
| RESEARCH ARTICLE

Customer Expectations in Islamic Banking: A Bangladesh Perspective

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| ABSTRACT

This study aims to induce insights on the oscillation of customers in Islamic banking and implore a viable, adaptable, and value enhancement paradigm for Islamic banking. A mixed-methods approach was employed to gather qualitative data through interviews and observations, while surveys and document reviews were done for quantitative insights. Key customer expectations, including demand for diverse financial products, superior customer service, and technological convenience, were revealed by thematic and statistical analyses. Findings articulate that 75% of customers express solid satisfaction with Shariah compliance, highlighting the reputation of transparency and education on profit-sharing mechanisms. The study shows that service quality dimensions like empathy, reliability, and responsiveness are strongly correlated with overall customer satisfaction. Digital banking solutions, reflecting a growing preference for 24/7 accessibility, were highlighted by Customers aged 18–35 years. The findings will help Islamic banks in Bangladesh to reshape their operations involving understanding customer's expectations, which is essential for its services & product needs effectively.

| KEYWORDS

Islamic Banking, Customer Expectations, Bangladesh, Shariah Compliance, Service Quality, Financial Products

| ARTICLE INFORMATION

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1. Introduction

Islamic banking is now one of the fastest-growing segments of banking worldwide (Ahmed & Khan, 2018), and it has been an important part of the financial landscape in Muslim-majority countries such as Bangladesh, which has a population that is more than 90% Muslim. The basic difference is the principles that lie behind Islamic and conventional banks where the former does not charge interest, based on Shariah law, while operations of the latter rely on changing low or taking deposits at high (Iqbal & Mirakhor, 2007). Such innovative framework lining up with Shariah compliance by prohibiting interest (riba) and promoting morally sound, risk-bearing forms of investments not only attract Muslim customers desiring alignment with ethics but also attract sizable non-Muslim customs interested in socially responsible financial practices (Usmani, 2010).

Owing to the high Muslim population and the government trying to promote Islamic finance, the sector has grown briskly, with some Islamic banks emerging as mainstays in Bangladesh's financial sector (Rahman & Alam 2021). Since then, Islamic banking has been appreciated as a realistic substitute for interest-based finance; therefore, it has received attention (Hasan, 2008; Chong & Liu, 2009) as a tool for economic inclusion and ethical finance. Yet, fulfilling the expectations of Islamic banking consumers is not a simple task, as those focusing on Shariah compliance and ethical transparency tend to be complex and multidimensional (Haniffa & Hudaib, 2007).

At the heart of these expectations lies their involvement with Shariah, which requires banks to have fully transparent and well-communicated transactions that are all halal (Gait & Worthington, 2008). Quality of service also has a significant impact on customer loyalty, as interaction with employees enhances satisfaction and retention in the banking sector (Amin et al., 2013). Moreover, Islamic banks are required to provide diversified products that fulfill different customers' needs through both Shariah-compliant and competitive products, including savings and investment accounts, as well as personal and business financing (Dusuki & Abdullah, 2007).

With increasing financial literacy, customers will pay closer attention to fees, risk, and return. Investors expect banks to be transparent, especially in terms of ethical standards and investment sustainability (Khan, 2019). This study will attempt to explore these dimensions in relation to Islamic banking in Bangladesh, focusing on customer expectations.

2. Literature Review

As a result of increasing interest in Islamic Banking, background research on it has spread to the areas of customers' expectation and satisfaction, mainly in countries with a Muslim majority, for instance, Bangladesh. This part reviews several factors that have a relationship to customer expectations in the Islamic banking sector from some articles, which can be classified into four main points:

2.1 Principles of Shariah Law

Shariah law is derived from the Quran and the Hadith (sayings of the Prophet Muhammad) and encompasses a moral character as well as ethical and legal precepts governing all aspects of living, including economic transactions (Iqbal & Mirakhor, 2007). While *riba* (interest) is categorically forbidden based on Shariah rule – which views it as exploitative and unjust, inherently providing the lender with an improper advantage over the borrower; risk-sharing and profit-sharing are recommended by Shariah in all business transactions so that both parties in any transaction become partners rather than a party to lend money partly or fully at a given interest rate against time (Usmani, 2002). On top of this, the principles of Shariah dictate that there has to be transparency and fairness, which means that the funds must not engage in any haram (forbidden) activities such as investments in alcohol, gambling, and pork (Vogel & Hayes 1998). Furthermore, *zakat* (almsgiving) is an essential part of Islamic finance that encourages wealth dissemination and social responsibility; thus, Islamic finance must serve the welfare and not only pursue profit (Ahmed, 2011).

2.2. Islamic Financial Instruments

Islamic finance provides multiple instruments to conduct transactions in compliance with Shariah law, thereby allowing ethical and equitable dealings while prohibiting *riba* (interest) & excessive uncertainty (*gharar*) (Dusuki & Abozaid, 2007). In most instances, they consist of *Murabaha* (profit margins), *Mudaraba* (silent partnerships), *Musharaka* (partnerships), and *Ijarah* (rental) instruments (Khan, 2010). Such instruments offer a non-conventional finance type and satisfy the ethical boundaries required by Muslim patrons (Haniffa & Hudaib, 2007). For example, *Sukuk* represents a share in ownership of an asset and its profits instead of interest payments, whilst *Takaful* is an insurance model grounded in commonality and cooperative responsibility (Kamla & Rammal 2013). These various instruments allow Muslims to obtain financial services that are compliant with their faith as producers of the distinctive financial system, which speeds up justice and social welfare (Alharbi, 2015).

2.3 Expansion and Evolution

Apart from this, demand for Shariah-compliant products has been consistently increasing in the last few decades worldwide (Siddiqi, 1980; El-Gamal, 2006), coupled with a rise of interest in ethical finance also contributing to Islamic banking becoming an important part of the international financial system (Beck et al., 2013). The industry has boomed in places like the Middle East, Southeast Asia, and North Africa, with Gulf Cooperation Council (GCC) states—Saudi Arabia and the United Arab Emirates (UAE) especially—at the forefront due to both their wealth from oil reserves and growing Muslim population numbers (Chong & Liu 2009). Both Malaysia and Indonesia have become important Islamic finance centers, with innovative products such as *Sukuk* and *Takaful* (Dusuki, 2007). The growing Muslim population in Europe and North America, while institutional interest in the diversification of finance

given not only its stability but social ethos (Wilson, 2009), has created a demand for a Shariah-compliant financial product with minimal regulation actively supporting Islamic banking as with the case of the UK and Luxembourg.

In addition, technological developments and fintech are disrupting Islamic banking, especially for younger technology-oriented customers who demand digital access to services (Khan & Bhatti 2008). Furthermore, the compatibility between Islamic finance and environmental, social, and governance (ESG) criteria is a part of global trends in ethical banking and sustainable investing (Siddiqi 2006).

2.4 Regulation of Islamic Banks

The regulatory context of Islamic banks is designed to comply with Shariah-based principles, and at the same time, it is under the regulations of conventional banks. Globally, there are also organizations such as the Islamic Financial Services Board (IFSB) and the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), which set significant standards for this industry segment. The IFSB develops core principles to guide the regulation and supervision of Islamic banks, especially in risk management and governance (Chapra & Ahmed, 2002; IFSB, 2006). Likewise, AAOIFI creates accounting and auditing techniques that are subject to the special characteristics of Islamic financial institutions (Karim & Archer, 2007).

In Bangladesh, the Banking Companies Act (BCA) governs Islamic banking activities under the central bank, Bangladesh Bank, which aims both to promote and control such activities. It brings together Shariah-compliant principles to the existing boundaries, and where Shariah governance is concerned, each Islamic bank must have a board of Shariah experts. This element can be achieved because these specialists are administering any action and product of the bank—because they ensure that everything is compliant with Quranic foundations (Alam et al., 2017; Uddin, 2015). The role of Shariah boards is important as they guide product development, assess the Shariah compliance of financial products, and settle compliance disputes; together, these help enhance transparency and credibility among customers (Hasan & Dridi, 2011). This supervision adds legitimacy to the Islamic financial product, which is often critical for clients whose adherence to religious belief is essential. Such a governance structure can be a source of restoring confidence in the ethical values inherent in Islamic banks and will contribute to local as well as global economic development.

2.5 Customer Expectation, Satisfaction and Loyalty

Meeting customer expectations has an immediate relationship with customer satisfaction, which leads to bank loyalty. With low barriers to switching left, right, and center in this competitive industry — banks will need to master customer understanding and fulfillment if they want any chance of satisfaction and, subsequently, loyalty.

Customer Expectations: Customers enter into relationships with banks with certain expectations: a promise that you leverage efficiency in the process labor to ensure that the transaction is accurate and relevant offerings are communicated to customers, all while hoping to keep their money safe. These expectations, if met, will be the first step toward a constructive customer experience. By consistently meeting or exceeding these expectations, banks are establishing a baseline of trust and reliability that customers appreciate (Chowdhury, 2021).

Customer Satisfaction: Customer satisfaction is the condition achieved when a bank meets or exceeds customer expectations. This is an emotional answer to the question: to what extent a customer thinks their expectations have been met? Customer satisfaction in banking is heavily influenced by factors like convenience, quality of service, accessibility (physical and digital), and the value people perceive when using products and services. Banks that focus on recognizing these requirements and adjusting their propositions accordingly are more likely to satisfy customers (El-Gamal, 2006).

Loyalty: Customer Loyalty is more than satisfaction and reflects the degree of attachment that a customer has with an institution when it comes to banking over time. Positive experiences, as well as a consistently high level of service, build loyalty. Repeat behavior of a customer (e.g., the continued use of this bank, encouraging others to use

it, and resisting offers from competitors) is likely when customers are satisfied with the services provided (Hasan, 2008).

Customer satisfaction is a good predictor of customer loyalty because satisfied customers stay loyal in part due to the fulfillment of their expectations. On the face of it, customer loyalty is also a result of the emotional bond customers establish with the bank — which is primarily driven by trust, convenience, and benefits they receive from their relationship with it. In Islamic banking, ethical compliance and compliance with Shariah principles can also serve as reinforcing dimensions of customer retention since many customers highly value these dimensions (Islam, 2019).

To conclude, the relationship between customer expectation, satisfaction, and loyalty is very important. Banks that understand customer expectations can create satisfied customers who are likely to remain loyal. And that brand loyalty is crucial for ensuring businesses can survive in a competitive market over the long term.

2.6 Customer Perceptions in Banking

Service Quality: The importance of service quality in the banking industry cannot be overstated, as service quality affects customer satisfaction and loyalty, which, in turn, influences the level of trust in financial institutions. The banking industry is very competitive, so high service quality not only attracts customers but also retains long-term relationships. The SERVQUAL model, a framework used to examine service quality, identifies five critical dimensions from the perspective of a customer (Khan, 2020).

Responsiveness: This is the capacity of a bank to respond quickly and adequately to requests, inquiries, and complaints by customers. In banking, on-time service delivery — whether it is processing a transaction quickly or resolving the issue promptly — matters when delivering C-X. Responsiveness also means anticipating customer needs before they become issues (Rahman, 2018).

Reliability: Reliability is the ability of the bank to consistently deliver accurate and reliable services. All transactions like deposits, withdrawals, and transfers need to be executed without payment errors. A good banking service engenders trust in the customer by performing what they promised and right the first time (Obaidullah, 2005).

Assurance: Assurance is the trust customers have in a bank in providing its services efficiently, courteously, and with great expertise. It includes financial data security as well. The prime consideration behind banking is the assurance that customers know their money and personal data are safe. Staff expertise and professionalism, along with effective communication, enhance rather than diminish trust (Usmani, 2010).

Empathy: When customers feel valued, they appreciate personalized service. It means knowing that each customer has different requirements from the bank when it comes to finances and, therefore, diagnosing those needs accurately. Banks that display empathy by acknowledging the unique situations of their clients through customized financial advisory services or progressive loan facilities are bound to build stronger connections (Rahman, 2021).

Tangibles: Tangibles relate to the physical facilities, equipment, personnel, and communication materials of a bank. This also includes the digital platforms like online banking and mobile apps that must be offered in modern banking. People tend to link a clean, well-maintained branch or user-friendly digital services with higher perceived quality and professionalism (Khan, 2008).

Thus, providing service quality through service responsiveness, reliability, assurance, and empathy and handling tangible assets are crucial for banks to meet customers' expectations. These ultimately affect customer satisfaction and customer loyalty, both of which are important for any financial institution in the long run.

Technology and Convenience: Changes in technology have transformed the banking sector, drastically increasing consumer expectations for convenience, access, and speed. Online and mobile banking have replaced the way customers now interact with a bank, which makes these digitally offered services essential to how we now experience banking (Kamla, 2013).

Online and Mobile Banking: The expansion of online banking has changed customer discerning to provide 24/7 accessibility regarding financial resources. These are now enough to allow consumers to transact, access their balances, and transfer funds or apply for loans without having to go in person through a branch. Such access has made customers expect online platforms to be more seamless and easy to use for the management of their finances wherever they are. This means that the functionality, security, and speed of online services have to be improved on a continual basis by banks in order to meet these escalating expectations (Hossain, 2019).

On the other hand, mobile banking has paved the way for an entirely different level of convenience, providing customers with the ease of carrying out banking activities round-the-clock in any location from their prescribed smartphones or tablets. Features including biometric login, real-time notifications for bank activity, remote check deposits, and money transfers are all available in mobile apps (Gait, 2008). Today, clients want a bank with a simple-to-use and secure mobile app that incorporates these options seamlessly. Mobile banking has also raised the bar on the availability of personalized services like alerts for certain types of transactions or spending insights derived from a person's banking behavior.

Quick Processing: With technology, customers are looking for quicker turnaround times with less wait time. Whether it's transferring funds to execute or gaining approval for a loan, speed has become an important element of the customer experience. Banks that utilize technology efficiently to deliver faster and more reliable service will stand a better chance at meeting the increased demand of tech-savvy customers (Dusuki, 2007).

Safety and Security: With the rise in digital banking, there are also more concerns about data stability and privacy. Not just convenience: Banks are expected to provide these services conveniently. However, there is another side, which is that more banks need to make extensive security standards that can keep customers' financial details secure. Two-factor authentication, encryption, and real-time fraud alerts have become features that are simply expected by consumers, making innovation a constant battle for banks to stay ahead of cybersecurity challenges always on the rise while also maintaining consumer trust (Beck, 2013).

Personalization: With better access to data analytics, banks are able to offer more personalized services. Now, consumers want financial advice, product recommendations, and services tailored to their individual needs and preferences. Those banks that are able to leverage customer data and provide these personalized experiences via digital channels will be emboldened an order of magnitude higher in customer satisfaction (Alharbi, 2015).

In a nutshell, technological advancements such as online and mobile banking have changed the perception of customers with more eyeballs towards convenience, speed, and security. Banks now need to respond to these changing expectations and must constantly redefine their technology offerings to ensure convenience and customized as well as secure banking experience for their customers (Ahmed, 2017).

Trust and Transparency: Trust and transparency are central in the banking industry as they play a crucial role in customers' perceptions of whether or not to engage with or trust a bank or stay loyal to one (Abdul Rahman, 2009). In the case of Islamic banking, as their ethical principles are strongly in line with Shariah law, building trust and transparency become even more vital because not only are financial services provided, but moral and ethical standards must also be met by customers.

Ethical Performance: Islamic banking relies extensively on ethics since all financial activities must adhere to the Shariah rules, such as prohibiting interest (riba) and speculation/gambling (gharar). Customers expect them to not

only follow these principles but also act in good faith and fairness (Ahmed, 2011). What constitutes an ethical bank is responsible lending, meaning not pushing customers into more debt than they can help to repay and avoiding investments in sectors that conflict with societal values, such as alcohol, gambling, or arms.

Accountability: Transparency involves being accountable to your customers and regulatory authorities; this is the lifeblood of banks. If banks do something wrong or if they are challenged by things like service interruptions or financial stability issues, customers expect transparency and a swift resolution (Alharbi, 2015). Such an ability to accept responsibility and rectify mistakes builds trust, ultimately showing customers that the bank is doing everything possible to uphold high standards of service while also maintaining equity.

Long-term Relationships: Trust and transparency are fundamental to the establishment of long-term relationships between customers and banks. Customers are drawn to and return to banks that practice good corporate behaviors of ethical conduct, transparency, and integrity. In Islamic banking, where moral values are paramount, clear communication regarding Shariah law compliance and ethical investments deepens the bond with customers who place a great emphasis on them (Amin, 2013).

To summarize, a healthy relationship with the bank is based on trust, transparency, and ethics. Such banking has had the foundation of ethical principles as a result of Islamic standards, and thus, Banks adopting such values are in a better position to create confidence among customers, hence gaining their loyalty and leading to success in both the short-term and long run.

3. Research Methodology

3.1. Research Design

The research design is an outline that underpins the method and processes used in this study. Considering the significant part of my career in banking where I interacted with and interviewed clients, a mixed-methods methodology (or approach) combining both qualitative and quantitative methods is employed. This method enables us to learn about customer behaviors, choices, and satisfaction.

Qualitative Part: This part involves engaging literally and associating semi-structured meetings, conversations, and discourses with clients to derive profound experiences. Over 12 years of examining the Islamic banking experience of clients can be best understood through qualitative interviews, which explore the subjective and complex nature of a banking system that is significantly different from conventional banking.

Quantitative Part: A statistical analysis based on the numerical data collected from structured questionnaires and high-incidence surveys will be made to derive patterns of behavior or satisfaction levels in clients. The qualitative data provides a subjective base to balance against the quantitative.

3.2 Data Collection Methods

The data collection process involves several tools and techniques to acquire comprehensive information for clients. The bulk of it comes from my direct outreach to clients, and guiding this process is a strength I have cultivated over years of experience interviewing people.

Interview: Thousands of interviews (either semi or fully structured) were conducted with the clients regarding their experiences and views on banking services. Such interactions provide qualitative information on consumer expectations, their satisfaction level, and areas for improvement.

Surveys: Questionnaires were sent to bank clients to obtain quantitative information related to banking services and their ranking aspects, such as satisfaction levels, usage of service, and preferences. The surveys are intended to elicit responses that can be broadly streamlined for statistical analysis.

Observations: This was used to collect context-sensitive information on client interactions and behaviors in the bank. This gives you an immediate insight into customer experience and the way your services are performing.

Document Review: Documentation such as Bank statements, transaction history, and customer feedback mechanisms related to the information being gathered through interviews & surveys were reviewed. The secondary data adds context and helps to validate the primary findings.

3.3 Sampling Techniques

With sampling done in a way that only represents data collected, they could actually create a detailed overview of expectations.

Purposive Sampling: Certain clients were chosen according to the following criteria: regular use of services or participation in specific banking products. We take a targeted sampling approach to speak to people who have relevant experiences and knowledge.

Random Sampling: Clients were randomly selected to capture the heterogeneity of the bank customers. By using this technique, the findings can be better generalized.

Convenience Sampling: Clients were selected opportunistically during business hours to participate in interviews and surveys, as this method fit the practical needs of the project. Though this method may not be representative of the broader population, it helps to collect arguments quickly while maintaining a higher level of depth.

3.4 Data Analysis Procedures

In this section, we describe the procedures for processing and analyzing the data collected above so that some useful conclusions may be drawn about customer expectations with regard to Islamic banking.

3.4.1 Qualitative Analysis

The qualitative data collected through interviews and observational notes was subjected to thematic analysis. This approach facilitates closer attention to and discovery of patterns and themes that arise out of participants' narratives.

Coding: the first step of qualitative analysis is to code the data by grouping segments of text from interview transcripts into categories defined by recurring topics, ideas, or feelings. This coding process assists in structuring the data and makes it possible to identify major themes regarding clients' experiences, preferences, and satisfaction.

Identification of themes: The next step after coding is to classify all the codes into broader themes. This identification of themes offers an organized frame for customer experiences in an Islamic banking setting, including service quality, Shariah compliance, and satisfaction.

3.4.2 Quantitative Analysis

In the case of quantitative data collection methods for surveys and transactions, we applied statistical methods to garner insights and trends.

Descriptive Statistics: Summary statistics were used to summarize and describe the basic features of the data collected. Descriptive statistics were also performed to provide a summary of the data in terms of overall levels of client satisfaction with services, frequency and purpose of service use, and demographic characteristics (e.g., means, medians, modes, and standard deviations).

Inferential Statistics: The survey results were used as inferential statistics to generalize the survey findings with respect to the overall customer population. Regression analysis and hypothesis testing provided means to assess relationships among variables, examining, for example, the effect of service quality on customer satisfaction.

3.4.3 Software Tools

During the analysis, data were processed by using a number of specialized software tools to handle and store it.

SPSS: The Statistical Package for the Social Sciences (SPSS) was used for quantitative analysis, and it is a well-designed software for advanced statistics, data management, and visualization. Descriptive and inferential statistical analyses were conducted using SPSS to interpret the quantitative data effectively.

NVivo: NVivo software was used for qualitative analysis to arrange and analyze the encoded data. NVivo assists with qualitative data management and enables theme and pattern recognition within the data. Its coding, annotation, and querying tools provide a more detailed perspective on client experiences with the process.

4. Results and Discussion.

This part provides the results of the existing study on customer expectations within Islamic banking in the context of Islami Bank Bangladesh PLC and their implications. The discussion relates the data analysis to the questions and aims set at the start of the research.

4.1. Demographic Profile of Respondents

The demographic profile of the respondents provides essential context for understanding the findings. The characteristics of the survey and interview participants are detailed as follows:

- **Age Distribution:** The respondents were categorized into various age groups:
 - 18-25 years: 20%
 - 26-35 years: 35%
 - 36-45 years: 25%
 - 46 years and above: 20%
- **Gender:** The survey revealed a balanced gender representation:
 - Male: 52%
 - Female: 48%
- **Occupation:** The participants' occupations included:
 - Students: 15%
 - Professionals (Doctors, Engineers, etc.): 40%
 - Business Owners: 30%
 - Government Employees: 15%
- **Income Levels:** Respondents were distributed across various income brackets:
 - Below BDT 20,000: 30%
 - BDT 20,000 - 50,000: 40%
 - BDT 50,000 - 100,000: 20%
 - Above BDT 100,000: 10%
- **Education Levels:** The educational qualifications of respondents were as follows:
 - Secondary Education: 25%
 - Undergraduate Degree: 20%
 - Postgraduate Degree: 10%
 - Professional Certifications: 10%
 - Under Secondary Level: 35%

By presenting this demographic data, the findings can be contextualized, providing a clearer understanding of the backgrounds and perspectives of the respondents.

Table 1: Demographic Profile of Respondents

Demographic Variable	Categories	Percentage (%)
Age Distribution	18-25 years	20%
	26-35 years	35%
	36-45 years	25%
	46 years and above	20%
Gender	Male	52%
	Female	48%
Occupation	Students	15%
	Professionals	40%
	Business Owners	30%
	Government Employees	15%
Income Levels	Below BDT 20,000	30%
	BDT 20,000 - 50,000	40%
	BDT 50,000 - 100,000	20%
	Above BDT 100,000	10%
Education Levels	Secondary Education	25%
	Undergraduate Degree	20%
	Postgraduate Degree	10%
	Professional Certifications	10%
	Under Secondary Level	35%

4.2. Key Expectations of Customers

According to both qualitative and quantitative data, the major expectations of customers regarding Islami Banks are as follows:

Financial Product and Services: 67% of male and 75% of female customers indicated an especially strong preference for a broad range of financial products, including competitive profit-sharing savings accounts, personal and home financing products, as well as investment options. The rest of the participants pointed out the demand for products designed with lower-income clients in mind, indicating a need for financial services inclusion.

Customer Service: The attendees having income above 100000/- stressed that the standard for quality customer service is also very high, especially when it comes to timely response, professionalism, and availability. Low-income people ranging below BDT 20,000-50,000 expressed a greater appreciation for personalized service. On the other hand, people aged 36 and above touched by friendly tellers or knowledgeable bankers are satisfied with their overall banking experience.

Technological Convenience: Technology convenience is a big expectation; 65% of people, including undergraduates and postgraduates, think that online banking services should be quick and have an intuitive mobile banking application. 35% are satisfied with the existing service. Customers aged 18-35 Emphasized the rising need for 24/7 access to banking institutions, which points towards a wider digital banking solutions movement.

Expectation Category	Description
Financial Products and Services	Demand for loans, savings accounts, and investment options
Customer Service	High expectations for responsiveness and professionalism
Technology and Convenience	Desire for online banking and mobile app functionality

4.3. Satisfaction with Shariah Compliance

Specifically, the satisfaction levels measuring the extent to which the bank complied with Shariah principles were as follows:

Awareness of Shariah Compliance: 75% of customers registered a fair degree of awareness about how banking activities involving Shariah compliance work. However, people aged 26-45 years specially communicated an interest in greater education on how these concepts work.

Satisfaction Level: Approximately 67% of customers responded that they had the utmost satisfaction with the bank in terms of Shariah compliance, especially young and educated people. 85% of customers supported these conclusions, alluding to the fact that Shariah compliance is an important factor, and they want more Shariah compliance in Islamic banking.

Issues with or Applauds for the Bank: Although a lot of respondents lauded the lender for its commitment to Shariah compliance, others expressed worries concerning clearing profit-sharing mechanisms and the complexity of some monetary merchandise. This feedback can be useful for improving communication and product.

Aspect	Findings
Understanding of Shariah Compliance	Reasonable understanding among 82% of customers.
Satisfaction Levels	75% of customers are satisfied with Shariah compliance.
Specific Concerns or Praise	15% of clients, especially uneducated customers, are concerned about transparency and complexity in financial products.

4.4. Service Quality and Customer Satisfaction

The results of this research that were based on analyzing the relationship between service quality and overall satisfaction are-

Dimensions of Service Quality: This dimension covered the principal dimensions of service quality, i.e., reliability, assurance, tangibles, empathy, and responsiveness, as reflected in extensive literature. The results indicated that reliability showed the highest impact on customer satisfaction, followed by empathy and responsiveness. 85% of female and 75% of male customers are satisfied with the dimensions of service quality.

Customer Quotes from Customer Interviews: 55% of customer quotes from our interview process underscored the need for service quality. As one of the respondents mentioned, I am staying with Islami Bank because they value me as a customer and treat me with due respect.

Correlation Analysis: In the percent part, a strong positive correlation was found between service quality scores (0.75 => r) and overall customer satisfaction ratings from statistical analysis. This finding adds to the belief in improving service quality and expanding customer satisfaction.

Service Quality Dimension	Description
Reliability	Most critical factor for customer satisfaction
Assurance	High levels of trust reported by customers
Tangibles	Quality of physical facilities and materials.
Empathy	Importance of personalized service
Responsiveness	Quick response times enhance satisfaction.

4.5. Product Offerings and Customer Expectations

Diversity of Product: The respondents mentioned various product offerings from Islami Bank, including deposit products and investment and financing products. However, 18% of customers felt there were limited innovative products available in the market that catered to specific needs, such as microfinancing or agricultural loans.

Expectation Alignment: A number of the products were viewed to meet customer needs, but 22% of respondents wanted them to be more customized, especially for small business owners and lower-income clients.

Customer Feedback: More detailed feedback highlighted that while consumers appreciated what the bank offered, they did need more information and guidance on available products. One customer stated: "I often have a hard time understanding details of the investment (loan) products. Give me more visibility over things — transparency leads to informed choices."

Gaps and opportunity: Analysis to identify gaps in the product range showed scope for new product development. People were interested in sustainable investments and digital financial products, which highlights a desire for modern solutions to banking.

Product Offering Aspect	Findings
Range of Products	Varied offerings, but gaps identified in micro financing.
Alignment with Expectations	Some products meet needs, while others lack tailored options.
Customer Feedback	Need for better information on products.
Gaps and Opportunities	Interest in sustainable and digital financial products.

5. Summary of Findings

In this subsection, we summarize the salient findings found within the study:

Product Type: Customers sought competing financial products, from savings accounts to loans and investments.

Service Quality: Always No.1 across all dimensions when it came to the quality of response, professionalism, and ease of access. The direct effect of service quality on overall customer satisfaction was significant. Factors of service quality like reliability, responsiveness, and empathy were found to be effective in shaping customers' practice and perceived experience. Customer satisfaction and loyalty could be improved, and service quality should be increased.

Product Offerings: At the other end of the spectrum, the study also uncovered discrepancies in regard to product lines that did not meet consumer expectations of the bank. However, as most end-users were low-income clients or small business owners, showing that customization seemed important despite some products adopting the one-size-fits-all approach. It was argued in the feedback that Islamic banks must innovate and have balanced product lines, or in other words, the products should be fancied in such a manner that it is appealing to the consumers.

Improve Service Quality: There is a strong connection between service quality and customer satisfaction. Islamic banks must train their employees on the significant dimensions of service, such as empathy, service reliability, and responsiveness. Regular feedback loops will highlight to banks the areas that need further work and ensure they are constantly growing the customer experience.

Better Shariah Compliance: As a trusted intermediary, there is a pressing need to improve and strengthen the practice of Shariah compliance in order to attract and retain customers. It is important for banks to transparently ensure that all products and services are truly complying with Islamic teachings. It involves having Shariah scholars examine product lines, telling customers directly how products comply with Islamic law.

Learn and Trust: Banks should invest in educating consumers about Shariah through events and on their sites in the form of informative content — anything to get customers to understand the link between the way they do business and their values.

Diversifying Product Lines: The demand for new products for catering to customer needs of different types is evident. To devise and establish innovative fiscal products for different market segments — for example, a microfinancing offer for low-income clients, and another can be specific investment goods targeted to entrepreneurs.

Customer-centric: Companies can be greeted with surveys and focus groups from customers to understand what kind of smart product they want from them. This type of customer-focused, high-level overview can ultimately lead to the development of products that customers enjoy, therefore increasing customer satisfaction and customer loyalty.

Place in Market: The banking industry has overcome a competitive challenge, so one of the important strategies that Islamic banks of Bangladesh have to follow is to find a place for themselves among all the banks of Bangladesh. Data Availability While provided with a unique value proposition, such as the commitment to the fundamental principles of Islamic Banking and a customer-focused service model, banks can set themselves apart from conventional banks and appeal to consumers who seek ethical solutions.

Behavior Towards Industry: What consumers want, and use of market trends are important positioning tools. Islamic banks also need to work on a day-to-day routine to analyze the data from the market and feedback from customers so that plans can be made to deal with new strategies and offers in the future battle.

5.1 Implications for Future Research

Understanding the needs of diverse customers: Future research should explore customer segments in Islamic banking, especially the role of women, rural customers, and youth, as well as their unique requirements and preferences. Thus, the hidden consumer segments banks must enlighten themselves about in order to provide more personalized solutions.

Longitudinal Studies: It is important to know how expectations and satisfaction change over time; longitudinal studies would be a better solution. Research of this nature can assist the banks in analyzing the trends and, accordingly, devising their plans.

Comparative Analysis: Performance Evaluation—Comparative studies of Islamic banks and conventional banks of Bangladesh should be conducted to ascertain the strengths and weaknesses of Islamic banks. The ideas of the practices to be implemented to increase customer satisfaction can be gained from these studies.

Cross-Cultural Studies: Cross-cultural Differences in Expectations: Studying regional variations in customer expectations and satisfaction levels may lead to new cross-sectional insights for customers. Regional nuance

dictates why banks will need to tailor offerings to serve such different populations, and a grasp of that will no doubt help banks succeed.

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