ORV (i.e., SQ, trust and commitment) whilst none of prior studies have identified the consequents of SBC in the IB context (Roy and Rabbanee 2015). Accordingly, H_6 was tested to examine the direct positive effect of SBC on SQ for the first time, which came supported. The research reported that customers with a strong SBC had maintained their favourable perceptions of their Islamic banks because the strong connections secluded them from negative attitudes as they tended to be more benevolent and forgiving in evaluating the banks (Ferraro et al., 2013; Chandler & Schwarz 2010; Hess et al., 2003). In addition, the strong SBC between customers and their Islamic banks had enhanced their SQ evaluations towards their Islamic banks, particularly in terms of tangibles and empathy aspects.

Moreover, H_7 and H_8 were tested and supported the direct positive effects of SBC on trust and commitment towards Islamic banks. Aligned with social exchange theory (Blau 1964) and self-verification theory (Swann & Read 1981), this research demonstrated that customers trusted and were committed to their Islamic banks due to strong identifications and connections between their self-concepts and the Islamic banks in terms of Islamic principles and ethics. This intense identification was developed based on customers' ability to fulfil their self-identity creation needs as they maintain the ongoing relationship with Islamic banks (Dwivedi 2014; Einwiller et al., 2006).

The research revealed that customers' strong connections and willingness to engage in long-term relationships with Islamic banks enhanced their trust and commitment with their Islamic banks as such relationships had helped them verify their self-concepts. In this case, a strong SBC enhanced customers' trust that was manifested in their confidence towards the Islamic banks' Sharia Supervisory Board (SSB) and trustworthy leaders. They believed that these people had done their jobs to ensure that Islamic banks complied with the IB principles, such as investing customers' money in excellent or halal venues. Moreover, a strong SBC intensified customers' commitment because they felt entitled to criticise Islamic banks when the services were poor as providing advice or criticism was believed to be an act of helping others. In addition to that, customers with a strong SBC enhanced their commitment by maintaining a good relationship with their Islamic banks as a passion for supporting the development of the Islamic economy.

In summary, the research provided novelty and contributed to the literature by extending the SBC literature (Liu & Minton 2018; Mathras et al., 2016; Minton & Kahle 2014; Escalas & Bettman 2003) to the IB context and tested the nomological networks with ORV (i.e., SQ, trust and commitment). Moreover, the research revealed that SBC was one of the SRV that played essential roles in enhancing the three ORV in the IB loyalty framework. Therefore, this research served as a ground-breaking study into understanding how customers' SBC that customers' religious-self-concepts had strongly influenced SQ, trust and commitment.

8.3.4. Customer-Based Corporate Reputation

This study conceptualised CBR based on a combination of functional and faith-based aspects. According to this new concept of CBR, this research examined the direct positive effects of CBR on SBC, SQ, trust and commitment, and filled the gap in the CBR literature by extending the past research (Bartikowski & Walsh 2011; Walsh et al. 2009) to the IB context. Moreover, this research revealed a theoretical implication to the IB context that CBR had appeared as one of the most ORV that played essential roles in enhancing SRV (i.e., SBC) and other ORV (i.e., SQ, trust and commitment) in the IB loyalty framework.

The contributions of this research to the CBR literature are twofold. Firstly, the research extended and reconceptualised the CBR concept initiated by Walsh & Beatty (2007) to the IB context, which included customer orientation (CO), reliable and financially strong company (RFSC), product and service quality (PSQ), and social and environmental responsibility (SER). Furthermore, the research pointed that CO, RFSC and PSQ were manifested in functional aspects such as the importance of complaints handling, strong financial performance, a wide range of service features, highly accessible e-banking facilities, competitive credit scheme, and advanced IT system, which aligned with prior studies of bank reputation (Devlin & Gerrard 2004; Iqbal et al., 2018; Bushman & Wittenberg-Moerman 2012; Godlewski et al., 2012). Meanwhile, SER was indicated by faith-based aspects that brought attention to CSR-based activities or ethical matters and contributed a novelty as these aspects have not been reported in the growing CBR literature (Walsh et al., 2014; Wepener & Boshoff 2015; Walsh et al., 2017; Cintamur & Yuksel 2018).

Moreover, the research revealed that SER was the strongest predictor of CBR and aligned with past studies that had found that CSR was effective in enhancing favourable corporate reputation (Su et al., 2020; Choi & Lee 2018; Garcia-Madariaga & Rodriguez-Rivera 2017; Jalilvand et al., 2017; Saeidi et al., 2015; Taghian et al., 2015). In this research, customers highlighted the importance of CSR and ethical aspects on the ground of Islamic values that Muslims should act according to Islamic teaching and ethics that promote the equality

between ones' relationship with God, humans and the environment (Mustafar & Borhan 2013; Kamri 2008; Ahmad 1999).

The second contribution lies in narrowing down the initial concept of CBR into three aspects: SER, competence, and customer & employee orientation, and testing four hypotheses for the first time to examine the direct positive effects of CBR on SBC, SQ, trust and commitment in the IB sector (H_9-H_{12}) which all came supported.

The research revealed that CBR with all the three aspects positively enhanced customers' SBCs (H_9) in the sense that customers viewed their Islamic banks' activities and ethical conduct were consistent with Sharia principles and Islamic values (Mostafa & ElSahn 2016), so they could identify with their Islamic banks and developed connections (SBC). In this case, customers viewed the importance of SER (i.e., CSR activities) as the primary evaluation point whether Islamic banks' CSR activities were ethical from Islamic perspectives (Ahmed et al., 2013; Bakar et al., 2013) and whether it was viewed as "me" or "not me" according to customers' religious self-identity (Mostafa & ElSahn 2016). As customers viewed Islamic banks were consistent with their values, ideology, and ethical behaviour, they began to identify with their Islamic banks (Deng & Xu 2015).

Moreover, the research pointed that CBR had had a significant positive impact on SQ (H_{10}). Customers viewed Islamic banks as financial institutions with clear religious symbols and features that lead to more community contributions (i.e., CSR activities) and higher operating standards with a stronger moral compass. These perceptions have led customers to believe that Islamic banks offered high-quality services and business conduct compared to non-religious brands (Dotson and Hyatt 2000; Taylor et al. 2010; Minton 2015; Minton and Kahle 2017; Liu and Minton 2018).

Furthermore, the research revealed that CBR had had significant positive effects on trust (H_{11}). Customers perceived that their Islamic banks had reflected Islamic traits. The banks were concerned with the participants' needs and problems sincerely, treated their customers and employees somewhat, complied with high standards, supported good causes and social responsibility, and promoted the well-being of the society. As a result, customers perceived Islamic banks as trustworthy by believing that the banks were under good management, hence portraying competence in providing the services and ensuring Sharia compliance (Keh and Xie 2009; Walsh et al. 2009; Ali et al. 2015).

In addition, the research pointed that CBR had had a significant positive effect on commitment (H_{12}) and was the strongest predictor of commitment. In line with past studies (Ross 2010; Stern et al., 1993), customers perceived Islamic banks' stance and efforts on SER, competence, and customer & employee orientation as altruism which evoked the

need to build a commitment with the Islamic banks among customers who appreciated social-altruistic values and firmly upheld it as part of their faith system. Moreover, customers within Islamic societies are characterised by collectivistic and social-oriented traits (e.g., altruistic) as the extensions of the Islamic community bond (Al-Krenawi & Graham 2000).

In summary, this research provided a new insight into understanding how faith-based aspects combined with functional aspects had influenced customers' perceptions of CBR involving Islamic banks and how it enhanced self- and ORV (i.e., SBC, SQ, trust and commitment) in the IB loyalty setting.

8.3.5. Service Quality

This research pointed that IB customers had described SQ from the primary functional aspects embedded with the implementations of solid Islamic values in the Islamic banks' operations. The Sharia-compliance aspect was inseparable from the standard SQ dimensions. In this research, customers viewed SQ from tangibles and empathy aspects presented in the Islamic architecture/ambience, prayer room availability, staff's modest appearance, and transaction delays to perform punctual prayers. Such actions/gestures reflected how Islamic banks practised the fundamental aspects of Islamic values and principles in the business. Accordingly, the research had contributed to the SQ literature by blending the Sharia-compliance aspect into the essential SQ aspects, rather than evaluating it separately as found in prior studies (Abdullrahim & Robson 2017; Othman & Owen 2001).

The research revealed that customers viewed that Islamic banks performed the services accurately and adequately, which pointed towards the importance and relevance of Islamic ethics as the foundation of business actions (Rivai et al., 2012; Ahmad 2006). They also perceived that how Islamic banks operated according to Sharia compliance was essentially part of the SQ evaluation towards their Islamic banks.

Overall, this research served as the first attempt to examine the direct effect of SQ on loyalty (H_{13}), where SQ was constructed to be more relevant in the IB context in the sense that faith-based aspects had been embedded in the SQ dimensions, particularly tangibles and empathy. The research implied that the two aspects that IB customers perceived about their Islamic banks' services had enhanced their loyalty manifested in PWOM and gave recommendations about their Islamic banks to their families, friends, and those seeking advice. In addition, the research revealed that the tendency for customers to engage in PWOM as their form of loyalty was influenced by their spirit to help others aware of and engage in Islamic banks, as well as the characteristics of those within Islamic societies that are tended to be social oriented, constantly concerned of others and seek to achieve

broader social welfare by helping others or offering solutions (i.e., such as giving recommendations about Islamic banks) (Al-Krenawi & Graham 2002; Zeithaml et al., 1996).

8.3.6. Trust

This research conceptualised trust based on IB customers' perspectives in Indonesia that is aligned with the literature (Fullerton 2011; Sumaedi et al., 2015; Amin et al., 2013; Hoq et al., 2010). The study pointed that customers developed trust based on their confidence in how Islamic banks run the business according to their expectations that their Islamic banks complied with Sharia principles (aligned with Fullerton 2011; Sumaedi et al., 2015), and their funds were managed with Islamic traits (i.e., honesty and good purposes or intentions). In this case, trustworthiness and honesty that are mandatory traits in Islam were viewed as the essential ingredients of customer trust (Iqbal and Mirakhor 2007 cited in Amin et al. 2013).

Overall, this research contributed to the literature by identifying distinctive features of trust including Sharia compliance under the supervision of Sharia Supervisory Board, trustworthy leadership, honesty and good purposes. Moreover, this research contributed to the existing literature by examining the direct effect of trust and loyalty (H_{14}) in the frame of the IB sector involving the distinct features of trust, which had received very little attention in the literature (Amin et al. 2013). Therefore, this research provided a deeper understanding of customer trust involving essential faith-based features that have enhanced loyalty in the IB sector.

8.3.7. Commitment

The research has extended the theoretical development by demonstrating that the traditional concept of commitment (Fullerton 2011; Meyer et al., 2001) was relevant to the IB context in the sense that it described commitment essentially in three forms (i.e., affective-, continuance- and normative commitment) but unique as it was perceived differently from the customers' faith orientation.

For instance, the research revealed that Muslim customers expressed their affective commitment in two forms. Firstly, customers provided constructive criticisms to their Islamic banks to help improve the services. This research demonstrated its relevance to prior studies (Chae et al., 2017; Erkmen & Hancer 2015; Bloemer et al., 2013; Fullerton 2011; Meyer et al., 2001) and uniqueness explained from the Islamic perspective. Giving constructive criticisms is highly valued in Islam as an altruistic act of providing advice to other Muslims is obligatory. Secondly, to nurture customers' passion for developing the

Islamic economy, customers built intimacy with Islamic banks by maintaining friendly relationships and an emotional bond with Islamic banks which were relevant to prior studies (Sumaedi et al., 2015; Echols & Shadily 2014). In this case, the primary motivation to maintain such relationships and participate in the Islamic economy development involved customers' aims to construct or strengthen their religious and moral systems, values and Halal consumption styles (Khraim 2010; Muhammad & Mizerski 2010; Nora 2019).

Moreover, continuance commitment was revealed as an act of remain using Islamic banks as a result of customers' awareness of the possible risks for switching away from their Islamic banks. In this case, rather than considering the potential risks that had been highlighted in prior research (Cater & Cater 2010; Blut et al., 2016; Thuy et al., 2016), such as switching costs, time, effort and emotional stress, customers had maintained using Islamic banks to avoid spiritual consequences of switching to conventional banks (Jamal & Sharifuddin 2015; Wilson & Liu 2010).

In addition, the research demonstrated that customers' form of commitment in terms of normative commitment (Fullerton 2011; Cater & Zabkar 2009; Bansal et al., 2004, Meyer et al., 2001) that had been conceptualised based on the guilty or obligated feelings was extended to the IB context. This research indicated an underlying religious reason that explained the commitment to using Islamic banks, such as to avoid losing the benevolence aligned with customers' faith (i.e., the ability to observe Islamic norms, support Islamic banks, avoid usury practices and fulfil the obligations to paying loans).

Overall, the research contributed a novelty to the commitment literature in the IB context, by demonstrating commitment as a multi-dimensional construct from the Muslim perspectives following Fullerton's (2011) and Meyer et al. (2001) and identifying its direct positive effect on loyalty (H_{15}) (Tabrani et al., 2018; Hassan et al., 2012). The finding provided a new insight into how commitment had positively influenced customer loyalty that was manifested in customers' willingness to spread PWOM and recommend their Islamic banks to others.

8.3.8. Loyalty

Prior studies of customer loyalty in the IB context (Thaker et al., 2019; Shabbir et al., 2018; Suhartanto et al., 2018; Tabrani et al., 2018; Saleh et al., 2017; Alnaser et al., 2016; Arshad et al., 2016; Kashif et al., 2016; Hidayat et al., 2015; Butt & Aftab 2013) have not studied customers' loyalty attitudes and behaviours towards Islamic banks' activities from the perspectives of customers' faith values (Minton 2016; Shachar et al., 2011). This research provided a new insight into a deeper understanding of customer loyalty by investigating a

range of self- and ORV from the customers' faith perspectives and the extent to which it had contributed to enhancing loyalty attitudes and behaviour.

Accordingly, this research examined customers' loyalty attitudes and behaviour and its antecedents were examined from customers' faith perspectives in response to the religious value systems communicated by their Islamic banks to address Research Question 1 (What is meant by loyalty, and what factors influence it from the perspectives of IB customers in Indonesia?). The finding is aligned with (Hidayat et al., 2015) and demonstrated that customers were remained using their Islamic banks if the banks were Sharia compliant which indicated the importance of a religious-based criterion to customer loyalty.

Overall, this research contributed a novelty to the literature in twofold by: understanding the faith-based aspects, including the philosophies and the essential features of IB that had motivated customers to patronage Islamic banks; and distinguishing the loyalty model in the IB sector (Alnaser et al., 2017; Arshad et al., 2016; Kashif et al., 2016; Hidayat et al., 2015; Butt & Aftab 2013) from the loyalty models in the traditional services industry (Yoo et al., 2000; Fullerton 2003; Jamal & Anastasiadou 2009; Ofori et al., 2017; Ghosh 2018; Omoregie et al., 2019; Arifine et al., 2019).

The qualitative study revealed a deeply entrenched religious-self that motivated IB patronage and usage behaviour. The same religious-self also significantly underpinned customer loyalty towards Islamic banks in Indonesia. Moreover, the quantitative study revealed a new customer loyalty model that is predicted by SQ, trust, commitment and IBL. The findings pointed that SQ was impacted by CBR and SBC. Also, commitment was impacted by IBL, CBR and SBC. Similarly, trust was impacted by CBR and SBC. Finally, IBL, religiosity and CBR significantly predicts SBC.

The research validated that commitment was the most crucial variable in predicting customer loyalty towards Islamic banks in Indonesia. The finding is aligned with (Hidayat et al., 2015) and demonstrated that customers' commitment mainly drove customer loyalty to keep using their Islamic banks if the banks complied with Sharia principles which also indicated the importance of a religious-based bank selection's criterion to the customers. The finding also indicated CBR as the strongest predictor of commitment followed by IBL as the predictor of CBR.

Therefore, the current research provided a ground-breaking insight into customer loyalty attitudes and behaviour involving Islamic banks in Indonesia. The findings validated that commitment was the most crucial factor in predicting customer loyalty towards Islamic banks in Indonesia. The findings also indicated that a 57% variance of commitment (CBR,

SBC and IBL) is explained in the model, with CBR appearing as the strongest predictor of commitment followed by IBL as the predictor of CBR.

Finally, the study is the first of its kind that highlighted the importance of using a combination of self- and ORV to develop and evaluate effective marketing strategies to improve loyalty among Indonesian customers of Islamic banks. More importantly, this research contributed to practices by revealing significant managerial implications for Islamic banks competing against other Islamic banks and conventional banks.

8.4. Implications for Practice

Overall, the current research provided insight into loyalty attitudes and behaviour of Indonesian Muslim customers, which can help Islamic banks look to enhance customer loyalty from this segment of the population. Islamic banks can identify customers' preferences and aspirations and use the data as future references for upcoming marketing strategies and communications. Also, given that no prior research (Thaker et al., 2019; Shabbir et al., 2018; Saleh et al., 2017; Arshad et al., 2016; Butt & Aftab 2013) had examined the combined effects of self-related and ORV on customer loyalty towards Islamic banks, the current research identified the gap in the literature towards making IB marketers increase their understanding of Indonesian Muslim customers and how to segment them in the best possible way based on their needs. It is paramount for Islamic banks to understand the main predictors of customer loyalty attitudes and behaviour and allocate their resources effectively. It can help Islamic banks not take their customers for granted to strive and grow in the highly competitive banking industry (Ghosh 2018; Rice & Strahan 2010).

The research revealed that understanding customer loyalty in Indonesia is complex as a different pattern from prior studies (Chigori et al., 2020; Amin 2016; Hidayat et al., 2015; Levy 2014) of loyalty in both IB and CB sectors appeared. Prior research in the IB context is focused on the IB selection criteria. It suggests that customers' adherence to Islamic principles influences them to keep using Islamic banks and become loyal regardless of whether they meet their needs and expectations (Hidayat et al., 2015). The current findings demonstrate that customers were not blindly loyal to their Islamic banks without feeling assured that their Islamic banks were meeting their requirements in terms of banking services and Sharia compliance, despite the dominant roles of their adherence to Islamic principles and religious-related motivations in selecting Islamic banks in the first place (Mansour 2019; Iqbal et al., 2017; Wilson et al., 2013).

Accordingly, the research pointed that customers loyalty is not solely determined by religious motivations but also non-religious aspects that enhance Islamic banks'

competence as Sharia-compliant banks, which is in line with Wilson et al., (2013), suggesting that customers seek both functional (e.g. product choices, good customer services, convenient access, etc.) and emotional/spiritual benefits (e.g., being able to adhere to Islamic principles) from using an Islamic bank. Therefore, the current research provided insight into identifying the importance of strategically managing the balance between self-related and ORV to enhance customer loyalty towards Islamic banks, particularly among Muslim customers in Indonesia.

Islamic banks face competition from Islamic banks and conventional banks (Kamarulzaman & Madun 2013; Naser & Moutinho 1997). Fundamentally, Islamic banks and conventional banks compete in the same market regarding product and service provision. One significant difference is that the former offer Sharia-compliant products and services (Jan 2018). The current research revealed that Islamic banks who wish to achieve solid and sustainable customer loyalty and win the fierce competition should focus on commitment as the strongest predictor of loyalty, CBR as the most vital driver of commitment, and IBL as the predictor of CBR. In that case, Islamic banks should enhance customers' IBL to improve their perceived reputation (CBR) towards their Islamic banks. Islamic banks should maintain a favourable reputation as it is the critical determinant of customer commitment, where commitment is the most dominant customer loyalty factor. Therefore, the following paragraphs discuss the managerial contributions and implications informed by the current findings regarding the critical factors of loyalty.

The research pointed to a discrepancy between what customers perceived (i.e., IBL level) and what was actually about their Islamic banks. Prior studies reported that many customers were not aware of IB's terminology, Arabic phrases, features and principles that have led them to doubt whether IB services were truly Islamic as they could not differentiate Islamic banks from conventional banks given that they had had poor understanding of IB (Wilson et al., 2013; Beck et al., 2013; Lateh et al., 2009; Bley & Kuehn 2004). Under such circumstances, Islamic banks should segment their potential customers or existing customers according to their levels of IBL and provide different ways of communicating IB products and services accordingly to ensure that they are easy to understand and clear for the customers. Islamic banks should communicate to their customers how each instrument or type of agreement (e.g., Mudaraba, Musharaka, Murabaha) works. The current research revealed that most customers possessed little knowledge of IB principles. Very few of them understood the IB system in depth.

Moreover, managing IB reputation is of extra importance and fraught with challenges since they are fundamentally different from CB in terms of Sharia-compliant and ethical aspects (Jawadi, Cheffou, & Jawadi 2016). How customers view reputation can be a clue as to

whether Islamic banks have the qualities that demonstrate truly Islamic banks (Khan 2010). Therefore, Islamic banks should pay extra attention to customers' with low levels of IBL, which could negatively influence their perceptions of Islamic banks' reputation to the extent that customers become uncertain whether IB services are different from their conventional counterparts (Hamid & Nordin 2001; Bley & Kuehn 2003) and whether Islamic banks are truly Sharia-compliant and not mimicking conventional banks (Robson & Sekhon 2015; Khan 2010). Accordingly, Islamic banks should intensively educate their target market or potential customers, perhaps by regularly disseminating reading materials, webinars, podcasts, or talk shows about IB principles and practices that the public can easily access.

When it comes to corporate reputation (CBR), Islamic banks should carefully allocate equal importance on both material-spiritual aspects in developing or maintaining a favourable reputation. This recommendation is in line with the current findings, which provide evidence that customers paid attention to functional and non-functional or spiritual benefits based on their Islamic faith in association with three aspects: competence, customer and employee orientation, social and environmental responsibility. In terms of competence, Islamic banks should communicate and convince both existing and prospective customers that they have solid prospects for future growth, strong financial performance, high quality and innovative products and services. In respect of social and environmental responsibility, Islamic banks should convey their strong support for good causes, social responsibilities, and projects that promote the well-being of the society. Regarding customer and employee orientation, Islamic banks should convince their customers that they are genuinely concerned about the needs of their customers and employees and treat them very well and fairly according to high standards. More importantly, Islamic banks should reassert and communicate that their activities concerning these three aspects are fundamentally consistent with Islamic philosophies and ethics.

Given the critical importance of commitment towards loyalty revealed in this research, Islamic banks should focus on allocating their resources to develop and maintain their customers' commitment in the long term by enhancing affective and reinforced commitment. According to this research, affective commitment can be developed by increasing customers' emotional attachment to their Islamic banks. Such emotional attachment can be done by introducing banking services or activities that have a great deal of personal meaning for the customers, and designing a bundle of products and services that increase the strength of the sense of identification between customers and their Islamic banks in association with customers' Muslim identities. In that case, Islamic banks should facilitate and encourage customers to provide their criticisms and suggestions, particularly when the service is poor since the present findings evidenced that providing criticisms to Islamic banks was a manifestation of their affective commitment (Fullerton 2011; Meyer et al., 2001)

as the participants believed that Muslims have duties to take part in the development and service improvement of their Islamic banks.

Moreover, Islamic banks should consider such activity as necessary as it is informed by this research, which indicates that customers provide criticisms to Islamic banks as a manifestation of their affective commitment to contribute to developing and improving the services offered by Islamic banks. Providing criticisms was viewed as obligatory for Muslims according to the Qur'an and Hadith to make positive changes in the affairs of the Muslims. When Islamic banks encourage, welcome and facilitate their customers' criticisms and suggestions, it can increase thefeelings of equality, confidence and friendship in the relationship between customers and Islamic banks (Price & Arnould 1999; Cater & Zabkar 2009; Sumaedi et al., 2015; Fullerton 2011; Sharma et al., 2015) that can increase customers' favourable attitudes and emotional bonds toward their Islamic banks.

In terms of reinforced commitment, the research pointed that Islamic banks should convey signals or messages to their customers about the costs and risks that the customers have to bear if they switch to another bank. For example, Islamic banks should focus not only on communicating messages that emphasise the benefits of being loyal customers but also on highlighting the costs/risks that may incur customers for leaving the bank, such as time, money and effort of seeking Islamic bank alternatives as well as the psychological stress of leaving the relationship (Cater & Cater 2010; Thuy et al., 2016). Since the competition in the IB industry also comes from conventional banks, Islamic banks should also be able to communicate persuasive messages to their customers and convince them to be loyal to Islamic banks and not to switch to conventional banks for religious reasons. This strategy can be done by signalling some negative emotional value of switching to conventional banks, which are associated with the risks of spiritual punishment in this world and the Hereafter (Wilson & Liu 2010) due to involvement with usury practices, which is strictly prohibited in Islam. In addition, Islamic banks should convince their customers that they are Sharia compliant as it can generate long-term relationships (i.e., higher levels of trust and commitment) towards Islamic banks (Almahy, Al-Sahn, & Beloucif 2014; Kayed & Hassan 2011).

8.5. Limitations and Recommendations for Future Research

As with all research, this research also contains some limitations, which means that there is a need for caution for generalising the findings of this research. First, this research focus is restricted to the context of Muslim customers of IB, which limits the generalisability of the findings. Therefore, future research could employ other religious groups to diversify the sample to generate cross-cultural comparisons and richer findings, for example, by

comparing and contrasting the similarity and differences between the Islamic and Christian customers. Islam and Christianity differ in terms of the principles in many ways (Forsyth 1980; Schneider, Krieger & Bayraktar 2011). Hence, such differences may influence how they evaluate the world differently, including their responses toward IB services.

Second, the study was also conducted in the Indonesian setting only, neglecting the potential to acquire different views from other Muslims in different countries, including those who live in Muslim and non-Muslim countries. Despite that, the researcher compensated for this limitation by recruiting participants from various demographics (i.e., gender, ages, occupation, educational background, domicile, household incomes, and marital statuses) and those Indonesian customers who were living abroad when the data collection took place. Hence, the present research opens a new path and a step forward for future research in studying the loyalty behaviour of Indonesian Muslims in the IB sector. Moreover, future research can also compare and contrast the loyalty behaviour of Muslims from a predominantly Muslim country (e.g., Turkey) and a non-Muslim country (e.g., Germany).

The Muslim community is diverse across the globe. The current study did not focus on exploring the role of cultural dimensions such as collectivism and individualism (Hofstede, 1997; Jamal and Sharifudin, 2015) in impacting customer loyalty. Accordingly, future research can investigate how cultural value dimensions play a role in predicting customer loyalty towards IB.

Muslim populations are growing worldwide, and there remains a need for future research to extend the current research model to domains other than Islamic banking and finance. Some relevant contexts worth investigating include food, dress, travel and education choices.

Third, the present research was conducted from a pragmatism perspective, and therefore there is a need to be fully aware of the drawbacks imposed by adopting such a perspective. Since pragmatism is detached from any philosophical system and use a mixed-method approach that follows both quantitative and qualitative research assumptions (Cherryholmes 1992; and Morgan 2007), the researcher acknowledges the drawbacks of adopting a qualitative approach, particularly with regards to the bias that the researcher may create in interpreting the findings. The researcher's beliefs and presence may have influenced the way participants responded during the interview sessions. The interpretation of the participants' responses and comments may differ from another researcher, threatening the internal and external credibility of the research.

To address this limitation, future research can employ various techniques to help evaluate or increase validity, such as prolonged engagement, triangulation, persistent observation, informant feedback, checking for representativeness of data, clarifying researcher bias,

making comparisons, checking the meaning of outliers, theoretical sampling, following up surprises and rich and thick description (Onwuegbuzie & Leech 2007). However, the researcher's Islamic beliefs and identity as a Muslim seem to have been advantageous in understanding the participants due to the shared Islamic values and culture, which also seems to help the researcher probe in-depth the participants' responses considering their Muslim identities. They gained the confidence to express their experiences and emotions regarding their loyalty to Islamic banks.

Fourth, although participants' motivations in using Islamic banks were primarily religious-based, the research also revealed other determinants of IB selection, such as quality of services, bank reputation, convenience, availability of ATMs, low service charges and staff friendliness. Prior studies also indicate that besides religious or Sharia issues, customers' selection criteria include bank reputation, bank's status as a full-fledge or window, facilities provided, staff friendliness, profitability (Mousavi & Takhtaei 2012), ethical considerations, and charges (Hadi & Muwazir 2020). Therefore, there is a need to exercise caution in generalising the outcomes of this study as each motivation of using an Islamic bank might have caused different responses. Accordingly, it is suggested that future research should identify customer segments based on their motivations in using an Islamic bank and should carefully apply the model and the present research findings as they may not be equally applicable.

The fifth limitation can be related to how the quantitative study was conducted. The measures for the eight variables in the research were collected simultaneously through one questionnaire. There is a risk of imposing common method variance, identified by a lack of discriminant validity among principle constructs of a study (Straub et al., 1995). However, common method variance was not evident in the outcomes of the current study. To mitigate for this, future research can adopt different research methods such as experimental design, use of focus groups and data collection over a long period (longitudinal studies). Future research could also use a more diverse sample to make cross-cultural comparisons or incorporate alternative measures to enhance further convergent/discriminant validity of key variables investigated in this research.

Sixth, this research employed snowball/convenience sampling and an online survey tool that risked the research reliability and validity and increased the potential of selection bias issues towards sample recruitment among the highly internet-literate and highly educated participants, particularly students and those working in academia (Goodfellow, Kiernan, Ahern & Smyer 1988; Fricker & Schonlau 2002; Eysenbach & Wyatt 2002; Geldsetzer 2020; Haddad et al. 2022). However, the research outcomes regarding the reliability and validity

are satisfactory indicating that the potential threats of choosing snowball sampling, the online survey tool and the way the survey was advertised were not evident.

Future research can avoid such potential threat by starting the participant referral from various social groups rather than only one group to increase the sample's representativeness and diversity when recruiting participants, particularly via online-survey tools (Emmanuel 2009). By initiating several distinct referrals and generating a large sample and non-homogenous research participants, snowball sample selection bias may be avoided (Atkinson and Flint 2001).

In addition to the research limitations, the Indonesian public policy regarding the Islamic finance sector can be a valid point for IB scholars and practitioners to consider. Global Islamic Fintech Report (2021) states that Indonesia is one of the most significant market sizes of Islamic fintech and ranked fifth after Arab Saudi, Iran, UEA and Malaysia. However, Islamic fintech is only 3 per cent, which is very small compared to the total assets of fintech in Indonesia (Ministry of Finance Indonesia 2021).

As the fintech ecosystem grows and the master plan of Islamic finance aims to make Indonesia the world's largest Islamic economy centre, the Ministry of Finance Indonesia increases their support for the Islamic finance sector, including Islamic fintech products and services. At the rate of its growth, fintech is becoming a threat to the very existence of brick-and-mortar financial institutions, including Islamic banks. This means that Islamic banks are competing with Islamic fintech and other Islamic banks and their conventional counterparts. Therefore, IB practitioners and future research should anticipate such threats and challenges by examining the most effective strategies to help the IB industry grow and sustain.

In summary, customer loyalty attitudes and behaviour towards IB services are complicated yet critical phenomena, especially in Indonesian Muslim society. Despite the limitation, the study made some critical contributions to the existing literature and remains the first of its kind to investigate the combining effects of Islamic banking literacy, self-brand connection and religiosity (i.e., SRV) with customer-based corporate reputation, service quality, trust and commitment (i.e., ORV) are applicable in explaining Indonesian Muslims' loyalty attitudes and behaviour towards Islamic banks. The findings provide a breakthrough and a significant contribution to an in-depth comprehension of this particular population segment in the Indonesian IB context through the proposed model enriched with theoretical and empirical research in the IB services area, which can be applied and improved by other researchers in the future. The present study also provides practical implications to the marketing field in the IB sector in both theoretical and managerial manners.

8.6. Conclusion

Customer loyalty attitudes and behaviour in the IB context are complex yet crucial phenomena. The current research indicated that combining the effects of self-related and ORV were helpful in understanding customer loyalty attitudes and behaviour towards Islamic banks among Indonesian Muslim customers. The findings contributed significantly towards an in-depth understanding of IB customer loyalty among Indonesian Muslims. The conceptual model proposed and validated in this research enriched the theoretical and empirical research in this critical area, which can be applied in future research. The current research provided beneficial insight to scholars and marketing practitioners in general, and in particular, to those in the IB sector. The research findings can assist and guide Islamic bank marketers in formulating effective strategies to enhance loyalty among Indonesian Muslim customers.

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APPENDIX

Appendix 1

Email of Research Ethics Clearance

Dear Savira,

The School Research Ethics Committee has now had the opportunity to review your application for ethical approval.

They have concluded that this was a good application that appears to be straightforward and has considered many of the potential ethical issues that might arise in the research context. You demonstrate a clear appreciation of the importance of informed consent, which is consistently shown throughout the application. There are some questions on religion which could prove delicate if not handled correctly, however you have made provision for participants to opt out of questions, if they so wish.

We are now happy for you to proceed with your research with ethics approval.

Best wishes

Debbie Foster

SREC Chair

Interview Guide

Interview/Discussion Guides

Introduction (Approximate time: 10 minutes)

• The researcher begins the session by explaining about the research project.

The aim of this research project is to understand the relationship building process in the Islamic banking sector by examining how and in what sense customers develop trust with Islamic banks, respond and perceive the trust-building initiatives from the Islamic banks in Indonesia. This research is exploratory in nature and aims to investigate the meanings and perceptions of trust, commitment and loyalty (from customers' point of view) and the role financial and religious knowledge play in enhancing trust towards service providers. A further aim is to explore customer perceptions and attitudes towards trust-building efforts implemented by Islamic banks in Indonesia.

This research project will involve in-depth interviews and/or focus groups with customers of Islamic Bank in Indonesia (mainly in Jakarta) aged 18 and over from various background (gender, age, ethnicity, and education level). The interview or group discussion will require approximately 90 minutes of the participants' time. The researcher ensures that this project will not involve any sensitive issues, such as gender, ethnicity, and education discrimination.

• Respondent's Profile.

1. Which Islamic bank do you currently use?

2. How long have you been using this Islamic bank?

3. Which type of account that you have with your Islamic bank?

4. What are your motivations in using/choosing your Islamic bank?

5. Do you bank with any conventional banks?

6. How frequent do you make transactions with your Islamic bank compared to your conventional bank?

Part 1: Perceived Organisational Efforts (Extrinsic Factors in Islamic Banking Relationship Building Process)

Related constructs: Service quality and corporate image.

Approximate time: 20 minutes

1. How do you perceive the quality of service of your Islamic bank? Could you describe what makes it superior or inferior?

2. Do you think service quality is important to you? Why?

3. How would you describe the factors that are important to enhance the service quality of your Islamic bank?

4. How do you perceive the image of your Islamic bank? Could you describe what makes it good or bad?

5. Do you think service quality is important for the image of your Islamic bank? Why?

6. How would you describe the factors that are important to enhance the image of your Islamic bank?

Part 2: Perceived Customer Connections with an Islamic Bank (Intrinsic Factors in Islamic Banking Relationship Building Process)

Related constructs: Self-brand connection, self-image congruence, brand attachment, and shared values.

Approximate time: 20 minutes

1. How would you define yourself/your self-identity (what you are, what your personality is, what you wish or do not wish to become)?

2. How would you describe your Islamic bank as a brand in terms of your preference, is it your most preferred brand or least preferred brand? Why?

3. What do you consider as the biggest influence in using your Islamic bank? (to see either the reference group or self-image congruence has a stronger influence towards the Islamic bank consumption).

4. How would you describe the meaning of your Islamic bank to you? How did you develop that meaning?

5. How do you see your Islamic bank and yourself in terms of similarity?

6. Do you think that using your Islamic bank can help you to build your self-identity/to be what you wish or do not wish to become/just to show who you truly are?

7. How would you describe your attachment (in terms of your thoughts and feeling) with your Islamic bank?

8. How would you perceive your Islamic bank in terms of its values compared to your personal values?

9. How do you find your self-connection/congruence/attachment/internalisation with your Islamic bank affecting your relationship with your Islamic bank?

Part 3: Moderating Effects in Islamic Banking Relationship Building Process

Related constructs: Customer knowledge and religiosity.

Approximate time: 20 minutes

1. How would you perceive yourself in terms of your banking and Islamic banking knowledge?

2. How confident are you with your ability to choose or evaluate your Islamic banking with your knowledge about Islamic banking? Could you describe any cues that you use to help you in evaluating your Islamic bank performance?

3. How do you find your knowledge in Islamic banking affecting your relationship with your Islamic bank?

4. How would you perceive yourself in terms of religiosity?

5. How would you describe the importance of your religious considerations/beliefs in your life?

6. How do you perceive the influence of your religious beliefs into all your dealings in life? Does religiosity influence your approach to life or your everyday affairs?

7. How do you find your religiosity affecting your relationship with your Islamic bank?

Part 4: Outcomes of the Islamic Banking Relationship Building Process

Related constructs: Customer trust, commitment, and loyalty.

Approximate time: 20 minutes

1. How would you perceive your confidence/trust on your Islamic bank as a transaction partner to rely on?

2. How would you describe your commitment on your Islamic bank?

3. How would you describe your loyalty on your Islamic bank?

4. How would you describe your expectations toward your Islamic bank and how do they affect your trust/confidence/loyalty towards your Islamic bank?

5. How do you find the importance of your Islamic bank's compliance to Islamic finance principles? Does it affect your trust/commitment/loyalty towards your Islamic bank?

Appendix 3

Copy of Questionnaire

<div align="center">

Questionnaire
Customer Loyalty and Islamic Banking: A Case of Indonesia

</div>

Participation Information and Consent

The participants are requested to read this Participation Information and Consent page and tick a box below to signify consent before their participation and to ensure they are aware that this project is conducted ethically.

This survey is going to be conducted in September-October 2019 and is part of the thesis for the PhD programme at Cardiff Business School, Cardiff University. This survey is designed to understand and study customer loyalty and Islamic banking in the context of the Muslim customers of Islamic banks in Indonesia aged 18 and over. The key focus is on examining the role of Muslim customers' perceptions of Islamic banks' service quality, corporate reputation, self-brand connections, religiosity and Islamic banking literacy in explaining relationship marketing constructs such as trust, commitment, and loyalty. This research project aims to validate the qualitative findings of the first phase of data collection and to test the hypotheses and the proposed conceptual model. This project will not involve any sensitive issues, such as gender or ethnicity discrimination and there will be no monetary incentive offered.

Participation in this project will require approximately twenty minutes of the participant's time to complete the survey. Participation in this study is entirely voluntary and the participants can withdraw from this survey by leaving the survey anytime without giving a reason or an initial notice.

For each statement or question, please tick (√) the option that is most suitable for you and provide your response or answer according to the instruction. There is no correct or wrong answer, yet you are strongly advised to perform an independent judgement for each response.

The researcher does not seek to record or note any identifiable personal details such as participants' name and address. The information will be retained for up to one year and will then be deleted or destroyed. Your responses to this questionnaire will be treated with full confidentiality as an anonymous/unidentifiable data to be used for academic purposes as part of the research and/or research publication. If the participants withdraw their consent, they can ask for the information they have provided to be anonymised/deleted/destroyed following the General Data Protection Regulation 2018.

The participants may ask questions at any time and discuss any concerns with either the researcher or the primary supervisor as listed below. Your contribution to this research is highly valued and appreciated.

This research is conducted by:	This research is primarily supervised by:
Savira Miranti Ansory	**Dr Ahmad Jamal**
PhD Student	Senior Lecturer in Marketing and Strategy
Cardiff Business School	Cardiff Business School
Cardiff University, United Kingdom	Cardiff University, United Kingdom
Email: AnsorySM@cardiff.ac.uk	Email: JamalA@cardiff.ac.uk

☐ I have read the Participation Information and Consent page. By ticking the box, I am consenting to participate in this survey project as designed by the above-named Cardiff University student.

General Bank Usage Patterns

Q1. In terms of your banking needs, which of the following do you bank with?

<div align="right">Yes   No</div>

A1	A conventional bank only (e.g. BCA, Bank Mandiri, etc.)
A2	An Islamic bank only (e.g. BSM, BNI Syariah, etc.)
A3	An Islamic bank and a conventional bank.

If you answer A1, please do not proceed. Otherwise go ahead.

Q2. Which of the following reflects the type of financial service provider that you deal with? Please tick (√) only one option:

B1 I only have bank account(s) with an Islamic Bank (e.g. Bank Muamalat Indonesia) that is set up on its own as an Islamic Bank.

B2 I have bank account(s) with an Islamic bank that is a subsidiary of a conventional bank (e.g. BCA Syariah, Bank Mandiri Syariah, BNI Syariah, etc.)

B3 I have bank account(s) with a conventional bank that has an Islamic Banking Unit (e.g. Danamon Syariah, Bank Permata Syariah, Bank CIMB Niaga Syariah, etc.)

Q3. How long you have been banking with either a conventional or an Islamic bank? Please tick (√) only one option:

C1 Less than a year
C2 1-5 years
C3 6 to 10 years
C4 More than 10 years

Islamic Bank Usage Patterns

Q4. Which of the following Islamic banks do you have an account with? Please tick (√) all that is applicable.

D1 Bank Syariah Mandiri
D2 BNI Syariah
D3 Bank Muamalat Indonesia
D4 BRI Syariah
D5 BCA Syariah
D6 Bank Syariah Bukopin
D7 Bank Mega Syariah
D8 Other (please specify):

Q5. Which of the following is your MAIN Islamic bank? Please tick (√) only ONE option that you use most often for your everyday banking needs:

E1 Bank Syariah Mandiri
E2 BNI Syariah
E3 Bank Muamalat Indonesia
E4 BRI Syariah
E5 BCA Syariah
E6 Bank Syariah Bukopin
E7 Bank Mega Syariah
E8 Other (please specify):

Q6. How long have you been using your MAIN Islamic bank? Tick only one option:

F1 Less than a year
F2 1-5 years
F3 6 to 10 years
F4 More than 10 years

Q7. Which of the following types of account do you have with your MAIN Islamic bank? Please tick (√) all that is applicable.

G1 Savings
G2 Deposits
G3 Giro
G4 Other (please specify):

Q8. When choosing your MAIN Islamic bank, which one of the following matter most or least important to you? We are only interested in seeking your view and you can choose any option. Please tick (√) all options that relate to your everyday banking needs.

	Islamic Bank Selection Criteria (8)	Most Important						Least Important
H1	Quality of services	7	6	5	4	3	2	1
H2	Reputation of bank	7	6	5	4	3	2	1
H3	Convenience (i.e. location of bank branches; banking hours)	7	6	5	4	3	2	1
H4	Low service charges	7	6	5	4	3	2	1
H5	Religious reasons (i.e. adherence to Islam)	7	6	5	4	3	2	1
H6	Recommendation from others	7	6	5	4	3	2	1
H7	Competitive profit-sharing rate	7	6	5	4	3	2	1
H8	Adequate banking hours	7	6	5	4	3	2	1
H9	Availability of ATM	7	6	5	4	3	2	1
H10	Availability of credit	7	6	5	4	3	2	1
H11	Availability of special services	7	6	5	4	3	2	1
H12	Friendliness of bank staff	7	6	5	4	3	2	1
H13	Other (please specify):	7	6	5	4	3	2	1

Main Questions

Q9. The following statements assess the extent to which you feel connected to *your main Islamic bank*. Please indicate the extent to which you agree or disagree with each of the following statements regarding *your main Islamic bank* (please respond to all the statements):

	Self-Brand Connections (6)	Strongly Agree						Strongly Disagree
I1	My Islamic bank reflects who I am.	7	6	5	4	3	2	1
I2	I can identify with my Islamic bank.	7	6	5	4	3	2	1
I3	I can feel a personal connection with my Islamic bank.	7	6	5	4	3	2	1
I4	I use my Islamic bank to communicate who I am to others.	7	6	5	4	3	2	1
I5	I think my Islamic bank helps me become the type of person I want to be.	7	6	5	4	3	2	1
I6	I consider my Islamic bank to be me (it reflects who I consider myself to be or the way I want to present myself to others).	7	6	5	4	3	2	1
I7	My Islamic bank suits me well.							

Q10. The following statements assess your perceptions of service quality. Please indicate the extent to which you agree or disagree with each of the following statements regarding *your main Islamic bank* (please respond to all the statements):

	Service Quality Perceptions (25)	Strongly Agree						Strongly Disagree
	Tangibles							
J1	My Islamic bank has modern-looking equipment.	7	6	5	4	3	2	1
J2	My Islamic bank's physical facilities are visually appealing.	7	6	5	4	3	2	1
J3	My Islamic bank's employees show neat appearance.	7	6	5	4	3	2	1
J4	Materials associated with the services of my Islamic bank (such as pamphlets or statements) are visually appealing.	7	6	5	4	3	2	1
J5	My Islamic bank's ATMs are easy to find.	7	6	5	4	3	2	1
J6	The female staff of my Islamic bank wears hijab and Muslimah dress.	7	6	5	4	3	2	1
J7	My Islamic bank provides a prayer room.	7	6	5	4	3	2	1

		Strongly Agree						Strongly Disagree
J8	My Islamic bank's building has Islamic architecture or appearance.	7	6	5	4	3	2	1
J9	My Islamic bank utilises modern technology in the service provision.	7	6	5	4	3	2	1
J10	The mobile/internet banking system of my Islamic bank is very good.	7	6	5	4	3	2	1
	Reliability							
J11	When my Islamic bank promises to do something by a certain time, it does so.	7	6	5	4	3	2	1
J12	When I have a problem, my Islamic bank shows a sincere interest in solving it.	7	6	5	4	3	2	1
J13	My Islamic bank performs the service right the first time.	7	6	5	4	3	2	1
J14	My Islamic bank provides its services at the time it promises to do so.	7	6	5	4	3	2	1
J15	My Islamic bank insists on error-free records.	7	6	5	4	3	2	1
J16	My Islamic bank performs accurate transactions.	7	6	5	4	3	2	1
	Responsiveness							
J17	Employees of my Islamic bank tell me exactly when services will be performed.	7	6	5	4	3	2	1
J18	Employees of my Islamic bank give me prompt services.	7	6	5	4	3	2	1
J19	Employees of my Islamic bank are always willing to help me.	7	6	5	4	3	2	1
J20	Employees of my Islamic bank are never too busy to respond to my requests.	7	6	5	4	3	2	1
J21	The service waiting time in my Islamic bank is short.	7	6	5	4	3	2	1
J22	My Islamic bank effectively solves my banking-related problems.	7	6	5	4	3	2	1
	Assurance							
J23	The employees' behaviours of my Islamic bank instil confidence in me.	7	6	5	4	3	2	1
J24	I feel safe in my transaction with my Islamic bank.	7	6	5	4	3	2	1
J25	Employees of my Islamic bank are consistently courteous.	7	6	5	4	3	2	1
J26	Employees of my Islamic bank have the knowledge to answer my questions.	7	6	5	4	3	2	1
J27	My Islamic bank communicates their products and services very clearly.	7	6	5	4	3	2	1
J28	My Islamic bank runs according to Islamic law.	7	6	5	4	3	2	1
	Empathy							
J29	My Islamic bank gives me an individual attention.	7	6	5	4	3	2	1
J30	My Islamic bank has operating hours convenient to all its customers.	7	6	5	4	3	2	1
J31	My Islamic bank has employees who give me a personal attention.	7	6	5	4	3	2	1
J32	My Islamic bank has my best interests at heart.	7	6	5	4	3	2	1
J33	Employees of my Islamic bank understand my specific needs.	7	6	5	4	3	2	1
J34	Employees of my Islamic bank provide customised services.	7	6	5	4	3	2	1
J35	My Islamic bank delays transactions in the prayer times.	7	6	5	4	3	2	1

Q11. The following statements assess your perceptions of corporate reputation. Please indicate the extent to which you agree or disagree with each of the following statements regarding *your main Islamic bank* (please respond to all the statements):

	Corporate Reputation Perceptions (15)	Strongly Agree						Strongly Disagree
	Customer Orientation							
K1	My Islamic bank has employees who treat customers courteously.	7	6	5	4	3	2	1

		Strongly Agree						Strongly Disagree
K2	My Islamic bank is really concerned about its customers' needs/problems.	7	6	5	4	3	2	1
K3	My Islamic bank treats its customers fairly.	7	6	5	4	3	2	1
K4	My Islamic bank handles customers' complaints very well	7	6	5	4	3	2	1
	Good Employer							
K5	My Islamic bank maintains high standards in the way that it treats its employees.	7	6	5	4	3	2	1
K6	My Islamic bank has a management who pays much attention to the needs of its employees.	7	6	5	4	3	2	1
K7	My Islamic bank treats its employees well.	7	6	5	4	3	2	1
	Reliable and Financially Strong Company							
K8	My Islamic bank clearly outperforms competitors.	7	6	5	4	3	2	1
K9	My Islamic bank recognizes and takes advantage of market opportunities.	7	6	5	4	3	2	1
K10	My Islamic bank has strong prospects for future growth.	7	6	5	4	3	2	1
K11	My Islamic bank has a strong financial performance.	7	6	5	4	3	2	1
	Product and Service Quality							
K12	My Islamic bank offers high quality products and services.	7	6	5	4	3	2	1
K13	My Islamic bank stands behind the services that it offers.	7	6	5	4	3	2	1
K14	My Islamic bank develops innovative services.	7	6	5	4	3	2	1
K15	My Islamic bank provides services using advanced technology or IT system.	7	6	5	4	3	2	1
K16	My Islamic bank offers easy e-banking facilities.	7	6	5	4	3	2	1
K17	My Islamic bank offers products and services that reflect Islamic values.	7	6	5	4	3	2	1
K18	My Islamic bank has wide range of service features.	7	6	5	4	3	2	1
K19	My Islamic bank has something different to offer as compared to a conventional bank.	7	6	5	4	3	2	1
K20	My Islamic bank offers a competitive credit scheme.	7	6	5	4	3	2	1
	Social and Environmental Responsibility							
K21	My Islamic bank would reduce its profits to ensure a clean environment.	7	6	5	4	3	2	1
K22	My Islamic bank is environmentally responsible.	7	6	5	4	3	2	1
K23	My Islamic bank supports good causes.	7	6	5	4	3	2	1
K24	My Islamic bank emphasizes the importance of its social responsibilities to the society.	7	6	5	4	3	2	1
K25	My Islamic bank contributes to campaigns and projects that promote the well-being of the society.	7	6	5	4	3	2	1
K26	My Islamic bank endeavours to create employment opportunities.	7	6	5	4	3	2	1
K27	My Islamic bank acts ethically on all matters.	7	6	5	4	3	2	1

Q12. The following statements assess your feelings of trust towards *your main Islamic bank*. Please indicate the extent to which you agree or disagree with each of the following statements regarding *your main Islamic bank* (please respond to all the statements):

	Trust (5)	Strongly Agree						Strongly Disagree
L1	My Islamic bank is very honest to its customers.	7	6	5	4	3	2	1
L2	My Islamic bank is very reliable.	7	6	5	4	3	2	1
L3	My Islamic bank is very responsible.	7	6	5	4	3	2	1
L4	My Islamic bank acts with good intentions.	7	6	5	4	3	2	1
L5	My Islamic bank is truly concerned with Islamic principles.	7	6	5	4	3	2	1
L6	I believe that deposits in my Islamic bank are safe.	7	6	5	4	3	2	1

		Strongly Agree						Strongly Disagree
L7	I believe the products and services offered by my Islamic bank are based on Islamic principles.	7	6	5	4	3	2	1
L8	I believe that the Sharia Supervisory Board does their jobs to make sure my Islamic bank complies with the Islamic principles.	7	6	5	4	3	2	1
L9	I believe that my Islamic bank invests customers' money in good or *halal* venues.	7	6	5	4	3	2	1
L10	I believe in the person who takes the lead of my Islamic bank.	7	6	5	4	3	2	1
L11	I believe that my Islamic bank is under a good management.	7	6	5	4	3	2	1
L12	I believe that my Islamic bank has good business performance.	7	6	5	4	3	2	1

Q13. The following statements assess your commitment toward *your main Islamic bank*. Please indicate the extent to which you agree or disagree with each of the following statements regarding *your main Islamic bank* (please respond to all the statements):

	Commitment (9)	Strongly Agree						Strongly Disagree
	Affective Commitment							
M1	I feel emotionally attached to my Islamic bank.	7	6	5	4	3	2	1
M2	My Islamic bank has a great deal of personal meaning for me.	7	6	5	4	3	2	1
M3	I feel a strong sense of identification with my Islamic bank.	7	6	5	4	3	2	1
M4	I criticise my Islamic bank when the service is poor.	7	6	5	4	3	2	1
	Continuance Commitment							
M5	It would be very hard for me to switch away from my Islamic bank now even if I wanted to.	7	6	5	4	3	2	1
M6	My life would be disrupted if I switched away from my Islamic bank.	7	6	5	4	3	2	1
M7	It would be too costly for me to switch from my Islamic bank now.	7	6	5	4	3	2	1
	Normative Commitment							
M8	I feel obligated to continue to doing business with my Islamic bank.	7	6	5	4	3	2	1
M9	I believe in being loyal to my Islamic bank because it has done good things for me in the past.	7	6	5	4	3	2	1
M10	If I got a better offer from another Islamic bank, I would not think it is right to switch away from my Islamic bank.	7	6	5	4	3	2	1
M11	I should fulfil my obligation to my Islamic bank (i.e. paying my debts or loans).	7	6	5	4	3	2	1
M12	I feel I am committed to my Islamic bank.	7	6	5	4	3	2	1

Q14. The following statements assess your loyalty toward *your main Islamic bank*. Please indicate the extent to which you agree or disagree with each of the following statements regarding *your main Islamic bank* (please respond to all the statements):

	Loyalty Responses (4)	Strongly Agree						Strongly Disagree
N1	I consider myself to be loyal to my Islamic bank.	7	6	5	4	3	2	1
N2	My Islamic bank would be my first choice for my banking.	7	6	5	4	3	2	1
N3	I think I am committed to my Islamic bank.	7	6	5	4	3	2	1
N4	I am willing to say positive things about my Islamic bank to others.	7	6	5	4	3	2	1
N5	I am willing to recommend family and relatives to do business with my Islamic bank.	7	6	5	4	3	2	1
N6	I recommend my Islamic bank to someone who seeks advice.	7	6	5	4	3	2	1
N7	I continue to do more business with my Islamic bank.	7	6	5	4	3	2	1

Q15. The following statements assess your understanding about Islamic banking services and products. Please indicate the extent to which you agree or disagree with each one of the following:

	Islamic Banking Literacy (4)	Strongly Agree						Strongly Disagree
O1	When I am shown information about an Islamic banking agreement (e.g., Mudaraba, Musharaka or Murabaha), I feel confident that I understand how this instrument works.	7	6	5	4	3	2	1
O2	Islamic banking products and services are easy to understand and clear to me.	7	6	5	4	3	2	1
O3	I regularly read about Islamic banking products and services.	7	6	5	4	3	2	1
O4	Overall, my knowledge about Islamic banking products and services is very good.	7	6	5	4	3	2	1

Q16. The following statements assess your religiosity. Please indicate the extent to which you agree or disagree with each one of the following:

	Religiosity (10)	Strongly Agree						Strongly Disagree
P1	The holy Quran and Hadith are my guidance.	7	6	5	4	3	2	1
P2	I spend time trying to grow my understanding of Islam.	7	6	5	4	3	2	1
P3	My religious beliefs lie behind my whole approach to life.	7	6	5	4	3	2	1
P4	Islam is especially important to me because it answers many questions about the meaning of life.	7	6	5	4	3	2	1
P5	Islam helps me with guidance to a good life prospect in the Hereafter.	7	6	5	4	3	2	1
P6	It is important to me to spend periods of time in private religious thought and prayer.	7	6	5	4	3	2	1
P7	I avoid performing something that is prohibited in Islam.	7	6	5	4	3	2	1
P8	I actively involve myself in the preaching activities.	7	6	5	4	3	2	1
P9	I support the development of Islamic economy or Islamic banking.	7	6	5	4	3	2	1
P10	I enjoy spending time with others of my religious affiliation.	7	6	5	4	3	2	1
P11	I enjoy participating in the activities of my religious organisation.	7	6	5	4	3	2	1

Demographic Profile

Q17. Your gender:
- ☐ Male
- ☐ Female

Q18. Your age:
- ☐ 18-25
- ☐ 26-35
- ☐ 36-45
- ☐ 46-55
- ☐ Above 55

Q19. Your education level:
- ☐ High School or below

- ☐ Diploma
- ☐ University graduate
- ☐ Postgraduate
- ☐ PhD
- ☐ Other (please specify): _____

Q20. Your occupation:
- ☐ Student
- ☐ Housewife/househusband
- ☐ Doctor/dentist/nurse
- ☐ Teacher/lecturer/teaching staff
- ☐ Professional/senior management employee
- ☐ Clerical staff
- ☐ Technical staff
- ☐ Retired/pensioner
- ☐ Self employed
- ☐ Other (please specify): _____

Q21. Your monthly household income? (in IDR millions):
- ☐ Less 2 million
- ☐ 2-4 million
- ☐ 5-6 million
- ☐ Over 6 million
- ☐ Prefer not to say

Q22. Where do you reside?
- ☐ Jakarta Greater Area
- ☐ Other (please specify): _____

Q23. What is your marital status?
- ☐ Single
- ☐ Married and have no children
- ☐ Married and have children
- ☐ Divorced
- ☐ Unmarried
- ☐ Other (please specify): _____

Thank you very much for your participation.

Appendix 4

Items Deleted After EFA

Factors	Deleted Scale Items
Intrapersonal Religiosity	Islam is especially important to me because it answers many questions about the meaning of life (INREL4).
	I avoid performing something that is prohibited in Islam (INREL7).
Self-Brand Connections	My Islamic bank reflects who I am (SBC1)
	I can feel a personal connection with my Islamic bank (SBC3).
	I think my Islamic bank helps me to become the type of person I want to be (SBC5).
	My Islamic bank suits me well (SBC7).
Social & Environmental Responsibility	My Islamic bank would reduce its profits to ensure a clean environment (SER1).
	My Islamic bank is environmentally responsible (SER2).
	My Islamic bank endeavours to create employment opportunities (SER6).
	My Islamic bank acts ethically on all matters (SER7).
Competence	My Islamic bank clearly outperforms competitors (RFSC1).
	My Islamic bank recognizes and takes advantage of market opportunities (RFSC2).
	My Islamic bank develops innovative services (PSQ3).
Customer & Employee Orientation	My Islamic bank has employees who treat customers courteously (CO1).
Tangibles	My Islamic bank utilises modern technology in the service provision (TAN9).
Reliability	When my Islamic bank promises to do something by a certain time, it does so (REL1).
	When I have a problem, my Islamic bank shows a sincere interest in solving it (REL2).
	My Islamic bank performs the service right the first time (REL3).
	My Islamic bank provides its services at the time it promises to do so (REL4).
	My Islamic bank insists on error-free records (REL5).
	My Islamic bank performs accurate transactions (REL6).
Responsiveness	Employees of my Islamic bank tell me exactly when services will be performed (RES1).
	Employees of my Islamic bank give me prompt services (RES2).
	Employees of my Islamic bank are always willing to help me (RES3).
	Employees of my Islamic bank are never too busy to respond to my requests (RES4).
	My Islamic bank effectively solves my banking-related problems (RES6).
Assurance	The employees' behaviours of my Islamic bank instil confidence in me (ASSU1).
	Employees of my Islamic bank are consistently courteous (ASSU3).
	Employees of my Islamic bank have the knowledge to answer my questions (ASSU4).
	My Islamic bank communicates their products and services very clearly (ASSU5).
Empathy	My Islamic bank gives me an individual attention (EMPA1).
	My Islamic bank has operating hours convenient to all its customers (EMPA2).
	My Islamic bank delays transactions in the prayer times (EMPA7).
Trust	My Islamic bank is truly concerned with Islamic principles (TRU5).
	I believe the products and services offered by my Islamic bank are based on Islamic principles (TRU7).
	I believe that my Islamic bank has good business performance (TRU12).
Reinforced Commitment	I feel obligated to continue to doing business with my Islamic bank (NC1).
Overall Loyalty	I consider myself to be loyal to my Islamic bank (LOY1).
	My Islamic bank would be my first choice for my banking needs (LOY2).
	I think I am committed to my Islamic bank (LOY3).
	I continue to do more business with my Islamic bank (LOY7).

Source: This research (2021).