



**An Analysis of Customers' Perceptions and Attitudes Towards
Islamic Banking Services using Components of Customer
Relationship Management (CRM) in the UK and Bahrain**

By: Mohammed Sirajul Alam
Supervised by: Dr. Omer Tekdemir

Centre for Islamic Finance (CIF)
University of Bolton

The thesis submitted to the University of Bolton in fulfillment of the requirements
for the degree of Doctor of Philosophy

Declaration

I declare that my research has not been submitted previously or accepted in substance in any degree. This thesis is my own work except where otherwise stated.

Mohammed Sirajul Alam

Acknowledgement

I am grateful to many amazing individuals. This includes those who contributed by participating and supporting me in this dream journey. I am also grateful to the University of Bolton for providing me a fantastic opportunity to study with amazing and dedicated supervisors who were most supportive, wonderful, and brilliant that shaped my learning.

I would like to express my gratitude to my supervisor Dr. Omer Tekdemir, who was not only my supervisor but also a wise mentor from day one. His guidance, constructive criticism and enthusiastic support enabled me to write the thesis successfully. Dr. Emir Camdzic, Dr. Saston Kanthonga, Dr. Sabri Mohammad, and Dr. Gill Hagan-Green have also been supporting throughout the process and I am grateful to them forever.

Centre for Islamic Finance (CIF), a leading centres in the UK that provide education on Islamic banking and finance within the University of Bolton, which played the major part of my studies. I would also like expressing my gratitude to Assistant Vice Chancellor, and Director of CIF Professor Mohammed Abdel-Haq, who inspired throughout my journey from the beginning and till the completion.

Heartfelt sympathy goes to my brother Shariful Alam who died during Covid-19 lockdown, and I was unable to say good-bye being far from my country. My other siblings Shuvro, sisters Hosne Ara, and Shahana, neighbour Rizwan were highly supportive and one of the reasons to feel I was not alone. I would like to acknowledge special people in my life, my wife Afroza and two beautiful children Shafin and Amelia who constantly sacrificed their time; I could not complete this journey without your love and consistent support.

Finally, my mum and dad were always highly confident in me and raised me to the best standard they possibly could have done. My heavenly dad must be proud to see this writing. I am proud to dedicate this PhD to my parents.

Abstract

Over the past decades, the growth of Islamic banking (IB) has significantly been increased globally in retail and full-fledged banking. Islamic Economy (IE) is a driving force of Islamic finance and an alternative banking of conventional banking. The aim of IB is to bring interest (*Riba*) free, avoid uncertainty (*Gharar*) and risk-free return in banking and finance to bring social justice in the economy. However, at a time of such tremendous success, IB faces considerable criticism due to various issues such as quality products, services, management, and marketing. It may suggest that banking institutions must prove that their offerings are complying with the Shariah principles and are in line with customer's expectations, which are also the objectives of Customer Relationship Management (CRM). To achieve the objectives, this study employed primary sources that help to raw information and first hand evidence while a mixed-method research was conducted. A valid total of 351 customers participated in the survey while 12 interviews were conducted among IB professionals in the UK and Bahrain.

Among the key findings of questionnaire survey, perception and satisfaction towards Islamic bank of both the UK and Bahrain were comparatively positive than negative and minor in differences based on the statistical significance. Chi-square tests and regression analysis shows majority Muslim customers have influence in adopting IB services in Bahrain while lack of awareness is major factors among increasing British consumers to undertake IB services. Finding also suggests that there are high co-relations on satisfaction and recommendation in attracting customers towards IB services. On contrary, this study finds no co-relations and negative impact in adopting IB services due to familiarity of IB terms, gender, age or marital status among survey participants.

However, interview among professionals revealed that the concerns are remained in innovative products, quality services, staff knowledge, role of Shariah scholars and authentic marketing. On the other hand, it is also found that lack of awareness among customers seriously hinders IB industry to grow its full potential. This

confirms the greater needs of CRM implementation in IB industry. Another key finding is management and investment in IB, which is instrumental for survival of Islamic bank in the financial industry. Because bank professionals have serious doubt about the UK investor's intension due to lack of funding which has reduced services and operations significantly. While in Bahrain, too many banks exist damaging the reputation of IB resulting merger or closing up the operations. This research suggested acquiring customer's feedback seriously using operational components of CRM to reconnect customers with innovative products to regain customers' trust and thus growth of Islamic banking. This research has also compared, contrasted, and synthesized the findings and made recommendation in line with CRM to Islamic financial institutions to undertake appropriate strategies and to implement them to bridge a bond between customers and IB's products.

SUPPLEMENT OF ARABIC TERMS

AL ADAL	Justice
AL IHSAN	Benevolence
AMANAḤ	Deposit in an Islamic bank based on trust
BAY AL SALAM	Prepaid purchase with future delivery
BAY AL INAH	Buy back sale
FATWA	Shariah scholar's statement (Authoritative)
FIQH	Extension of Islamic law based on Qur'an and Hadith
GĤARAR	Highly uncertainty in banking activities
ḤADITH	Record and Dids of Prophet Muhammad (PBUH)
HALAL	Permitted by Islamic law
HARAM	Forbidden by Islamic law [L] [SEP]
IJARAH	Lease [L] [SEP]
ISTISNA	Manufacturer commission [L] [SEP]
MAQASID	Objective
MUDARABAH	Partnership (Profit Sharing) [L] [SEP]
MURABAḤAH	One transaction between the buyer and seller
MUSHARAKAH	Partnership (Long term) [L] [SEP]
MUSLIM	A person who's religious faith is Islam
QARD HASSAN	Types of loan provided to poorer customers
QURAN	Holy book of Islam
RABB AL MAL	Silent partner
RIBA AL FADL	Unjustified exchange in trade [L] [SEP]
RIBA	Interest [L] [SEP]
RAMADAN	Holy fasting month in Islam
SHARIAH	Islamic path
SUKUK	Islamic Bond
TAKAFUL	Insurance [L] [SEP]
TAWARRUQ	Marked up sale
TAQWA	Mindfulness of Allah [L] [SEP]
WADIAḤ	Saving or deposit account in Islamic bank

WAKALA	Delegation of power
ZAKAT	Taxation as per Islamic law

ABBREVIATIONS

AAOIFI	Accounting & Auditing Organisation for Islamic Financial Institutions
ABC	Arab Banking Corporation
ADIB	Abu Dhabi Islamic Bank
ATM	Automated Teller Machine
AUB	Ahli United Bank
BCBS	Basel Committee of Banking Supervision
BHD	Bahraini Dinar (Bahraini Currency)
BISB	Bahrain Islamic Bank
BIBF	Bahrain Institute of Banking and Finance
BLME	Bank of London and the Middle East
CB	Conventional Bank
CCB	Central Bank of Bahrain
CDP	Consumer Decision-Making Process
CSR	Corporate Social Responsibility
CIBAFI	Council for Islamic Banks & Financial Institutions
CIMA	Chartered Institute of Management Accountants
COVID-19	Corona Virus (Known as SARS-CoV-2)
CRM	Customer Relationship Management
Et Al.	Latin Idiom – And other
FAQ	Frequently Asked Questions
FSA	Financial Service Authority
FCA	Financial Conduct Authority
GBP	British Pound Sterling (British Currency)
GCC	Gulf Cooperation Council
GIFR	Global Islamic Finance Report
GIER	Global Islamic Economic Report
HE	Higher Education

HMRC	Her Majesty's Revenue and Customs
HSBC	Hong Kong & Shanghai Banking Corporation
IAIS	International Association of Insurance Supervisor
IOSCO	International Organisation of Securities Commission
IAIB	International Association of Islamic Bank
IB	Islamic Bank
IBB	Islamic Bank of Britain
IFC	Islamic Finance Council
IFI'S	Islamic Financial Institutions
IFSB	Islamic Financial Service Board
IIFM	International Islamic Financial Market
IIRA	Islamic International Rating Agency
IMF	International Monetary Fund
IRTI	Islamic Research & Training Institute
IT	Information Technology
KHF	Kuwait Finance House
LIBOR	London Interbank Offered Rate
LMRA	Labour Market Regulatory Authority
MBA	Master of Business Administration
NCB	National Commercial Bank
NVIVO	Software for qualitative and mixed methods research
PLS	Profit and Loss Sharing
QIB	Qatar Islamic Bank
RBS	Royal Bank of Scotland
SMS	Short Messaging Service
SPSS	Statistical Data Package for Social Sciences
SSB	Shariah Supervisory Board
TPB	Theory of Planned Behaviour
TRA	Theory of Reasoned Action
TVM	Time Value of Money
UK	United Kingdom

Table of Contents

Declaration	2
Acknowledgement	3
Abstract	4
List of Tables	16
List of Figures	19
CHAPTER ONE:	21
1.1 Introduction	22
1.2 Research background	22
1.3 Significance of the study	23
1.4 Case country selection and justification	24
1.5 Research gap and problem:	27
1.6 Research purposes	31
1.7 Research aim, objectives and main question	33
1.8 Structure of the thesis	35
CHAPTER TWO	39
Section 2.1 An overview of Islamic banking and finance	40
2.1.1 Introduction	40
2.1.2 Difference between Islamic and conventional bank.....	40
2.1.3 Islamic banking frameworks:	42
2.1.4 Modes of finance in Islamic Banking:.....	47
Section 2.2: Overview of global challenges and development of Islamic banking on consumer perception and attitudes	55
2.2.1 Islamic banking and customer awareness.....	55
2.2.2 Consumer knowledge and awareness	55
2.2.3 Influential factors in choosing an Islamic bank	58
2.2.4 IB's products and services review	61
2.2.5 The lack of clarity on marketing and strategy.....	62
2.2.6 Vague marketing strategy.....	62
2.2.7 Banking channels used by Islamic banks	63
2.2.8 Service quality and standard of Islamic bank.....	63
2.2.9 Islamic finance institutions: Promotion of investment account.....	64
2.2.10 Organisational performance versus Islamic banking value.....	65
2.2.11 Staffing issues at Islamic banking institutions	67
2.2.12 Lack of academic research on customer perception in IB.....	68
2.2.13 Lack of regulatory institutions for Islamic banking.....	69

2.2.14 Shariah Supervisory Boards (SSBs).....	70
2.2.15 The lack of quality Shariah scholars and confidentiality.....	71
2.2.16 Disclosure of information.....	75
2.2.17 Islamic banking contribution to social causes.....	75
Section 2.3 Overview of IB in UK on customers' perception.....	77
2.3.1 Introduction.....	77
2.3.2 History of Islamic banking institutions and development in the UK.....	78
2.3.3 IB's challenges in the UK on consumer perception.....	80
2.3.4 Financial Conduct Authority (FCA), UK and Islamic banking.....	82
2.3.5 Market and competition issues in the UK.....	83
2.3.6 Shariah board issues in the UK market.....	84
2.3.7 Issues on the shortage of qualified personnel in IB branches.....	85
2.3.8 Services quality and Islamic bank in the UK.....	86
2.3.9 Summary.....	89
Section 2.4 Overview of IB in Bahrain on customer's perception.....	90
2.4.1 Introduction.....	90
2.4.2 Regulations in the banking industry in Bahrain.....	94
2.4.3 Development and challenges of Islamic banking in Bahrain.....	94
2.4.4 Fraud management on customer's perceptions.....	94
2.4.5 Zakat Management on customer loyalty.....	95
2.4.6 Bahrainisation.....	95
2.4.7 Shariah scholars in Bahrain.....	95
2.4.8 Marketing Issues and products controversy.....	96
2.4.9 Summary and conclusion.....	96
CHAPTER THREE.....	100
3.1 Introduction.....	101
3.2 Islamic Economics (IE): An Overview.....	101
3.2.1 Economic Thought (Classical versus Modern).....	102
3.2.2 Development of Islamic Economic Thoughts:.....	103
3.2.3 Modern Thoughts of Economics.....	105
3.2.4 Development of Islamic Finance and Banking (IFB).....	105
3.2.5 Principles of Islamic banking and finance (IBF).....	107
3.2.6 Critical Review of Islamic Economics and IBF.....	108
3.2.7 Summary.....	109
3.3 Consumer Behaviour: An Overview.....	109
3.3.1 Perspectives of consumer behaviour studies.....	113
3.3.2 Models of consumer behaviour.....	115
3.3.3 Buyer decision-making process.....	121
3.3.4 Analysis of Theory of Reasoned Action (TRA) and the theory of Planned Behaviour (TPB).....	123
3.3.5 Consumer behaviour in the Islamic Banking industry.....	124
3.4 Analysis of Customer Relationship Management (CRM).....	127

3.4.1 Introduction	127
3.4.2 Definition of Customer Relationship Management (CRM)	127
3.4.3 Misconception of CRM	128
3.4.4 Operational Process of Consumer Relationship Management (CRM)	130
3.5 CRM frameworks.....	134
3.5.1 Identification of customers.....	136
3.5.2 Differentiation of customers	136
3.5.3 Interaction of customers	136
3.5.4 Products customisation.....	137
3.6 CRM components and challenges.....	137
3.7 Empirical evidence and adoption of CRM	142
3.8 CRM and its connection with research questions	144
3.9 Conclusion	151
CHAPTER FOUR.....	152
4.1 Introduction.....	153
4.2 Research Position	153
4.3 Research Philosophy	155
4.4 Research Approach	158
4.4.1 Research Design.....	162
4.5 Research strategy	167
4.6 Research Methods	169
4.6.1 Questionnaire Survey (Quantitative Data Collection Process)	169
4.6.2 Interview Questionnaires and Instrument Design (Qualitative)	173
4.6.3 Pilot Study (Quantitative and Qualitative)	173
4.6.4 Procedure of Data Collection (Quantitative and Qualitative).....	174
4.6.5 Information from secondary sources	177
4.6.6 Sampling, Strategy and Procedure (Quantitative and Qualitative)	178
4.6.7 Data Analysis methods (Quantitative).....	182
4.6.7.1 Data Cleaning.....	183
4.6.8 Data Analysis Methods (Qualitative)	184
4.7 Validity and Reliability	190
4.7.1 Reliability of questionnaires	191
4.7.2 Triangulation.....	193
4.7.3 Research Ethics	194
4.7.4 Research limitations	194
4.8 Demographic profile of the participants (Quantitative Data)	195
4.8.1 Frequency and percentage Analysis of Gender.....	195
4.8.2 Frequency and percentage Analysis of Marital Status	195
4.8.3 Frequency and percentage Analysis of Age	196

4.8.4 Frequency and percentage Analysis: Gender and Country residence	198
4.8.5 Frequency and percentage Analysis between Country and Age	198
4.8.6 Frequency and percentage Analysis of Education Level	200
4.8.7 Frequency and percentage Analysis of Profession	201
4.8.8 Frequency and percentage Analysis of Religion	202
4.8.9 Frequency and percentage Analysis of Ethnicity and Nationality	202
4.8.10 Frequency Analysis of Type of Bank	203
4.8.11 Demographic profile of the participants (Interviews)	203
4.9 Conclusion	205
CHAPTER FIVE	207
5.1 Introduction	208
5.1.1 – Participant’s bank	210
5.1.2 – Types of banks	211
5.1.3 – Participant’s bank accounts type (e.g., Saving/Current account)	212
5.2 – Overall satisfaction with main banks	212
5.3 Preference of main banking services	213
5.3.1 Counter services	214
5.3.2 ATM Machine	215
5.3.3 Phone banking	216
5.3.4 Online banking	217
5.3.5 Efficient and quick on inquiries	218
5.3.6 Always on queue	219
5.3.7 Reflective on any mistakes	220
5.3.8 Phone banking experience	221
5.3.9 Queue on phone banking	222
5.3.10 Reason to use (or not use) of Internet banking	224
5.4 Recommendation of main banking services	224
5.4.1 Would you recommend your bank?	224
5.4.2 Any plan to change banks?	225
5.5 Key factors that lead customers to switch their banks.	226
5.5.1 Change in location	226
5.5.2 Value for money factor to switch banks	227
5.5.3 Products are not as per the Shariah	228
5.5.4 Poor customer service	229
5.5.5 Poor/unauthentic advertising/marketing	230
5.5.6 No phone/Internet banking facility	230
5.5.7 Not valuing customer’s feedback	231
5.5.8 Value for money	232
5.5.9 Poor reputation of bank	233
5.6 Perception and attitudes towards IB providers:	234
5.6.1 Customers understanding levels of IB	234
5.6.2 Customers level of understanding between IB and CB	235

5.6.3 Statement on Interest.....	236
5.6.4 Statement on profit versus interest.....	237
5.6.5 Statement on hidden charges.....	238
5.6.6 Statement on usage of IB regardless of cost.....	239
5.6.7 Statement on values of IB versus CB	240
5.6.8 Statement on IB's objectives.....	241
5.6.9 Statement on compliance of Quran and Sunnah.....	243
5.6.10 Statement on qualification of Shariah advisor	244
5.6.11 Statement on needs of more qualified Shariah advisors.	245
5.6.12 Statement on banking based on high quality Shariah advisors.....	246
5.6.13 Statement on IB use name of CB products.	247
5.6.14 Statement on IB staffs is not aware about its products.	248
5.6.15 Statement on clear IB marketing	249
5.6.16 Statement on IB products marketing authenticity	250
5.7 Reason of attraction in IB products and service	251
5.7.1 Avoid sin and get favour of Allah.....	251
5.7.2 Attractive if the products are with more Shariah compliant.	252
5.7.3 Attractive if halal and ethical investment	253
5.7.4 Attractive because of Zakat administration	254
5.7.5 Attractive because family/friends use IB.....	255
5.7.6 Attractive because CB branch of IB offer is attractive.	256
5.7.7 Attractive, because full-fledged IB provides efficient services	257
5.8 Familiarity of the terms.....	258
5.8.1 Murabaha.....	258
5.8.2 Familiarity of the term Mudarabah.....	260
5.8.3 Familiarity of the term Musharakah.....	261
5.8.4 Familiarity of the term Wadiah.....	262
5.8.5 Familiarity of the term Ijarah	262
5.8.6 Familiarity of the term Istisna	263
5.8.7 Familiarity of the term Tawarruq.....	264
5.9 Most important factors for IB marketing.....	265
5.9.1 Compliance of Shariah law	265
5.9.2 Most important factors – Online/offline marketing are authentic.....	267
5.9.3 Unique slogan in marketing	268
5.9.4 Authentic website.....	269
5.9.5 Social justice in mission statement.....	270
5.9.6 Regular website update	271
5.10 Obtaining information on Shariah compliant products	272
5.10.1 Source of obtaining Shariah compliant products and services.....	272
5.11 The great challenges of IB expansion.....	273
5.11.1 Lack of awareness.....	273
5.11.2 Standardization of Shariah ruling	275
5.11.3 Lack of branch network	276

5.11.4 Differentiation from CB products.....	277
5.11.5 Lack of products innovation	278
5.11.6 Lack of staff training.....	279
5.11.7 Harmonizing mission and vision with Zakat and Riba	281
5.11.8 Harmonizing mission and vision with Zakat and Riba (Profitability) ...	282
5.11.9 Harmonizing mission and vision with Zakat and Riba (Loyalty).....	283
5.11.10 Unable to bring new customers	284
5.11.11 Lack of Shariah products marketing.....	285
5.12 Preference of more Shariah based products	286
5.12.1 Interest free student loans	286
5.12.2 Interest free micro credit for poor families.....	287
5.12.3 Products for disabled people	288
5.12.4 Products (Others).....	289
5.13 Summary of (section one) chapter five	290
5.14 Exploring Customers' Perceptions in the UK and Bahrain: An Inferential Analysis	292
5.14.1 Introduction.....	292
5.14.2 Spearman's Correlation coefficient.....	293
5.14.3 Chi-Square Test Analysis.....	295
5.14.4 Study variables based on religion: Chi-Square Test.....	297
5.14.5 Study variables-based gender differences: Chi-Square Test	298
5.14.6 Study variables based on marital statutes: Kruskal Wallis Test	299
5.14.7 Customer expectation and IB Products: A Regression Analysis.....	302
5.14.8 Customer expectation and IB Quality: A Regression Analysis.....	303
5.15 Exploratory Factor Analysis (EFA).....	304
5.15.1 Presumption of Factor Analysis.....	304
5.15.2 KMO and Bartlett's Test.....	307
5.15.3 Confirmatory Factor Analysis (CFA)	311
5.15.4 Convergent Validity (CR and AVE).....	314
5.16 Summary and conclusion	315
CHAPTER SIX – DISCUSSION AND ANALYSIS.....	319
6.1 Introduction	320
6.1.1 Revisit the CRM procedures using Gap analysis:.....	323
6.1.2 Customer's expectation and management realization	323
6.1.3 Gaps in service delivery.....	325
6.1.4 Automatic Teller Machine (ATM).....	330
6.2 Marketing and branding in Islamic banking.....	334
6.2.1 Statement of Vision and Mission.....	336
6.2.2 Differentiation in IB brand on consumer perceptions.....	337
6.2.3 Promotion of IB marketing through education and awareness	340
6.2.4 Marketing using customer contact point at the bank	343
6.2.5 Review and evaluation of Islamic banking website	346

6.3 Importance of products & service innovation for Riba-free IB	354
6.4 Training of IB staff and competent Shariah scholars.....	357
6.4.1 Importance of IB staff training.....	357
6.4.2 Importance of competent Shariah scholars.....	358
6.4.3 Recruitment of staff and Shariah scholars.....	358
6.4.4 Shariah scholar on customers' perception.....	359
6.5 Implication of Islamic Economics (IE) on customer perceptions:.....	363
6.6 Implication of Consumer Behavioural concepts/models.....	365
6.7 Conclusion and Recommendation	366
CHAPTER SEVEN.....	373
7.1 Introduction.....	374
7.2 Analysis of the interviews.....	374
7.2.1 Perceptions and attitudes of Islamic banking.....	375
7.2.2 Perception of staff and management/Shariah scholars.....	385
7.2.3 Attitudes to IB marketing	391
7.2.4 IB Challenge and development.....	395
7.2.5 Development in IB	401
7.2.6 IB growth barriers/factors.....	406
7.2.7 Comparison between the banks in the UK and Bahrain	410
CHAPTER EIGHT.....	416
8.1 Introductions.....	417
8.2 Research implications.....	424
8.3 Original contribution to research	427
8.4 Future research	428
References:	430
APPENDIX – I: Survey Questionnaires.....	464
APPENDIX – II: Semi-Structured Interview Questionnaires.....	468
APPENDIX – III: Exploratory Factor Analysis (EFA)	472
APPENDIX – IV: Confirmatory Factor Analysis (CFA)	478

List of Tables

Table 1.1 Justification of the selection of case countries.....	25
Table 2.1 Difference between Islamic bank and conventional bank.....	41
Table 2.2 <i>Riba</i> versus profit in a credit sale	44
Table 2.3 Islamic finance customers' perceptions (Empirical Evidence)	56
Table 2.4 Factors that influence consumer decision in choosing IB.....	60
Table 2.5 The mission statement of Islamic financial institution.....	64
Table 2.6 The international agencies that set standard for IB	69
Table 2.7 Comparison of credit card offered in various modes of finance.....	74
Table 2.8 Islamic banking in the UK (Branches, retails and full fledge).....	78
Table 2.9 Islamic bank in Bahrain (retail)	91
Table 2.10 Islamic bank in Bahrain (wholesale)	92
Table 3.1 Consumer behaviour phase	111
Table 3.2 Empirical Evidence of Consumer Behaviour Modeling (1935-2021). ..	115
Table 3.3 Operational CRM.....	132
Table 3.4 Purpose of CRM.....	137
Table 3.5 Measures of CRM	138
Table 3.6 CRM components and purposes.....	139
Table 3.7 CRM components and challenges.....	141
Table 3.8 Empirical Evidence of CRM.....	142
Table 4.1 Research paradigm	159
Table 4.2 Quantitative and qualitative research	165
Table 4.3 Inductive versus deductive	168
Table 4.4 Component wise reliability of the questionnaire	192
Table 4.5 Scale wise reliability	192
Table 4.6 Frequency and percentage of gender	195
Table 4.7 Frequency and percentage of marital status	195
Table 4.8 Frequency and percentage of age.....	196
Table 4.9 Gender and country of residence	198
Table 4.10 Age and country of residence.....	198
Table 4.11 Education level.....	200
Table 4.12 Frequency and percentage of profession	201
Table 4.13 Frequency and percentage of religion	202
Table 4.14 Frequency and percentage of ethnicity and nationality	202
Table 4.15 Frequency and percentage of bank types	203
Table 4.16 Demographic information: interview, participants, UK.....	203
Table 4.17 Demographic information: interview participants, Bahrain.....	204
Table 5.1 Participants bank analysts.....	210
Table 5.2 Analysis: Type of bank	211
Table 5.3 Analysis: Product use.....	212
Table 5.4 Analysis: Level of satisfaction for main bank.....	213
Table 5.5 Analysis: Main Banking-Counter services	214
Table 5.6 Analysis: Main banking-ATM machine	215
Table 5.7 Analysis: Main Banking-Phone banking	216
Table 5.8 Analysis: Preference of Online banking.....	217
Table 5.9 Analysis: Counter service Satisfaction-Efficient and quick inquiries. ...	218

Table 5.10 Analysis: Counter service Satisfaction-Efficient and quick inquiries ..	219
Table 5.11 Analysis: Counter service Satisfaction-Reflective on any mistakes...	220
Table 5.12 Analysis: Counter service satisfaction-Efficient/quick on inquiries.....	221
Table 5.13 Analysis: Always on long queue on phone	222
Table 5.14 Analysis: Recommend family and friends?	224
Table 5.15 Analysis: Plan of changing main banking.	225
Table 5.16 Analysis: Factors of changing the bank due to change of location. ...	226
Table 5.17 Analysis: Factors of changing the bank due to value for money.....	227
Table 5.18 Analysis: Factors of changing the bank due to Shariah products.	228
Table 5.19 Analysis: Factors of changing bank due to poor customer service ...	229
Table 5.20 Analysis: Factors changing bank due to unauthentic advertising.	230
Table 5.21 Analysis: Factors of changing bank due to lack of Internet banking ..	230
Table 5.22 Analysis: Factors of changing bank-ignoring customers' feedback ...	231
Table 5.23 Analysis: Factors of changing bank due to low profitability	232
Table 5.24 Analysis: Factors of changing bank due to poor reputation	233
Table 5.25 Analysis: You have good understanding on IB	234
Table 5.26 Analysis: Understand difference between IB & CB.....	235
Table 5.27 Analysis: Interest is haram	236
Table 5.28 Analysis: IB pays interest	237
Table 5.29 Analysis: IB is expensive	238
Table 5.30 Analysis: Must use IB	239
Table 5.31 Analysis: IB is high value.....	240
Table 5.32 Analysis: IB objectives.....	241
Table 5.33 Analysis: IB compliance	243
Table 5.34 Analysis: Qualification of Shariah advisors.....	244
Table 5.35 Analysis: Need more Shariah advisors.....	245
Table 5.36 Analysis: Customers prefers quality Shariah advisors.....	246
Table 5.37 Analysis: IB use Arabic names	247
Table 5.38 Analysis: IB staff is not aware about its products	248
Table 5.39 Analysis: Country of residence-IB marketing.....	249
Table 5.40 Analysis: Online marketing of IB is not authentic.....	250
Table 5.41 Analysis: Reasons for attraction-avoid sins	251
Table 5.42 Analysis: Reasons of attraction-compliance of Shariah info.	252
Table 5.43 Analysis: Reasons for attraction-Halal/ethical investment	253
Table 5.44 Analysis: Reasons for attraction-Zakat administration.....	254
Table 5.45 Analysis: Use IB because of family/friends.....	255
Table 5.46 Analysis: CB branch of IB offer is attractive	256
Table 5.47 Analysis: Reasons for attraction-Full-fledged IB.....	257
Table 5.48 Analysis: Familiarity of IB - Murabaha	259
Table 5.49 Analysis: Familiarity of IB-Mudarabah	260
Table 5.50 Analysis: Familiarity of IB-Musharakah	261
Table 5.51 Analysis: Familiarity of IB-Wadiah	262
Table 5.52 Analysis: Familiarity of IB-Ijarah	262
Table 5.53 Analysis: Familiarity of IB-Istisna	263
Table 5.54 Analysis: Familiarity of IB-Tawarruq	264
Table 5.55 Analysis: Most important factors-Shariah law	265

Table 5.56 Analysis: Most important factors-Ethical adverts	267
Table 5.57 Analysis: Most important factors-Unique slogan.....	268
Table 5.58 Analysis: Shariah compliance-authentic web design/color	269
Table 5.59 Analysis: Most important factors-reflection on social justice.....	270
Table 5.60 Analysis: Most important factors-website update	271
Table 5.61 Analysis: Shariah compliance information	272
Table 5.62 Analysis: Challenges: Lack of awareness	273
Table 5.63 Analysis: Challenges: Standardisation	275
Table 5.64 Analysis: Challenges - lack of branches.....	276
Table 5.65 Analysis: Challenges-lack of differentiation from CB products	277
Table 5.66 Analysis: Challenges-lack of innovation	278
Table 5.67 Analysis: Challenges-ineffective training	279
Table 5.68 Analysis: Challenges: Harmonizing mission/vision with Zakat/Riba ..	281
Table 5.69 Analysis: Challenges-focusing on profit.....	282
Table 5.70 Analysis: Challenges-unable to maintain loyal customers.....	283
Table 5.71 Analysis: Challenges-unable to create unique brand	284
Table 5.72 Analysis: Challenges-Shariah product marketing	285
Table 5.73 Analysis: Preference of interest free student loan	286
Table 5.74 Analysis: Preference of Shariah based interest free products	287
Table 5.75 Analysis: Preference of Shariah products for disabled people	288
Table 5.76 Analysis: Preference of Shariah products for others	289
Table 5.77 Spearman's Correlation coefficient.....	293
Table 5.78 Country of residence differences on study variables.	295
Table 5.79 Religious differences on study variables.	297
Table 5.80 Gender differences on study variables	298
Table 5.81 Marital statutes differences on study variables.....	299
Table 5.82 Regression coefficients of Customer expectations of IB	302
Table 5.83 Regression coefficients of Perception of Service Quality and IB.....	303
Table 5.84: KMO and Bartlett's Test	307
Table 5.85: Component Correlation Matrix.....	307
Table 5.86 Structure Matrix to Extracted Factors	308
Table 5.87: Structure Matrix	310
Table 5.88: Reliability and Validity of the Measurement Model.	313
Table 5.89: Matrix of correlation with ROOT SQUARE OF AVE	314
Table 6.1 Link of CRM with study variables	321
Table 6.2 IB websites review, UK.....	349
Table 6.3 IB websites review, Bahrain	350
Table 6.4 Summary of key findings, UK (Survey).....	368
Table 6.5 Summary of key findings, Bahrain (Survey)	370
Table 7.1 Summary of key findings (interviews, UK).....	412
Table 7.2 Summary of key findings (interviews, Bahrain)	414

List of Figures

Figure 1.1: Gaps in a service process	28
Figure 1.2 Gaps Model.....	30
Figure 1.3 Structure of the thesis:	38
Figure 2.1 Mudarabah	48
Figure 2.2 Musharakah	49
Figure 2.3 Diminishing Musharakah	50
Figure 2.4 Mean values and ranking of banking preference.....	88
Figure 3.1 Principles in Islamic Banking and Finance	108
Figure 3.2 Behavioural sciences	110
Figure 3.3 Nicosia model.....	119
Figure 3.4 Howard and Sheth model.....	120
Figure 3.5 Blackwell model	122
Figure 3.6 Theory of Reasoned Action (TRA)	123
Figure 3.7 Theory of Planned Behaviour (TPB)	124
Figure 3.8 Religiosity measurement dimension.....	126
Figure 3.9 Types of CRM	130
Figure 3.10 CRM cycle.....	131
Figure 3.11 CRM process and stages	135
Figure 3.12 Service switching behaviour	146
Figure 4.1 Research design overview	154
Figure 4.2 Philosophy components	155
Figure 4.3 Four dimensions.....	156
Figure 4.4 Four elements of research process	158
Figure 4.5 Structure of quantitative and qualitative phases.....	167
Figure 4.6 Methods and thematic analysis process of NVivo	185
Figure 4.7 Fifty most used words in interviews.....	187
Figure 4.8: Hundred most frequent words	187
Figure 4.9 Query group in the UK and Bahrain by NVivo	188
Figure 4.10 Themes and Nodes developed in NVivo software.....	189
Figure 4.11 Percentage analysis of gender.....	195
Figure 4.12 Percentage analysis marital status.....	196
Figure 4.13 Frequency and percentage of age	197
Figure 4.14 Frequency and percentage of gender	198
Figure 4.15 Age group analysis.....	200
Figure 5.1 Customer expectation of IB.....	303
Figure 5.2 Perception of service quality and IB.....	304
Figure 5.3: Matrix Scatter Plot.....	305
Figure 5.4: Component Number Versus Eigen Value	308
Figure 5.5: Measurement Model	313
Figure 6.1 Lack of marketing on Shariah products	338
Figure 6.2 Brand credibility on customer loyalty	338
Figure 6.3 Statement: IB pays interest in the name of profit.....	341
Figure 6.4 Statement: IB marketing is clear?	344
Figure 6.5 Statement: IB products are expensive	345
Figure 6.6 Importance of updating website	346

Figure 6.7 IB bank credibility rating, BLME	348
Figure 6.8 IB advertisement rewards in Bahrain	352
Figure 6.9 Top bank rating IB for Al Rayan bank, UK	354
Figure 6.10 Shariah scholar's activities, Bahrain.....	362
Figure 6.11 Integrity of Shariah and regularity authorities	363
Figure 7.1 Most discussed areas in interviews	375
Figure 7.2 Diagram of sub themes (Perceptions towards IB)	384
Figure 7.3 Diagram of sub themes (Staff and Shariah scholars).....	390
Figure 7.4 Diagram of sub themes (Attitudes to marketing and compliance)	394
Figure 7.5 Diagram of sub themes (Great challenges of IB)	400
Figure 7.6 Diagram of sub themes (IB development)	405
Figure 7.7 Diagram of sub themes (Growth factors of IB)	409
Figure 7.8 Comparison between the UK and Bahraini Banks respondents.....	411
Figure 7.9 Differences among banks in the UK and Bahrain.....	412
Figure 7.10 Diagram of sub themes (Main and general themes)	415
Figure 8.1 Customer service pentagon	420
Figure 8.2 Functional components of CRM.....	424

CHAPTER ONE:

INTRODUCTION

1.1 Introduction

In a quest to understand the perception of customers in the UK and Bahrain on Islamic Banking (IB), this study has designed a mixed-method research to capture to the extent people have a positive or negative attitude towards IB products and services. This study will analyse IB products, services, staff, management, and marketing, these are also part of the functional components of Customer Relationship Management (CRM) (Migdadi, 2020). In connection with this, the current research has critically reviewed consumer behaviour theories and models to understand consumer behaviour and decision-making processes and to fulfil the demand of customer requirements (Buttle and Maklan, 2019). In addition, various key factors that affect customers in choosing IB's products and services and review the gaps exist confirmed by literature (Nomran and Haron, 2020). After the findings of the survey and the semi-structured interviews, this study will analyse, compare, synthesize and recommend the use of CRM components to improve overall quality and standard in products and services of Islamic banking. Consequently, improve consumer perception positively towards Islamic banking.

1.2 Research background

Customer trust could not be gained simply by mainstream dominating conventional banks or unwritten validity of Islamic financial products unless the bank is able to satisfy customers efficiently (Rafiki, 2021). Lack of regulatory, lack of legally binding frameworks, many emerging countries with Islamic Banking (IB) services use almost similar models and procedures to conventional banking resulting in confusion and criticism among customers (Arwa, 2018; Nomran and Haron, 2020). In the wake of the 2007-08 financial crises, alongside Muslim consumers, many non-Muslim consumers have started to think about ethical banking and finance in their economic activities and to ensure their financial security. In this connection, Islamic banking and finance have become more critical in providing interest-free transactions and prohibiting dealing with optimum risk deemed harmful to society. However, due to consistent problems and lack of quality and services in Islamic banking products, critics started to think that IB services are far from the ethical banking path (Nomran and Haron, 2020).

Islamic banks have emerged and proliferated across the continents, not only among Muslims but also among non-Muslim customers (Marwene et al., 2023). The Islamic finance industry marked over 3 trillion US Dollars as of 2022 (S&P Global Ratings, 2023), though the potential current amount of assets could be 9.5 trillion (GIFR, 2019) and is expected the sector to reach approximately USD 4 Trillion by 2024 (World Bank Group, 2018; GIER, 2019; Reuters, 2020). Despite the considerable growth, research suggests that Islamic banking institutions lack quality standards in products and services while lacking a clear marketing strategy and hindering their growth (Alam and Seifzadeh, 2020). With the outbreak of global pandemic Covid-19, the growth is expected to slow down further (S&P Global Ratings, 2020). In addition, stiff competition from other Islamic banks and the window of Islamic banking branches are becoming a key challenge for Islamic banks to flourish. Therefore, it is crucial to know the perception and attitudes of customers and as to what makes IB products attractive to them, and what are the challenges that need to consider by the IB industry to address various issues (i.e., banking services and products, staff qualification, Shariah compliance and marketing) activities in the UK and Bahrain?

As a result, the study aims to explore and find customers' perceptions of Islamic banking and analyse the factors that positively or negatively affect customers in the UK and Bahrain markets and recommend CRM frameworks to improve to gain trust among customers.

1.3 Significance of the study

With approximately four decades of operations, Islamic banks are emerging in the banking and finance industry at the fastest rate. However, today many consumers think Islamic banks are the other side of the coin from their competitors' conventional banks because religious fear cannot simply be the case in the decision-making process in choosing Islamic banks (Souiden and Rani, 2015; Nomran and Haron, 2020). Therefore, Islamic banking institutions must review consumer attitudes and restructure their offerings to bring quality and innovative products and services. In this context, this research aim is to find current

consumers' perceptions of IB in the UK and Bahrain to observe similarities and differences among consumers' perceptions of IB services. Later, our research focuses on the main operational/functional components of Customer Relationship Management (CRM) and how the perception of customers may improve by analysing data collected from the case countries. The survey outcome is essential for banking institutions to review their strategies to address customer concerns and help to bring quality and standard to products and services and thus enable IB to bring trust and loyalty among consumers (Migdadi, 2020).

1.4 Case country selection and justification

The aim, objectives, and research questions are designed to explore customers' perceptions towards Islamic banking services. The selection of case countries is to explore the experience, and the level of satisfaction of IB customers and to find issues IB is facing and then construct the solution using the functional components of the theory of Customer Relationship Management (CRM). However, as a part of this study, this research also undertook analysis using various differences and similarities among customers towards IB products and services, because it has an immense importance in academic research (Benati and Coccia, 2018). When there are two or more countries involved in a study, there should be clear objectives and justification on how and why the case countries are selected. According to Benati and Coccia (2018), "A comparative approach is a process of analysing differences and/or similarities between two or more objects and/or subjects with quantitative and qualitative methods". Our research falls into this category because the current research is to explore, compare and contrast the perception and attitudes of Islamic banking customers towards its products, services, staff, marketing and management within CRM frameworks involving two distinctive countries that have sheer importance in geographical, cultural and the diaspora Muslims. As Islamic banking services have expanded substantially over the last few decades not only within various Muslim but also in many non-Muslim nations globally (Ayyadi, 2018). This progression is not limited to sales or developing a customer base but also set regulations and legal frameworks to establish this very alternative banking to

conventional banking that has shown resilience even during the Covid-19 outbreak (Ashraf et al., 2022). On the contrary, traditional banks are more risky than Islamic banking due to the lack of real and asset base economy (Alandejani et al., 2017).

Many studies are conducted within a single case country involving specific areas to explore the topic from various angles. However, research involving various cultural and geographical contexts could enrich the phenomenon under study (Benati and Coccia, 2018). Both Bahrain and the UK are a few of the countries that possess the following unique aspects for researching similarities and differences.

Table 1.1 Justification of the selection of case countries.

CONTEXTS	BAHRAIN	UK
Lack of literature	The study involving Bahrain and the UK is probably the first in literature. There are many studies available involving Bahrain and other countries or within Bahrain, but to date the empirical research with mixed methodology, and most importantly, using CRM frameworks involving Bahrain and the UK are unique. The findings of this study will fill the gap not only between the two countries but also will reveal the perceptions and attitudes of consumers of two different countries (Middle Eastern region and Western Europe)	The UK is a leading financial centre in Europe if not in the world specially in conventional banking and finance. One of the important factors was the reputation of rules and regulations and stability. Moreover, the UK allowed Islamic banking to flourish by setting friendly regulations for Islamic banks and the host of millions of Muslims from across the world. The UK is also a global leader in technology and development and a politically stable country and has seen significant IB expansion in recent years. The current study involving Bahrain will explore the similarities and differences

	and add knowledge in literature and Islamic banking and finance industry, which is currently a few only (Lebdaoui and Chetioui, 2020).	between global business leaders and a Muslim nation pioneering the Islamic banking industry.
Geographic importance (Middle East and Western Europe)	Bahrain is considered the heart of the Islamic banking industry among the Gulf Cooperative Council (GCC) nations. The country is the home of several IB institutions including headquarters of large IB institutions, and is consistently growing with a more competitive structure than conventional banks (Sobol et al., 2023)	The UK is one of the first nations in Western Europe to encouraged and create positive environment for Islamic banks to grow (FSA website, 2023), creating opportunities beyond the border of Muslim nations. Currently, leading Islamic banking institutions have substantial non-Muslim customers across the UK due to the ethical nature of banking and finance (The Banker, 2022).
Cultural importance, including diaspora Muslims	Bahrain is an Arab Island nation with a long history with a reputation in business, hospitality and culture and hosts an expatriate population living and working peacefully for decades.	The UK is one of the rich cultural hubs in the world. Along with native English, the UK is home to many expatriates including Muslim population crossed 4 million (Census, 2021)
Legal and regulatory importance, including Shariah rulings	Bahrain is the home of several regulatory agencies for Islamic banking and finance, which is extraordinary and has global importance in guiding and driving Islamic economic	The UK has been the home of the financial centres in Western Europe for many decades and has a consistent reputation in rules, regulations and monetary safety from individual and

	growth with the most prominent Shariah scholars.	organisational perspectives as well. Currently, several UK public Universities provide Islamic banking education in higher education, including Masters and PhD levels.
--	--	---

Source: Authors created to illustrate the importance of case country selection.

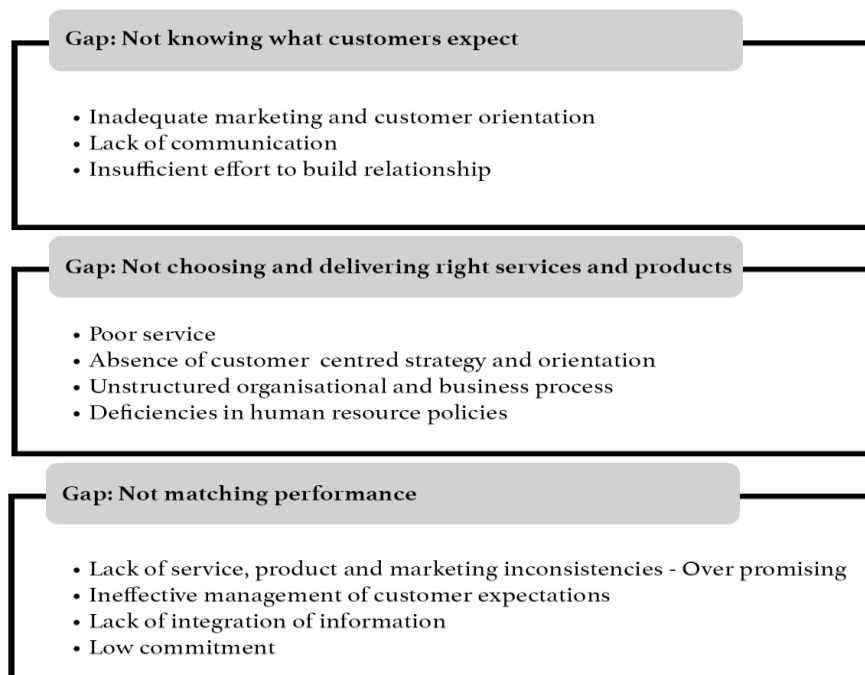
Our study considers a few key areas, as presented in the table above, to explore similarities and differences by bringing multiple but important variables within the frameworks of CRM. Each of the variables has the criteria to be explored, compared and contrasted regardless of the outcome because many of them could bring specific value, which could be deemed important for current academic literature and precious information for strategy-makers of Islamic banking institutions. The comparative process of this study would be reflected across the literature review, survey and interview results and discussions and in the research contribution. Reflecting on the above, the selection of case countries (The UK and Bahrain) is within the criteria to be the best selection to explore the level of experiences and satisfaction of IB products as well as to reveal the similarities and differences to compare and contrast using the frameworks of the Customer Relationship Management (CRM) as per the objective of the current study.

1.5 Research gap and problem:

The research in Islamic banking products and services started a few decades ago. Still, research on various areas of this discipline continues, including the motivation that guides customers to choose Islamic banking products. Literature shows (Tahir, 2015, Ayyadi, 2018) that various researches, such as customers' awareness of IB's products and services and comparison of conventional and Islamic banking products, focuses significantly on a few areas only (Rafiki, 2021; Lebdaoui and Chetioui, 2020). However, measuring consumer trust levels and the benefits of IB's products and services on consumer perceptions are equally important. Comparing

various factors in choosing IB's products among consumers using CRM in two different geographical contexts, especially between the UK and Middle Eastern cultures, is significant. In this context, the key factors such as the competitiveness of products, quality of services, effective management, availability of qualified staff and experiences, and marketing best practice are the key to the current study. These factors also align with the operational components of CRM to compare critical factors among customers in the UK and Bahrain. Exploring the gap among the above fundamental and critical areas is clearly instrumental to understanding consumers' needs (Lebdaoui and Chetioui, 2020). It wants to address existing issues to enable Islamic banking institutions to attract new customers while keeping the existing customers loyal for the long-term sustainability of Islamic banking growth. According to literature (Rafiki et al., 2019), critical aspects of gaps that lie in the service process could be a) not knowing what customers expect, b) not choosing and delivering the right services and products, and c) not matching performance. The following chart is presented with details to understand the gap in the service process:

Figure 1.1: Gaps in a service process



Source: Adapted from Rafiki et al. (2019)

According to Salokhe et al. (2023), there are 5 types of quality gap, which is presented as a model to help develop strategies to address customers concerns. Service quality is one of the most important factors that influence to obtain customer satisfaction and sustainability in businesses. Islamic banking and financial customers found to repeat their purchases when they see service excellence in dealing with certain products and services (Salokhe et al., 2023). However, Rafiki et al. (2021) opined that the service quality idea was embedded in the frameworks in marketing strategies, which emphasise and focus on customer's needs and priority rather than profitability. Salokhe et al. (2023) emphasised that due to various competitive advantages in customer satisfaction, which leads to happiness and profitability, the service quality terms are now one of the widely used and acknowledged by the business and academia. Salokhe et al. (2023) proposed 5 distinctive areas to consider analysing the gap in service quality as per the following:

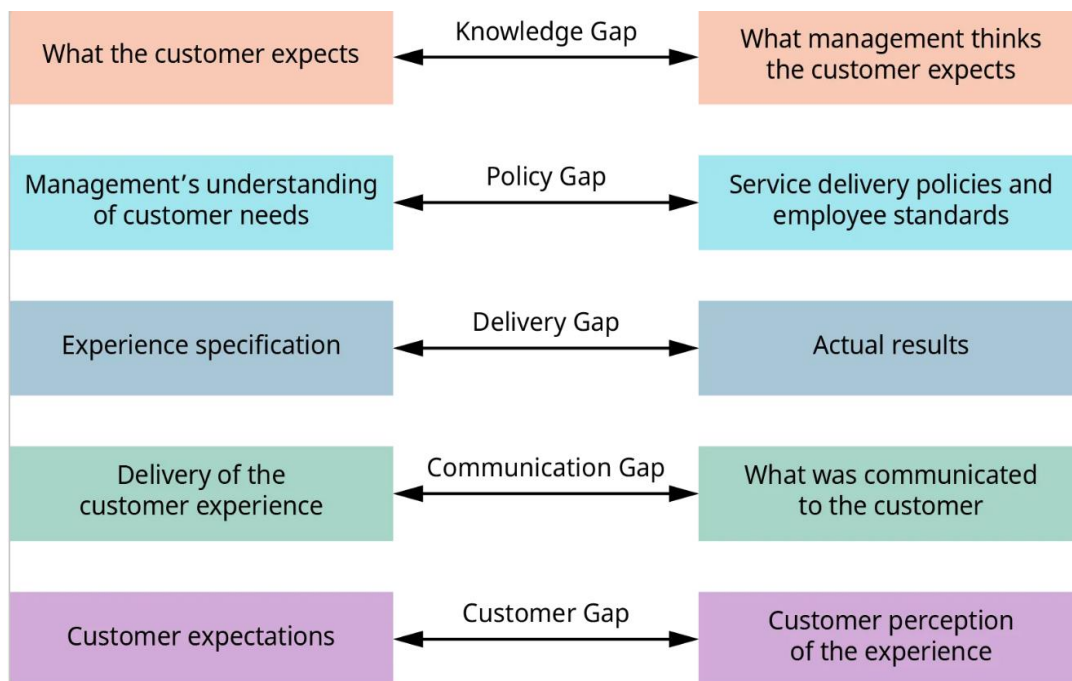
1. Knowledge: When customer's expectation is differ from those of organisations management, then knowledge gap inevitable. Knowledge gap occurs due to several reasons, such as miscommunication between the employee and the management, lack of adequate market information on the services, and inability to address customers needs and wants. For instance, if IB customers want more innovative Shariah compliant serviecs, management thinks any services with a word that describes "Shariah compliant" is sufficient to satisfy IB customers. This miscommunication occurs when customer and employee relationships become acqute (Nomran and Haron, 2020).
2. Policy-making: A policy gap occurs when the company management need help understand the customer's needs. Even the management understands, the standard of employee performance depends on success. For instance, customers waiting on Islamic banking phone services are found inadequate

in which employees or the standard needs to be reviewed to improve the customer's experience (Rafiki, 2021).

3. Service delivery: The differences occurs when there is inconsistency between a company's established standards and service delivery. Such an issue could arise due to the need for proper training, short of employees or unwillingness of engaging the tasks efficiently (Arwa, 2018).
4. Communication: The perception and the expectation differences cause the customer to perceive products and services either positively or negatively when there are mismatches between the products and services customers expect.
5. Customer gap: This gap occurs when services are not experienced as per the expectation, which causes a customer to even switch the brand (Bebdaoui and Chetioui, 2020).

The following figure is presented to reflect the gap model.

Figure 1.2 Gaps Model



Source: Adopted from Albrecht et al. (2023)

Considering this research background information and based on the research gap chart in services mentioned above, this helps to understand key operational aspects of gaps that Islamic banking is facing today. To narrow the gap, this research will employ CRM and its main operational components such as products, services, human resources, Shariah compliance, and marketing in Islamic banking. Because these are the customer's contact points to interact with the customers and to receive feedback as well to develop strategies to response the customers' requirements (Yerpude and Singhal, 2018). The recommendation of CRM implementation might help improve quality and standards in the Islamic banking industry and consequently improve customers' perception of IB (Alam and Seifzadeh, 2020).

1.6 Research purposes

Over the last decades, Islamic banks' expansion has increased globally to attract a wide range of customers focusing on retail sectors (Norman and Haron, 2020; Asutay et al., 2022). Despite the success, Islamic banks face numerous setbacks, which jeopardies their consistent progress. Few of them lack proper and legal forms of banking, business models, and preliminary clarification on products and services, which has caused the customer to switch towards, conventional banking or become reluctant to undertake Islamic banking services (Nomran and Haron, 2020). These problems were doubtful of products and services that are too similar to those of conventional banks and have drawn severe criticism among critics. Many conventional banks also offer Islamic banking products as part of their enhancement, for which many customers and stakeholders doubt whether Islamic law principles are in place in their business transactions. In this circumstance, this empirical study reviews current literature, theories, and models of consumer behaviour. It undertakes closed-end questionnaire online surveys among customers and in-depth interviews (Interviews using semi-structured questionnaires) among marketing and strategy development executives of banks in the UK and Bahrain to respond the research questions and provide outcome and findings for the future research in the field of IB industry).

The literature suggests that one of the aims of IB is to create job opportunities. However, many issues have created problems, such as infrastructure, qualified personnel, and recruitment, which caused IB to employ conventional expert bankers, and the problems still exist (Rasool, 2018). Shariah regulatory authorities and divisions in ruling on various issues have also created confusion among scholars and consumers (Ayyadi, 2018). A research conducted in 15 different countries shows that regulatory frameworks pose a tremendous challenge for IB (Arwa, 2018). There are other issues IB is facing now, such as the high cost of products and services and unclear marketing strategies. In addition, the practice of charging administrative fees, moreover, run products modified from conventional banking (Migdadi, 2020). These issues evoked further questions among scholars and consumers, such as; is the IB just another name for a conventional bank? Does IB have a real strategy to run without interest or add "Islamic" before its name? Whether IB charges any hidden fees from the public, are IB's objectives purely profit-making or actual ethical banking that complies with the Shariah ruling? Is there any motive to use Arabic names/words to show it is Islamic in banking and finance? Is the IB's Shariah advisor follow Sharia ruling or follow profit-making objectives? Is IB institutions willing to review and address consumers' feedback? Previously, very few studies used the CRM to measure satisfaction or promote specific products or services. However, using functional components of CRM, this research provides an understanding to the attitudes of customers of IB towards its products and services probably for the first-time involving diverse customers in critical Islamic Finance studies in the UK and Bahrain. In addition, according to researcher knowledge, very few studies have focused on consumer behaviour and customer relationship management in the context of Islamic banking and finance in various other countries and from different perspectives. Also, this is probably the one of the handful of research involves and compares the UK and Bahrain cases. It claims unique and well-justified arguments due to the gap exists in the literature and needs for further research. The study, prospects of repairing the damage have already been done as IB expanded (Alam and Seifzadeh, 2020).

1.7 Research aim, objectives and main question

The fundamental aim of this study is to explore the customers' perceptions and attitudes toward IB products and services by analysing the impact of the level of customer experience and satisfaction using operational/functional components of Customer Relationship Management (CRM) frameworks in the UK and Bahrain.

In our study, the relevant theories and concepts that directly impact the consumer decision-making process will focus on understanding consumer attitudes - on the other hand, using the CRM components, analysis and recommendation for products and services of Islamic banking and finance has been considered. In order to achieve the aim, a total of 351 valid survey responses and 12 interview data from Bahrain and the UK have taken into consideration. For the secondary data, various publications, government reports, financial institutions and journals, articles and books are considered.

Research objectives

The following objectives are formulated to achieve the main aim and goal of the study.

1. To comprehend and evaluate the theoretical significance of customer satisfaction in the banking industry, its contemporary trends, features, and patterns in customer expectation and perception of the UK and Bahrain.
2. To identify and quantify any gaps between consumer expectation and perceptions of IB and conventional banks in the UK and Bahrain.
3. To evaluate CRM using data acquired from bank clients via survey and interviews for both IB and conventional banks in the UK and Bahrain.
4. To apply the literature and findings to compare, and evaluate the relationship between factors that influence customers to attract or switch IB
5. To identify new factors and determinants in the context of CRM and confirm the importance of the CRM implementation and the potential opportunities for IB industry in the UK and Bahrain.

The following questions are formulated for both survey and in-depth interviews in the UK and Bahrain to achieve the research objectives and answered within the following chapters in terms of empirical studies of the research.

Main question:

To what extent the CRM frameworks could contribute in improving Islamic banking services and standard by reviewing the impact of customers' perception and attitudes in banking industry in the UK and Bahrain?

Sub questions:

- i) To what extent IB customers are satisfied and what are the preferred channels for banking?
- ii) What are the main factors that lead customers to consider IB products, and does the customer's perception of marketing positive?
- iii) What products and services are used to promote through online media, does web marketing provide sufficient information on Sharia-compliant products?
- iv) What are the perceptions of the cost of Islamic financial products; are they meeting the objectives and visions of IB?
- v) How do customers rate Islamic financial products and services with their rival conventional banking and services?
- vi) Is there any association or relationship among various factors influencing customers' perception of IB?
- vii) To what extent could CRM implementation improve IB customers' perceptions?
- viii) What are customers' contemporary challenges in Islamic banking practices? Are there any opportunities?

The above questions are aligned with various aspects in our study specially the consumer behaviour theories, concept and models, which answered in our survey and created a primary data for us to justify our discussion. Besides, the consumer

behaviour-related theories, concepts and models are critically analysed in the aspect of Islamic banking and finance. Later based on the survey and interviews findings, the above research questions are answered by using the operational components of CRM by matching various aspects of IB such as Products, Services, Shariah compliance of products, Staff skills, and Marketing.

1.8 Structure of the thesis

After the introduction chapter, the subsequent chapter aims to organise as per the following: Chapter One mainly focused on introductory level of the research including research background, significance of the study, research gap and problem, research purposes, aim and objectives, the research questions are furnished.

Chapter Two critically reviews the mode of finance and structure. This section includes the connection with the principles of Islamic banking and its products and services. In addition, how the products and services differentiate from conventional banking products and services and comply with various regulatory bodies in the UK such as Financial Conduct Authority (FCA) previously Financial Service Authority (FSA) and various organisations in Bahrain such as Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI). This chapter has also discussed the product's structure and services and how it works to comply with the principles of Shariah law. Later, this chapter discussed the historical development of IB and current challenges and opportunities in the UK and Bahrain. Among the main aspects of IB are various quality products and services, staff, marketing, management and Shariah scholar. Finally, this section also provides demographic information such as populations, geographical information, various communities, education and religious background. This section has also discussed details of IB operations as a wholesale or retail sector and their historical development since the inception of IB development, including the role of Shariah board members. It concludes by providing a clear picture of how the IB industry progressed in the UK and Bahrain.

Chapter Three comprehensively reviews theories of Islamic Economics (IE) and addition to consumer behaviour theories, concepts and models briefly. These theories and models are a critical part of the research. Because the concept of IE and various consumer behaviour theories helps to identify customers' tendencies, which is significant advantage in that the researchers understand the perceptions of any given products and services before developing strategies to reflect and improve the products based on the customer's preferences. The theories, concepts and models discussed in this section are important to integrate CRM and implement to improve customer perceptions and attitudes towards IB's products and services. This section includes new and old perspectives of consumer behaviour. In addition, the Theory of Planned Behaviour (TPB) and Theory of Reasoned Action (TRA) are discussed too in the context of IB. Section two of this chapter dedicates to CRM. Considering various types of CRM businesses use, the functional components of CRM involve main customers contact points such as products, services, staff, management and marketing. These are IB's main operational contact points, and by integrating information from customers, CRM helps identify, review and take corrective action to satisfy customers and bring loyalty and brand equity. Finally, this chapter explained the relations between each sub-question and CRM in order to answer the research questions connecting with CRM recommendation that provides the guidelines on how effective CRM implementation could lead to competitive advantages.

Chapter Four provides step-by-step information on research design, questionnaire instrument development, sampling, and data collection using a mixed methods approach. This chapter also explores data especially secondary data by reviewing various reports, bank websites, social media information and literature reviews, including a discussion of previous studies, methodologies and philosophies. This study uses a Statistical Package for the Social Sciences (SPSS) to review internal validity such as Cronbach's alpha score that indicate how the questionnaires formed and the level of validity score as per the statistical guidelines on its measurement. In addition, this section also presents demographic information of

participants with a brief analysis for the data collected from the survey and interviews.

Chapter Five presents the findings of the survey results. This chapter contains critical variables and factors. The descriptive analysis includes a table with the percentage and means score of the findings. Information of findings in the table also provided an interpretation for readers' convenience. The main areas of findings presented are the satisfaction of main banking services, the satisfaction of counter services, loyalty and recommendation, switching banks, perceptions towards IB providers, IB attraction, the familiarity of IB terms, marketing including website review findings, various challenges and preference of Shariah products. Finally, the inferential statistic for comparative analysis is presented and interpreted with a summary.

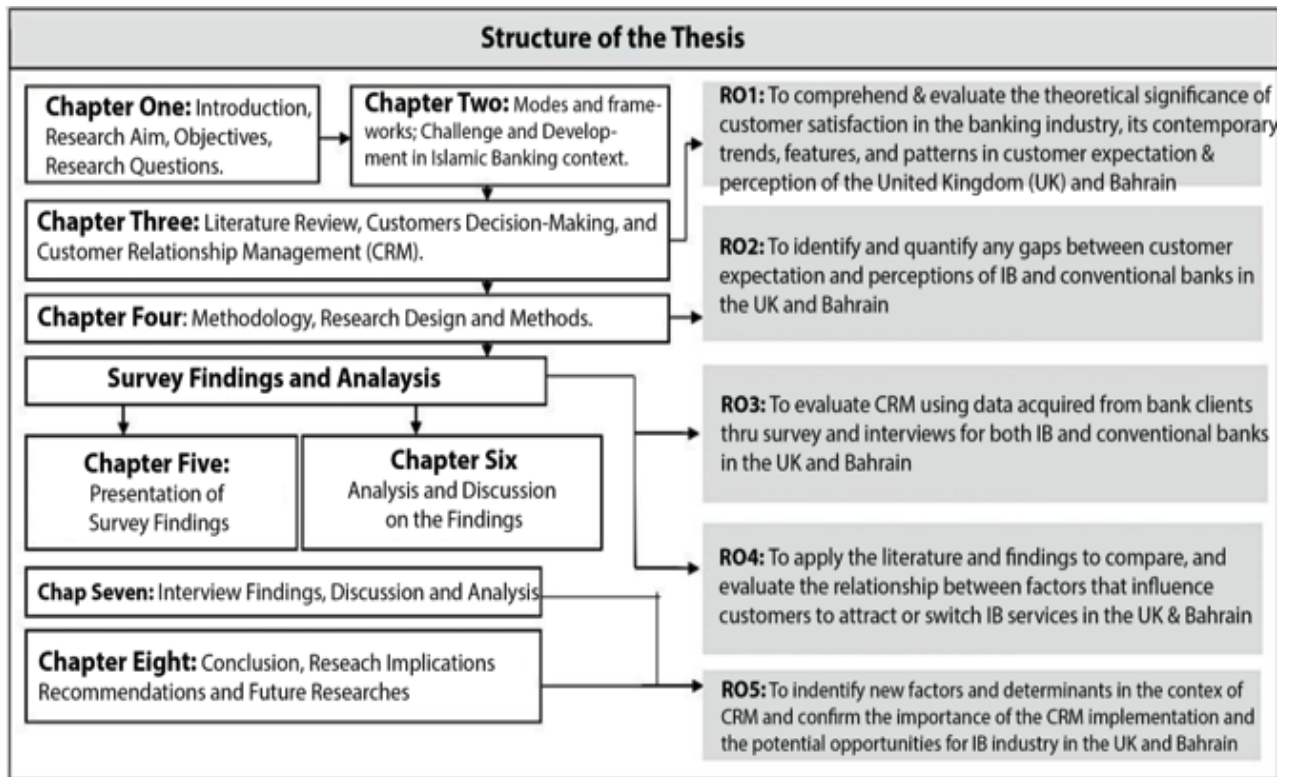
Chapter Six presents the analysis and discussion of survey findings. This section also answers the research questions by reviewing the sub-questions and their findings. This chapter also interprets, analysed and synthesises by integrating current research literature review and findings and includes a recommendation in each component of applicable CRM and summarised.

Chapter Seven as part of the mixed-methods research design, this section is dedicated to qualitative interview data collection and analysis. Therefore, this study uses thematic analysis to analyse interview data from the UK and Bahrain using Nvivo software. NVivo also helps to develop themes, coding, charts, and word clouds to coherently present data and analysis. The chapter concluded by summarising the main findings and presented accordingly.

Chapter Eight is the last chapter of this study. This chapter presents the conclusion, research implication and future research. This chapter is also a platform for the summary discussion of the thesis by overviewing the entire chapters. It let us to summaries our argument, critique, and claims, while creates

an opportunity to explain how this study contributes to the research field by fulfilling some of the gap in the literature that explained in the introduction and literature review sections.

Figure 1.3 Structure of the thesis:



CHAPTER TWO

OVERVIEW OF ISLAMIC BANKING DEVELOPMENT AND CHALLENGES: THE UK AND BAHRAIN

Section 2.1 An overview of Islamic banking and finance

2.1.1 Introduction

Understanding Islamic banking products, services, and frameworks are fundamental for this study. IB frameworks and finance modes differ from conventional banking from ethical, procedural and marketing points of view. The following sections provide critical information and literature review to understand Islamic banks' frameworks and modes of finance.

Studies on Islamic banking theories have appeared from 1930 onwards, (Mukhlisin, 2022). The theories and discussion aiming at capitalism and socialism that Islamic scholar found materialistic (Ayyadi, 2018). The scholars and thinkers then aimed to inspire Muslim countries to revive banking and economy according to the Islamic morals and values that avoid excessive interest (*usury*), which is also known as *riba* (interest), and *gharar* (uncertainty) (Agha, 2018). Islamic banks developed to fulfil the objectives of transaction law, which follow Shariah (Islamic) law that adheres to the principles of Islamic finance and the moral economy (Tekdemir, 2021). These alternative modes of finance involve physical assets, activities and expertise that ensure the code of principles of Shariah law while complying with the business's social, moral, and ethical transaction obligations. This alternative model addresses uncertainty and any high-risk products or activities to gain profits, which is harmful to people and society, and resemblance with other type of critical reading of Islamic finance through a human-centric and Islamic moral economy perspective (Tekdemir, 2021; 2015). Therefore, it is evident that Islamic banking is fundamentally different from other banking system.

2.1.2 Difference between Islamic and conventional bank

For the readers' convenience, the following table from the literature compilation helps to understand how the Islamic banking system works compared to the conventional banking system:

Table 2.1 Difference between Islamic bank and conventional bank

Contexts	Islamic banking	Conventional banking
Principles	Fundamental principles are Islamic law as per Quran and Social Justice	No religious belief or ethical consideration, and profit generation is critical objectives
Ethics	In order to generate profit, skills and operation activities are a must and share profit and loss with customers.	Unlimited credit use led to default as a less rigorous process is followed when providing credit. No profit/loss sharing practices.
ROI	Without involving skills and activities, profit-making is prohibited	Money can bring money when deposited.
Gharar (uncertainty/risk)	Any transaction and activities with risk are prohibited	High-risk transactions and activities such as gambling is allowed
Zakat/Tax	Provide role of Zakat collection and distribution	The government taxes people, while there are various interest rates bank charges.
Interest (Riba)	Banks cannot charge interest	Charge interest and compound interest, for instance, in the event of default, it charges too.
Bank relationship with customers and stakeholders	By investing together, partnering together and trading together	Relations between them are debtors and creditors

Banking verification and approval	Shariah law follows, and a team of scholar reviews whether the transaction is legitimate.	No such arrangement is in place.
-----------------------------------	---	----------------------------------

SEP

Source: Compilation from literature (Created and interpreted by the author)

2.1.3 Islamic banking frameworks:

The economic downturn in the Middle Eastern countries accelerated more discussion and studies on Islamic banking and the economy during the 1980s. It appears that Faisal Islamic Bank of Egypt introduced the concept of Shariah Boards (SBs) comprising a few knowledgeable scholars who review and approve IB's transactions to ensure compliance with Islamic law in banking and finance (Mukhlisin, 2022). Due to the principles of Islamic banking (IB) encircled by religious belief, the IB has effectively surged globally. Although Islamic banking is approximately 4 decades in operation, it still does not reach 50% of the Muslim population, as GIFR (2019) report suggests. In order to understand frameworks of Islamic banking, the following terms: *Riba*, *Shariah board*, *Zakat* and the Principles of Shariah law (Islamic law) are essential to discuss and are later connected with research questions to achieve the aim and objectives of the research. The components of the frameworks have a direct link with CRM components, which could guide and improve the procedure leading to customer satisfaction.

2.1.3.1 Riba (Interest)

The most fundamentally debated principles of Islamic banking are the prohibition of interest. Agha (2018) pointed out that there are interpretations that the concept of *riba* (interest) could be the increased amount of money charged on loan for a particular duration or at an excessive amount of money charged as a rate of interest or both.

According to Harahap and Risfandy (2022), from their study that explained that any level of interest from the consumers' loan should not be swelled further to businesses as Quran forbids them stating trade is allowed while *riba* is forbidden referring the Quran and its verse 275 in chapter 2. On the other hand, many scholars think that most Muslim scholars consider interest prohibited either in the business or in the personal aspects of dealing and transactions (Harahap and Risfandy, 2022). The authors stated that all forms of *riba* are "haram" (prohibited) and that if any party obtain any excess time value in all kind of loan transaction, called *riba al nasiah*, which also means the interest on the loan. The other classification is when if a person gets extra benefits or excess in the form of price, quality and weight while exchanging any commodities, then benefiting person is taking *riba*. This kind of benefit is also called *riba al fadl* (Alam et al., 2017).

Suharto (2018) argues that interest and *riba* are different and are not interchangeable per their terminology. The author argued that in their cases, we could see *riba*'s involvement but not the interest and vice versa. Scholar such as (Suharto, 2018) claim that the fixed return on transaction activities is undoubtedly the phenomenon of insufficiency, selfishness, and unethical. Because fixed return transaction seeks advantages over fixed lending of money regardless of whether the consumers or the parties taking a loan are making a profit or loss, it might consider that *riba* is unjust, which lacks social justice in Islamic banking and finance according to Islamic principles.

2.1.3.2 Distinguishing *Riba* (Interest) and profit:

According to Islamic financial principles, some scholars, such as Agha (2018), must have to engage in a process with labour and skills that confirm sharing the risk to avoid *riba* or unethical gain. To distinguish *Riba* and profit, Agha (2018) explained in the following table.

Table 2.2 *Riba* versus profit in a credit sale

	Riba	Profit in a credit sale
Description	Self-replicating separated debt	Controlled integrated debt
Origin	Loan	Sale
Risk & reward	Reward without exposure to the risk of a lent fund	Profit justifies bearing the risk of sold commodity
Justification	Time value of money (TVM)	Real economic activity
Nature of the contract	Benevolence (Al-Ihsan)	Justice (Al-Adal)

Source: Agha (2018)

According to Hasan (2018), distinguishing the difference between *riba* and profit sales always creates confusion because of the result of the activities. Both cases involved mark-up and profit, which are calculated based on the time value of money (TVM). According to the principle of Islamic finance, *riba* prohibits fully understanding the critical differences because of the economic benefit of loans or debt. In Islamic banking, both have different interpretations based on the activities. While the interest grows from money without activities, money brings money without deploying economic resources. It enforces it to serve the financial segment instead of the financial segments serving the economic segment. On the contrary, risk reduction is possible for skills and assets back profits from differed sales. The value-based economy is the critical principle of Islamic banking; therefore, it promotes value-based trading where self-replication is prohibited.

Secondly, the primary matching features between interest and profit out of money's time value. However, scholars responded by clarifying the key aspects of

difference, quoting verses from the *Quran* that Allah has permitted business and trade while prohibited interest. If the business uses genuine economic activities involving assets and skills that reduce risks and thus serve social justice in the economy. In conventional banking, these fundamental aspects are absent. Instead, interest is charged on the debt and replicated without actual business activities involving commodities.

2.1.3.3 Shariah Supervisory Board:

Shariah Supervisory Board (SSB) is one of the fundamental mechanisms of Islamic banking governance that helps significantly manage funds while keeping Shariah-compliant products and services by directing, reviewing and supervising the IB activities (Ahmed, 2019; Hasan and Doddy, 2022) which is also reflected in Accounting and Auditing Organisations for Islamic Financial Institutions (AAOIFI).

The Shariah board was not effective until 1976 before starting Islamic banking activities. Based on the fatwa (Islamic ruling based on Hadith) Shariah board (consisting of qualified Islamic scholars) was formed to get advice for any specific banking transactions. In 1976, the first Shariah consulting body started to work in the Faisal Islamic Bank in Egypt (Islam et al., 2015; Hasan, 2012).

Under the Shariah board, members who are experts in Shariah transactions provide opinions on banking transactions that follow the principles of Islamic law. Following are some key responsibilities of SSBs members:

1. Islamic economic law aims to achieve the best possible outcome in the economy, banking, and finance. The Shariah board members use fundamental principles to review, verify and generate reports of banking transactions to ensure the banking activities, including documentation and product, have complied with the Islamic or Shariah law (Maha, 2017; Alam et al., 2021).

2. This board also review new complex issues and interprets them with the best possible solution by all members to ensure the well being of stakeholders. The board members are also reviewed and agree on any innovation in products and services that comply with Shariah law by reviewing and sourcing the problem and recommending the solutions. (Alam et al., 2021).
3. Zakat calculation, payment, and deduction from any earnings made that have not met principles of Shariah law (Alam et al., 2021).
4. The cooperation while operating Islamic banking through conventional banking platforms and upholding values of Islamic banking and finance (Modan and Hassan, 2018).

Although the Shariah board is an integrated part of the Islamic banking, the literature suggests that a lack of qualified scholars, inconstant opinion, and regulatory and monitoring organisation is a few obstruct that IB is facing in the market (Hassan, 2018; Kachkar and Yilmaz, 2022). Due to the shortage of qualified scholars, a single Shariah scholar taking activities in several banks in dozens of local and international banks resulted in confusion among customers and critics (Housby, 2013). Literature also suggests that some shareholders focusing on return on investment rather than social justice in banking and finance is a severe obstacle to Shariah scholars doing their job according to the principles of Shariah law. Therefore, IB must develop more qualified Shariah scholars to serve to promise IB sectors (Kachkar and Yilmaz, 2022).

2.1.3.4 Zakat:

In Islamic law, fair distribution of wealth has significant importance. Zakat is said to be one of the fundamental pillars described among the 5 key pillars of Islam (Sarea, 2020). Most Muslim scholars believe that poverty eradication is the key objective of Zakat (Mahmood et al., 2022). Zakat is how Muslims pay a portion of their wealth every year to those needy and poor people. Therefore, Zakat contributes fairly to the economy, and Islamic banks help collect Zakat and

distribute it among the poor. The Zakat is mandatory for all Muslims with an amount of wealth above the criteria set by Islamic law and is necessary to purify the wealth and soul of every individual as per the guidance of Shariah law (Sarea, 2020). Many countries, such as the United Arab Emirates and Saudi Arabia, have declared it a law and made it mandatory to pay Zakat (2.5% on net-working capital) for every organisation (Sarea, 2020). In agriculture, Zakat calculation starts from 5 to 10%. This percentage depends on the types of irrigation. On the other hand, 1.84 to 2.53%; Zakat is calculated on livestock according to Sunnah (Obaidullah and Shirazi, 2017).

However, it can distribute elsewhere if a surplus is available. One of the most recent studies suggests that internationalisation of Zakat distribution is more effective and practical to alleviate poverty in society rather than distributing Zakat from where it was collected (Kachkar and Yilmaz, 2022). Therefore, effective Zakat distribution is essential to implementing Shariah law principles.

2.1.4 Modes of finance in Islamic Banking:

The Islamic banking modes of finance are as important as the characteristics and frameworks of Islamic banks, which are discussed and analysed critically in the following section. These modes of finance are a combination of various products and services that Islamic bank offers to customers. It is imperative to discuss them in this study to understand the nature of the products and services, and the impact of customers towards them (positive or native) so IB might consider CRM implementation in an appropriate manner.

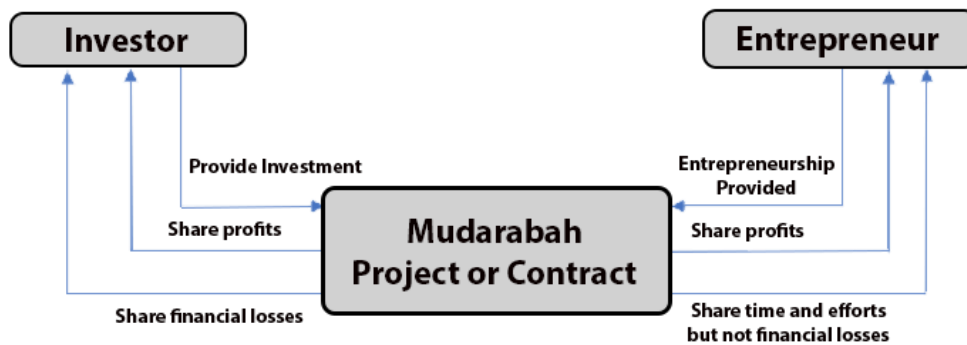
2.1.4.1 Mudarabah (Profit sharing):

Mudarabah (profit sharing) is a highly recommended mode in Islamic finance. Because capital means risk, managing funds incurs risk and is widely recognised (AlShattarat and Atmeh, 2016). According to Sarea (2020) Mudarabah is an Islamic banking and finance technique. In this mode, the fund owner invests while the bank or user will utilise the fund to generate profit, which they share. During

investment and business activities, if any loss occurs that is not intentionally done by the fund user, will not be responsible for the loss and, therefore, will not incur a loss and will still be eligible for profits if there are any. However, since the user does not invest other than using labour and skills, in the event of any loss, the user will not be able to claim any salary or compensation due to incurring loss under the Mudarabah contract (Sarea, 2020). Based on the above discussion, the following are the main characteristic of Mudarabah:

- a) The profits distribute to parties involved based on the proportion, and returns cannot be guaranteed.
- b) The investor is not responsible for losses beyond the investment.
- c) The *Mudareb* will be responsible for the time and efforts gave but not the loss in share.

Figure 2.1 Mudarabah



Source: Created by the author to understand Mudarabah contract.

2.1.4.2 Musharakah (Long-term financing in partnership):

It refers to a partnership in the Arabic language. With *Musharakah*, two or more parties manage capital and management (Sarea, 2020), which could be risky, too, in the event proceedings do not follow appropriately. In this financing technique, an owner of capital invests other businessman's projects. Therefore, mostly this type of funding is used as an investment account. The profit share distribution takes

place per their agreement and according to the contribution to the project (Sarea, 2020). However, the profit ratio could differ in case the funding party takes part in managing the operations; for instance, if two parties agreed to invest with a user and at the same time if the parties undertake any management responsibilities, then the profit ratio could differ, or the parties could claim allowance or fees (Sarea, 2020). Musharakah is not a mandatory requirement to be part of the management or operations while funding by parties with the user.

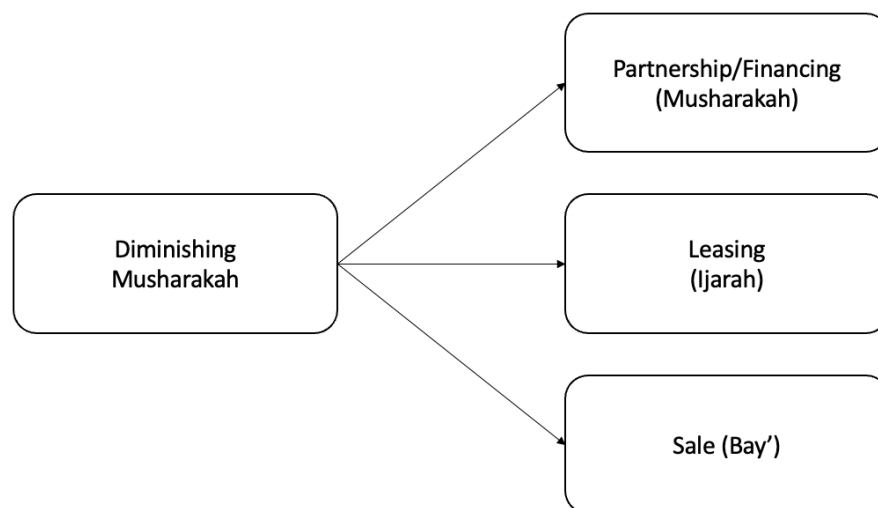
Figure 2.2 Musharakah



Source: Created by the author to understand Musharakah contract.

In *Musharakah*, there is another type of partnership called Diminishing *Musharakah* (reduced partnership). In this *Musharakah* technique, banks are to reduce share equity annually to receive partial profits according to the amount reduced. At the same time, customers can increase the share price and thus reduce balance payments. This process is prevalent among *Musharakah* customers since the customer becomes more confident when they see their asset dues are reducing every year. The following chart shows diminishing *Musharakah* in the picture.

Figure 2.3 Diminishing Musharakah



Source: Created by the author to understand Diminishing Musharakah.

Musharakah is very similar to *Mudarabah* financing techniques as they share profits and contract in bearing losses based on the contribution to the project, which is why these techniques are widely known and categorised as profit-and-loss-sharing (PLS). In *Musharakah*, the Islamic bank is unaware of the project outcome and expected profit. Conventional banks initially provide interest to depositors, which make entrepreneurs and investors unattractive to this technique. Also, with *Musharakah*, before undertaking any project, the bank has to be very clever with highly qualified personnel who could anticipate the project's expected outcome. If the project fails, then investors and banks both embrace losses. With the enormous competition in banking sectors currently, it is precarious for an Islamic bank to adopt such techniques, which could see more investors joining the *Musharakah* contract rather than conventional banking projects where immediate interest is available for depositors (Arshed and Kalim, 2021).

2.1.4.3 Murabaha or mark-up/cost plus:

According to Ramli et al. (2023), Murabaha charge customers by declaring the administrative charge and profit margin while buying a products or a service, however, the customer must identify or select the products in the beginning to the process.

Some other products and services that are Shariah-compliant are also in parallel with the conventional banking system (Ramli et al., 2023). However, the fundamental differences are interest and uncertainty and more on the Islamic and conventional banking's social and economic justice system. *Murabaha* is a cost-plus technique in Islamic banking and finance in which customers need funds to buy a product or service, even consumer products. Bank finance adds a declared profit margin, eventually meeting consumers' purchasing needs or services. There are debates about the mark-up financing technique, as it may be confusing for customers who think mark-up is very much similar to conventional banking. It is explained well by (Ramli et al., 2023) by providing an example; for instance, if a customer wants a product while unable to finance it, the Islamic bank provides a fund to purchase it with a predetermined fixed mark-up price which declares at the beginning. One may argue then mark-up could be similar to those banks charge as time value of money.

According to Miah and Suzuki (2020) that if the customer fails to pay the differed payment, the cost remains the same as the original. Therefore, it does not fall in the category of the time value of money. Secondly, in mark-up, banking or financier buy the product of customer choice beforehand; therefore, if the client rejects the product, the financing company faces losses in storing, damaging or if the product never sold again. In this context, mark-up or *Murabaha* differs from conventional banking products and considers more risk than customers. According to Miah and Suzuki (2020) that *Murabaha* contracts are a conventional banking technique due to the result, which is similar to charging fixed interest. Even *Murabaha* that can eradicate direct interest by following the procedure accurately but face criticism

due to administrative charges in the additional fixed profit declared before the contract agreement, which is excessive and less competitive than conventional banking offerings. Therefore, *Murabaha* is costly for Islamic banking customers (Miah and Suzuki, 2020).

Murabaha banking contract uses the same technique for benchmark pricing, which is problematic. This technique is acceptable as an argument, but the Islamic bank must co-exist with conventional banking unless new benchmark prices are set based on a Shariah through alternative means.

2.1.4.4 Bay' Inah (Buyback sale)

According to Alam et al. (2017), Bai al Inah financing is a type of contract in which involvement of asset sales to client and then buy it back. This type of banking is also known as delay in banking transactions. There are two separate agreements on which it works. In the first agreement, banks can sell products and services to clients, while in the other agreement, the customer will be allowed to sell it back to the bank at a lower price. With this two-way transaction, the bank makes a profit based on the differences between selling and returning prices. This financing aim to avoid riba. However, the views of Islamic jurists are different because it shows the legal excuse in order to legitimize the contract and others such as Hanafi hashab and the Maliki and Hanbali has considered it invalid on the other hand the Shafi'i and Zahiri mazhab consider it permissible (Alam et al., 2017).

Malaysia introduced this technique legally by offering credit cards. However, Islamic banking in Arab nations has yet to approve such transactions due to contradictions in the procedure. The bank considers two transactions in one agreement, which does not apply to Bay's Inah (Alam et al., 2017)

2.1.4.5 Tawarruq (Reverse Murabaha)

Based on the Shariah perspective, Tawarruq or reverse in most countries, Islamic economists and scholars do not recognise the *Tawarruq* technique in Islamic

banking. According to Habib, (2018), only a few countries in the Middle East use this technique, such as the Kingdom of Bahrain, United Arab Emirates, and Kingdom of Saudi Arabia, by providing individual loans and credit cards. Critics of such techniques as the customer do not want to buy or sell with this technique. Therefore, the bank buys a product/service in cash and sells it to another party for cash, which is less than the differed price in the office/bank and takes a few minutes to complete.

2.1.4.6 Istisna (Manufacturing contract)

According to Abdul-Rahman et al. (2020) Istisna a variation Bay'l Salam in which, finance is used for products or services before manufacturing or preparing them and the delivery take place at a later date. These contracts are paid cash with future delivery contracts and future payment with future delivery. Istisna is not exempt from criticism. Scholars contradict Abdul-Rahman et al. (2020) stating that this process constitutes uncertainty, contrary to the Islamic banking and finance principles and, therefore, the product must mention in the contract.

2.1.4.7 Bai As Salam (Pre-paid purchase with future delivery option)

Most agriculture and a few other industries use the *Bai As Salam* technique. After price negotiation with the parties, the bank pays in advance with future delivery options Abdul-Rahman et al. (2020) Scholars become cautious that quality and quantity should remain per the original contract and because at the time of the contract the subject matter remains absent.

2.1.4.8 Wadiah (Safekeeping)

Wadiah, in synonym, is called *Amanah* (safekeeping). According to Abdul-Rahman et al. (2020) banks do not charge or provide any profit other than charging only fees. This payment or deposit is called a trust. However, the bank uses the fund with customer permission without any responsibility from the trustee or customers. Even though some flexibility of deposit and withdrawal is possible for customers, part of the profit is too out from using deposited money. Sometimes, based on the profitability, the bank announces big prizes as a gift, such as a car, or air ticket,

while if any loss occurs, the bank does not announce matching gifts or prizes. These practices are seen in the region of Southeast Asia Abdul-Rahman et al. (2020)

2.1.4.9 Qard (Loan)

Under variation, Islamic bank offers “Qard” or loan, but most Islamic banks provide it to the current account except when banks offer such loan to investment accounts only Abdul-Rahman et al. (2020). Some banks only prefer to provide it to needy students, farmers, or small business owners who cannot secure loans from other sources. Qard Hasan is mainly offers in the Middle East as part of non-investment deposit or as a saving account. These types of loans are not bearing any interest other than administrative charges. However, others Abdul-Rahman et al. (2020) voiced concern when customers offer rewards or occasional gifts to banks or if banks charge customers any administrative charges, which could fall under *riba* (interest) and sometimes it if is wrongly used interchangeably.

2.1.4.10 Contract-based on fees

There are some agreements and contracts based on fees. Such as *Kafala*, with this, a third party can act as a guarantor for any contract. A guarantor is liable if the original person fails to comply with the contract. Another contract act is *Wakala*, in which one person gives another person power of attorney to present on behalf. The third category is Ujr/Ujra, where the bank charges fees.

2.1.4.11 Summary and conclusion

The above discussion of Islamic banking frameworks and modes of finance is a snapshot of how the Islamic banking system works. Also, this system keeps a distance from the conventional banking system by avoiding *riba* and *gharar*. This system includes Shariah scholars' opinions and approval that ensure all banking transactions and products are structured as accurately as possible and in line with the objectives of Islamic law. Further, the various types of IB products and services provide a clear view and characteristics to comprehend how banking transactions are secured by using principles of the Islamic economy and avoiding risks. While

scholars and Islamic economists emphasise utmost transparency in any transaction, many issues deter Islamic banking from attracting more customers than expected over three decades of operations (Nomran and Haron, 2020). In conventional banking, managers and strategists use customer feedback to track customers' needs and wants to align banking strategies, products and services to satisfy customers. However, in the beginning, many researchers found that religious aspects have influenced customers to choose IB products and services (Eleyan et al., 2023). Moreover, many customers are reluctant to choose IB in the current competitive market scenario because of religious fear or duty (Nomran and Haron, 2020). However, review if the products are in line with Shariah principles and explained well in their marketing, secondly if the services are up to the quality that customers expect and their prices are competitive. To ensure customers are fully satisfied, IB must consider appropriate strategies and address those issues to attract more customers to explore its full potential, which is also the objective of CRM (Salokhe, 2023).

Section 2.2: Overview of global challenges and development of Islamic banking on consumer perception and attitudes.

2.2.1 Islamic banking and customer awareness

This second section of the chapter two will focus on contemporary fundamental issues that Islamic banks face in the banking industry. Customers' awareness of Islamic banking on interest-free products and services, Shariah board and structure, quality of products and services, and marketing strategies, including website marketing, give a sense of theoretical understanding of the survey and in-depth interviews conducted in two case countries.

2.2.2 Consumer knowledge and awareness

Consumer knowledge is one of the critical aspects of Islamic banking and finance. The challenges are acute when consumers lack knowledge of how Islamic banking works. As the researcher reviewed some critical results of many studies across the

Islamic banking sectors, the following table and the discussion will help understand the current state of consumers' attitudes toward Islamic banking and finance.

Table 2.3 Islamic finance customers' perceptions (Empirical Evidence)

Islamic finance understanding of customers' attitudes/perceptions		
Researcher/s	Country of Study	Findings
Abdul et al. (2012)	Malaysia	Customers only preferred banks with fast and efficient services and could maintain the image and uphold the confidentiality of consumers.
Souiden and Rani, 2015	Tunisia	Customers fear divine punishment, but no relationship between interest and religious practice is contrary to conventional banking, where no religion, belief or fear works.
Islam and Rahman, 2017	India	The lack of adequate and authentic marketing made IB products and services unsatisfactory.
Hoque et al. (2018)	N/A	Lack of quality and consumer expectations resulted in many consumers switching to Islamic banks or being deeply dissatisfied with current products and services.
Hossain, 2019	Bangladesh	Customer satisfaction finds to be better than conventional banking services due to religiosity. The study suggested further research among non-majority Muslim countries to compare.
Floren et al. (2019)	Australia	The peer-reviewed articles; journals published from 2010 to 2018 show that there are profound impacts and ethical beliefs among Muslim consumers towards Shariah law and have a significant influence on their choice of banking.

Janah et al. (2020)	Indonesia	The literature suggests a significant impact between consumer attitude and religion on Islamic banking services.
Hidayat and Rafiki (2022)	Bahrain	The study found that there is no significant awareness among customers related to banks corporate social responsibilities. It found that the level of awareness are very low both Bahrain and neighboring Saudi Arabia.
Eleyan et al. (2023)	UK	Least awareness among Islamic banking customers for Islamic banking products and services.

Source: Literature compilation (Created by the author)

The recent study by a number of scholars found various issues when surveying among customers in various regions in a number of continents. According to Abdul et al. (2012) in Malaysia found that the customers prefer quick and efficient services from the bank. In addition to safety and security of their money at bank. Souiden and Rani (2015) conducted another study in Tunisia and found the customers prefer better services than fearing the God and there is no difference in their attitude than conventional banking customers. This is because the customers are not fearful as like other Muslim customers in various other countries. In India, a study by Islam and Rahman (2017) conducted in which customers were not happy with IB products and services due to the quality and efficient services. In addition, a number of participants questions on the validity of such products had doubt on Islamic banking products is Shariah compliant. This is a clear indication that the awareness and the clarity in their products offering were not sufficient which led to the participants to express unhappiness of IB products and services in India. In Bangladesh, a study by Hossain (2019) conducted among IB customers where it was found that customers fear to the religiosity was paramount and they were happy with the IB offerings. The research suggested that religiosity could be a

factor of biasness and recommended more studies in the non-Muslim majority countries such as the UK, Australia and other similar countries.

Another theoretical studies using 8 years of publication in Australia by Floren et al., (2019) where it was found that religiosity influenced customers to buy Islamic banking products and services too. Therefore, it is imperative that customer's awareness plays considerable tasks for Islamic banking and finance institutions. A comparative study by Hidayat and Rafiki (2022) shows that there are no relations between countries in Bahrain and Saudi Arabia in terms of awareness in corporate social responsibilities among Islamic banks. However, the level of awareness found very low among the participants.

2.2.3 Influential factors in choosing an Islamic bank

There are a few reasons that studies found Islamic banks are more favourable to the banking customers than conventional banking, which is also reflected in attitude toward Islamic banking products and services (Souiden and Rani, 2015). Among the fundamental characteristics are first, religion is one of the fundamental factors that devoted many Muslims who feared financing with interest and uncertainty, which is against the objectives of Islamic law. Therefore, people who consider Islamic banking are purely religious factors other than competitiveness or satisfaction in the Islamic banking system (Housby, 2013). Secondly, other categories of people thought to have quality services and benefits and, therefore, found that they have used both conventional and Islamic banking. Conventional bank users see it for quality services, whereas Islamic bank users see it for religious purposes (Floren et al., 2019). Third, categories of people who are not Muslims found Islamic banking more ethical and secure and considered it their banking need.

There are many ways people have considered Islamic banks instead of highly established and popular conventional banking. One of the fundamental reasons was religion (Souiden and Rani, 2015; Janah et al., 2020). One of the studies in

Tunisia found that respondents' belief was more on social justice and local culture and characteristics and based on service quality than religiosity (Souiden and Rani, 2015). Even though numerous issues exist in IB products and services and suggested different opinions. They cited efficient services as another factor that complies with Shariah law in choosing Islamic banking services (Housby, 2013; Souiden and Rani, 2015; Janah et al., 2020).

In the above discussion and literature findings, it could assume that religion was one of the critical factors in choosing Islamic banking services by customers. In another observation, people more devoted to religion were firm in using Islamic banks, which indicates a different behavioural pattern than the use of the cognitive ability for the decision-making process in which customers usually search for the products or services they are looking for, then review them before buying and experiencing the products and services (Lebdaoui and Chetioui, 2020). In the final process, when customers are happy with the products, the feedback becomes positive. Functional components of Customer Relationship Management (CRM) come here to find the issues customers face (Liu, 2017). Unless the banking management uses customer feedback to improve their products and services strategies, the perception and attitudes towards the customers will remain negative due to the lack of CRM implementation. However, other groups of Muslims were more concerned about the quality of services and ethical values (Souiden and Rani, 2015). At the same time, another study in an Arab and Muslim nation found that respondents had chosen the bank with the most reputable and secondly if they indeed complied with Shariah law (Abdullah et al., 2012; Islam and Rahman, 2017). According to Hoque et al. (2018), in their study in India, adequate marketing and communication were necessary to choose an Islamic bank since conventional banking has more stable and consistent. Hoque et al. (2018) suggest that in addition to religious factors, marketing strategies substantially impact consumers choosing Islamic banks in their mode of finance. The study participants felt that Islamic banking marketing should focus or advertise on the ethical side rather than profitability.

Table 2.4 Factors that influence consumer decision in choosing IB

Factors that influence consumer decision in choosing an Islamic bank

Researcher/s	Country of Study	Findings (Religious Factors)
Souiden and Rani, 2015	Tunisia	Religion was the main factor, but participants did not find any significant relationship between interest and profitability.
Floren et al. (2019)	Australia	The peer-reviewed articles; journals published from 2010 to 2018 show that there are profound impacts and ethical beliefs among Muslim consumers towards Shariah law and have a significant influence on their choice of banking.
Janah et al. (2020)	Indonesia	The literature suggests a significant impact between consumer attitude and religious impact on using IB's services.
Jackson and Khaleel (2021)	UK	Less religious affiliations to undertake IB products and services
Junaidi et al. (2022)	Indonesia	Significant religious factors among 658 Muslim consumers.
Researcher/s	Country of Study	Findings (Efficiency in Service Factors)
Abdullah et al. (2012)	Malaysia	Banks with stability, fast and efficient services are preferred banking modes among customers.
Jackson and Khaleel (2021)	UK	Inefficient services resulted adverse effect with one third of Muslim populations in the UK considers IB products and services.
Abdullah et al. (2012)	Malaysia	Banks with stability, fast and efficient services are preferred banking modes among customers.
Researcher/s	Country of Study	Findings (Marketing and effective

	Study	communications)	
	Islam and Rahman, 2017	India	Many customers could not switch from the conventional bank due to inadequate marketing and communication with prospective customers.
	Hoque et al. (2018)	N/A	Consumer preferences may not be critical when for marketing strategies to compete with other banks.
	Jackson and Khaleel (2021)	UK	Effective communication, awareness and promotional advertisement key to develop IB in the UK

Source: Literature compilation of summaries of previous studies and outcomes (Created by the author)

2.2.4 IB's products and services review

Much literature indicates that interest-free banking is not enough to attract a range of customers unless banks are innovative and develop human resources effectively. In line with this notion, other scholars and business intelligence bodies (World Bank Group, 2018; GIFR, 2019; S&P Global Ratings, 2020) suggested that lack of customer service efficiency, lack of innovation, and products clarity might hinder the ambition of Islamic banking progress.

The issue is that Islamic banking claims that interest-free banking is more ethical and affordable. In reality, Islamic banking products and service charges were more expensive than conventional banking and services, which many Muslims found less attractive (Lone and Rehman, 2017). However, Islamic bank takes more risks and shares profits, which is a unique characteristic of Islamic banks. Other scholars suggest that the products and services included fees for Shariah advisory, administrative costs, and legal fees (Rehman, 2017). In literature, Islamic banking products and services faced much criticism due to forming a structure similar to conventional banking (Hoque et al., 2018). Main reasons are that in Islamic banking, Shariah principles are the main base of guidance other than the

conventional banking process. According to some literature, Islamic banks are tricking consumers using religion (Housby, 2013). According to several scholars who pointed out that instead of ethical banking activities, religiosity has been incorporated to gain consumers who practice religion in their everyday lives (Souiden and Rani, 2015; Tahir, 2015; Janah et al., 2020). Scholars suggest that Islamic banks avoided essential services involving profit-loss sharing to enhance profitability with other less risky products and services. Therefore, Islamic banks need more innovation and avoid copying conventional banking to prove the importance and benefit of Islamic finance (Tahir, 2015). Many IB strategists could overlook such fundamental issues, which are vital to bringing sustainability and loyalty among the vast majority of customers, and they need to be addressed by enabling more IB products and services and fulfilling the objective of Shariah law.

2.2.5 The lack of clarity on marketing and strategy

Scholar (Hassan, 2018) stated that IB starts marketing by reflecting actual Islamic banking benefits and then uses a modified version of the conventional banking process, making it less attractive and confusing among the faithful. Islamic banks used Arabic names in products and services to bring more attention to consumers to lure more customers without deploying actual benefits instead of being overcharged for services and products in the name of additional services by the Shariah board and administrative charges (Tahir, 2015). Others

2.2.6 Vague marketing strategy

Another criticism found in the literature on the marketing of Islamic banking products and services (Tahir, 2015) concerning consumer attitudes is about products and service issues. As Islamic banking products and services develop as "Shariah-compliant products", which is not sufficient for consumers to believe or understand to the extent, it is true. Therefore, scholars suggest that to bring trust, attractiveness, and loyalty to products and services, Islamic banking institutions should bring clarity to marketing while promoting innovation to be more competitive

and attractive in the market (Housby, 2013). In other aspects of promoting products and services, Islamic banks, in their annual report, fell short of showing in detail. They stated that operations follow according to the Shariah rulings (Abdullah et al., 2012). While using the website, Islamic banks should provide more clarity and details about interest-free products to ensure customers' trust (Housby, 2013).

2.2.7 Banking channels used by Islamic banks

Some scholars (Abdullah et al., 2012) have insisted that Islamic banking must introduce up-to-date technology to align with technological advancement in the current global business era, hence developing customer relations. Manual banking (other than digital means) has many disadvantages, such as errors and delays in processing transactions while involving more paper works. Instead, Islamic banks should use up-to-date technology, avoid paperwork, and reduce errors. Similarly, Islamic banks should follow other competitive banking security systems to safeguard consumers' interests.

2.2.8 Service quality and standard of Islamic bank

Some studies (Tabrani et al., 2018; Hossain, 2019; Janah, 2020) took place to understand the customer attitudes, behaviour and satisfaction of Islamic banks. Wilson (2009) suggested that Islamic banks with Shariah-compliant products should focus more on quality and standards instead of competing with the prices. The quality includes an excellent customer experience from beginning to end and post usage of Islamic banking products and services. For instance, they handle customer inquiries efficiently, provide adequate information they need, and ensure every aspect until the transaction completes successfully. Scholars and consumers consistently urge improving IB's products and services and bringing innovation (Islam and Rahman, 2017). Rasool (2018) insists that qualified and knowledgeable staff crucial for IB to establish products and services effectively while customer relationship management is crucial in keeping customers loyal to banking products and services (Rafiki, 2019).

2.2.9 Islamic finance institutions: Promotion of investment account

Under the investment account category, IB should provide exceptional services to investors with extraordinary profits and other benefits compared to conventional banking counterparts. Islamic banks should focus more on social integration with stakeholders to ensure that customers and banks are for each other to be beyond banking activities and comply with social objectives in their product offerings.

To explore various options to develop the quality and standard of Islamic banking, scholars made numerous attempts to provide various other areas of improvement. This effort includes compliance with Islamic law principles, developing corporate social responsibility, and integrating Islamic finance systems. In addition, the Islamic bank should bring their unique products and services to the non-Muslim community and design products more attractive with quality staff and meaningful marketing strategies (Rafiki, 2019).

Table 2.5 The mission statement of Islamic financial institution

The mission statement of major Islamic banking Institutions (UK and Bahrain)	
Bank Name	Mission statements
Al Rayan Bank, UK	Our ambition to be the most trusted and Shariah-compliant bank in the UK
Gatehouse Bank, UK	All our products and services are offered to people of all religious background
Bahrain Islamic Bank, Bahrain	Retain the talent and committed to society with maximum return on investment
Kuwait Finance House, Bahrain	To lead and trusted IB in the world

Source: Authors compilation from websites of banks in the UK and Bahrain.

Other scholars (Rasool, 2018; Rafiki, 2019) provided more areas to include that could further enhance Islamic banking services' capability from various perspectives. Initially, consider Islamic banking customers on a personal, subjective level while ensuring the products introduced according to the objective of Islamic law efficiently. The study by Zouari and Abdelhedi (2021) with 8 different variables shows the needs of ways to provide more enhanced and quality services including compliance of Shariah, quality assurance, reliability of products and services, tangibility, empathy, responsiveness, digitalization and satisfaction.

Zouari and Abdelhedi (2021) states that in this current Internet era, the managers of the banking services required understanding consumer's behaviour due to the frequently changing business world. Therefore, the reviews and identification of customer perceptions are increasingly important. In their study, it was found 28 factors which help to assess the quality of banking services in Tunisian Islamic banking sectors. They also found the significance in statistical terms within the five independent variables such as confidence, human skills, compliance, digitization and tangibility which are also part of wider customer relationship management (CRM) components. The Carter model could be used to improve Islamic banking; however, the most crucial issue is to implement, and bank leadership and management could play a significant role (Rafiki, 2019). According to scholars (Janah et al., 2020), many bank leaders unwilling to undertake such responsibilities create a loophole and become more complex for Islamic banks to avoid criticism and even progress in line with other competitive banking systems.

2.2.10 Organisational performance versus Islamic banking value

One of the recent empirical studies conducted among 204 Islamic banking managers using a partial least square method in Indonesia. The result found that the ethics of both convergence marketing and Islamic marketing having a massive competitive advantages through their relationship. However, the similar advantages and the relationships are not found in the performance of among the banks (Suandi et al., 2023).

Another study by Aslam et al. (2023) using a purposive sampling among 550 participants to find out if the Corporate Social Responsibility (CSR) has any positive impact on customer satisfaction and loyalty which found highly positive. In addition, it found also that religiosity also have significant influence if the banks products and services are Shariah compliant. Therefore, from a managerial perspective, the CSR along with Shariah compliant offerings could help long-term customer satisfaction and loyalty and thus sustainability in addition the banking service performance (Aslam et al., 2023). The study shows that the implementation of CRM is positively connected in improving customer satisfaction and long-term sustainability for Islamic banks.

The empirical study by Rouetbi et al. (2023) shows that the Displaced Commercial Risk (DCR) influence adversely affects performance of Islamic banks. The main reasons are related to unrestricted profit and loss sharing accounts. These accounts are considered to be risky for the IB due to the pressure of increasing return on investment (ROI) by the investment account holders, which is similar to the conventional banking approaches. Competition like this with conventional banking poses the risk of losing the identity of Islamic banking principles. The result suggests such phenomena adversely impacted the performance of Bahraini Islamic banks as it is found statistical significance between the negative existence in relation with DCR and bank performance of Bahrain Islamic banks (Routbi et al., 2023). The profit and loss sharing is one of the principles of Islamic banks according to Sharia law for long-term financial projects; however, these principles are marginally used (Louhichi and Boujelbene, 2016). Therefore, while facing commercial pressure to maximise the profitability while complying the regulatory frameworks from the central banks and other regulatory agencies. The IFSB states, "The risk arising from assets managed on behalf of Investment Accountholders which is effectively transferred to the Islamic Financial Institutions' own capital because it forgoes part or all of its Mudharib share on such fund, when it considers this necessary, as a result of commercial pressure in order to increase

the return that would otherwise be payable to Investment Accountholders” (IFSB, 2005: Standard 76).

In view of the above discussion, it is inevitable that organisational performance is essential for the long-term sustainability in Islamic banking development. In addition, the leadership is crucial to maintain the progressing activities while keeping the principles of Shariah law in the face of regulatory pressures. Effective strategies with adaptability of change management with innovation and resource utilization can boost productivity and consistence in banking performance. This cycle must use the relationship management to bring satisfaction among IB customers and stakeholders. Therefore, a CRM implementation is imperative for the Islamic banking institutions.

2.2.11 Staffing issues at Islamic banking institutions

According to a researcher (Rasool, 2018), the lack of qualified employees is one of the fundamental challenges Islamic financial institutions face in today's market. Lack of human resources hinders Islamic banking services significantly, and Shariah-related product growth is lowering. It has suggested that a recent trend has seen that due to the lack of availability of Islamic banking staff, many non-Islamic banking staffs are joining Islamic banking sectors. The lack of efficient and experienced staff is one reason Muslim consumers' confidence decreases in Shariah-based transactions and advisory (Rasool, 2018). To avoid such crises, the human resource department of Islamic banking institutions must take a comprehensive scheme to train Islamic banking staff and encourage interns to understand and make future contributions to the Islamic banking sectors. In addition, Islamic bank needs to develop a wide range of paper and brochure to understand products and services that are Shariah-compliant. Alam (2012) insists that alongside the training and other resources, Islamic banking leadership and management should promote employees with rewarding packages to attract talents and human resources to the Shariah-based banks and consulting companies. On the other hand, Islamic banks should focus on research related to

IB's products and services and various internal assessments through the interview, focus group, and survey to bring up-to-date information about how employees think about current issues facing employees of Islamic banks. On the other hand, the active participation of employees is fundamental to implement organisational strategies because employees are the face of the organisation and without their willingness in participation of implementing organisational strategies could fail (Alam, 2012).

2.2.12 Lack of academic research on customer perception in IB

The Islamic banking system also lacks up-to-date research on the market on Islamic and ethical banking and finance and their approach to consumer reviews. The need for Shariah-qualified staff is now more than ever, and banking institutions from Europe and the Middle East have played a significant role in providing more training. Islamic Research Training Institute provides training all year round, however, not sufficient to cover the global needs of training among scholars and banking staff to understand customer psychology. In addition, marketing techniques, technology, (for instance, digital banking), customer relationship management, and data are practical and efficient. In the UK, several leading universities are providing postgraduate courses and research degrees in PhD level in different disciplines like business management, finance, accountancy or law, for instance, Coventry University, Dundee University, Oxford University and the University of Westminster, Markfield Institute, among others. There are two leading centres, the Durham Centre for Islamic Economics and Finance within the University of Durham and the Centre for Islamic Finance within the University of Bolton. These universities fill up such as gap in the UK among the international higher education (HE) Institutions, in addition to the King Abdul Aziz University and International Islamic University of Malaysia and Bahrain Institute of Banking and Finance (BIBF). The research provided in these HE institutions, whether at the individual or institutional level, could bring up-to-date information. Produce valuable results and trained experts for the sector, including policymakers and lawmakers, who could contribute to such a dynamic financial and banking industry. Hence,

Islamic banking actors need to provide more funding for research and training programmes and engage with the universities to bring more information and educate people. Hence benefit from the outcome of these activities in consumer behaviour, satisfaction, product innovation, and services. The more awareness of Islamic banking sectors gets among stakeholders, the more benefits and progress are possible with Islamic banking which is one of the key requirements of CRM (Janah et al., 2020).

2.2.13 Lack of regulatory institutions for Islamic banking

According to GIFR (2019), regulatory concern is one of the critical obstacles to Islamic banking growth. The customer in the global era will not be satisfied enough if an Islamic bank is a less structured and less Shariah-compliant product. Also, government organisations and traditional agencies will bring more issues with a negative impact on overall growth. Due to this problem, Islamic banking institutions refrain from managing equity participation and, therefore, roll to imperceptible interest (Risfandy et al., 2019). Over the decades, several institutions have developed various standards, supervision bodies, and management to develop Islamic banking structures with regulations to enable Islamic banks to comply wide range of regulations from government agencies across the globe. Among AAOIF, IIFM, IFSB, and IIRA, IRTI, CIBAFI. However, the practical application of that standard benchmark, Islamic banking institutions, is significant in competitive the financial market (Bedoui, 2016). The following chart is presented for readers to understand various regulatory agencies that comply with the Islamic banking industry.

Table 2.6 The international agencies that set standard for IB

Various international agencies that set the standard for Islamic banks

Name	Country/Year	Purposes
Institute of Chartered Accountants.	Pakistan, 1961	For Accounting regulations.

Islamic Research & Training Institute (IRTI).	Saudi Arabia, 1981	For Islamic Finance Research & Training.
Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).	Bahrain, 1991	For Accounting and Auditing Standardisation.
International Islamic Financial Market (IIFM).	Bahrain, 2002	For Accounting and Auditing Standards.
General Counsel for Islamic Banks and Financial Institutions (CIBAFI).	Bahrain, 2001	To support Islamic finance growth, Shariah regulations and training.
Islamic Financial Services Board (IFSB).	Malaysia, 2003	Develop the management of Islamic banking liquidity needs.
The Islamic International Rating Agency (IIRA)	Bahrain, 2005	To provide ethical ratings to Islamic finance globally.
Basel Committee on Banking Supervision (BCBS).	Switzerland, 1974	Committee of banking supervisory Authority.
The International Association of Insurance Supervisors (IAIS).	Switzerland, 1994	Voluntary membership organisation for insurance.
The International Organization of Securities Commissions (IOSCO).	Spain, 1983	Association of Organisations for World Securities and future markets.

Source: Website information compilation, 2022 (Created by the author).

2.2.14 Shariah Supervisory Boards (SSBs)

Islamic banks are governed by a dual governance system such as a regular board and Shariah Supervisory Boards (SSBs). SSBs are crucial for an Islamic bank's

name and identity (Safiullah, 2023). According to Safiullah (2023), Shariah board activities are divided into 3 specific areas, which are mentioned below:

1. Compliance of Shariah law: Review and approve IB products and services according to the principles of Islamic law.
2. Review of transactions: Support and guide management and board for various day-to-day transactions and without the credibility of the Shariah board, Islamic banking could face serious trouble as Islamic banks are entirely dependent on Shariah rulings and must comply with Shariah law in every transaction that demands Shariah advices.
3. Periodic audit: Shariah board involves and conducts in a periodic audit to ensure that all the banking activities and transactions are complied by the Shariah law.

Shariah board is also essential for conventional banking institutions to offer Islamic banking products. Top-ranking Sharia scholars are in demand by conventional banks to be more authentic and competitive in the market (Mansour, 2018, Azam et al., 2019; Farooq and Pashayev, 2020). There are many issues that Islamic banks face today on the Shariah board. For instance, the ruling in Malaysia by the Sharia board is not allowed in the Gulf Cooperation Council (GCC) member states such as Saudi Arabia, United Arab Emirates, Oman, Kuwait, and Bahrain. In Malaysia, the Shariah board announced that short-term interest on the loan is allowed, while GCC states do not permit it due to non-compliant with Sharia law. The reason it was allowed in Malaysia with a new interpretation is not acceptable to many scholars and institutions (Azam et al., 2019). Some discussion will shed a few critical factors in the following sections.

2.2.15 The lack of quality Shariah scholars and confidentiality

Shariah board and its fatwa (opinion on banking transactions as per Quran and Hadith) play a crucial role in Islamic banking and finance (Mansour, 2018; Farooq and Pashayev, 2020). Therefore, confidentiality in governing Islamic banking

among Shariah scholars and stakeholders is paramount. In addition, the competency of Shariah board members' qualification and consistency, as well as the disclosure, is deemed essential to discuss for the current study. According to literature (Mansour, 2018; Farooq and Pashayev, 2020), qualified Shariah scholars' availability is significantly lower in numbers. Due to this shortage and higher demand, only a few Shariah scholars controlled the Islamic banking and finance industry. According to IFSB (2009), the confidentiality of Islamic banking consists of new decision-making issues related to Shariah transactions; this also applies to new products and services development, various essential decisions, and discussion among Islamic banking leadership and Shariah scholars. The concern among scholars and stakeholders about safety from leaks of such activities could harm Islamic banking sectors seriously. With this concern, Islamic banking scholars have given an example of having a few top Shariah scholars who participate in banking activities among dozens of local and international banks due to their high ranking among Shariah scholars. The literature (Mansour, 2018; Farooq and Pashayev, 2020) suggests that among top Shariah scholars, Sheikh Nizam Yaquby (Rank-1 involved Shariah advisory in 77 banks. The second ranking is Egyptian Abdul Sattar Abu Ghuddah, also a PhD from Al Azhar University and was involved with 72 banking institutions and Dr Mohammed Ali Elgar, a Saudi national with 54 positions across national and international banks. The statistics suggest that single scholars serving dozens of banking and financial institutions make a prospect of a lack of confidentiality for banks and stakeholders.

The lack of qualified Shariah scholars means less competence with low educated or only religious backgrounds could harm consumers' confidence. A lack of scholars could reduce the reputation of Islamic banks and create awareness of the importance of consumer attitudes toward the sector. Azam et al., (2019) suggest that there were scholars with more expertise in Islamic jurisprudence than in banking or finance and leaned on the ingenuous decisions of previous Shariah scholars. They are making it more complex to develop new products, innovation, and risk management that affects the motivation, innovation, and structuring of

Islamic banking products and services (Azam et al., 2019). In addition to the above, most scholars advising Shariah transactions and other consultations receive high salaries, possibly due to their close relations with senior decision-makers in the bank (Farooq and Pashayev, 2020). There was criticism of this process as the banks approve of the opinion of such Shariah scholars and introduce new products that are likely to get support from other institutions when banks hire certain Shariah scholars due to their rank and influences in the industry.

Some inconsistency is found when consistency in Shariah principles or Islamic banking activities is not followed. The change or modification in principles can cause such occurrences. This occurs due to the rules and regulations work differently per the respective countries' jurisdiction. Since Islamic law applies to all jurisdictions, a different opinion from one bank to another or one country to another is problematic (Alam et al., 2017). According to Asni (2021), Bay'inah contract offered in Malaysia differ from the Shariah ruling in the investigative empirical research and also provided solutions to the existing problems. In this study, the Shariah Advisory Council (SAC) which is the body to approve contracts and transactions of banking institutions. However, the products were offered without prior approval of the SAC. Malaysia introduced debt sales with little interest, which is highly controversial among Middle Eastern scholars and stakeholders. Debt sale has proved that once any Shariah ruling is issued can be reversed if Shariah scholars find it needs to revise and it can be added that Saudi Arabia and Bahrain allowed banking credit cards from an Islamic bank called (Tawarruq) for individuals for credit card financing (Bilal and Mydin, 2015). However, according to Islamic law, any products or services that allow uncertainty harm society and the economy; therefore, some scholars' brand high-risk products are haram (Orhan et al., 2023). According to Bilal and Mydin (2015), "The contemporary practice of Islamic credit card in Malaysia is still controversial in its design and operations. Moreover, the adoption and practice of Shariah contracts in bay' al-inah, Tawarruq and ujah models are not in line with fundamental doctrines of Shariah and are imbued with

the practice of hilah (legal trick), which allows them to circumvent the prohibition of riba”.

Table 2.7 Comparison of credit card offered in various modes of finance

Description	Conventional	Bay’Inah	Tawarruq	Ijarah	Ujr	Kafala
Revenue Generation	Interest on outstanding	Markup on sale	Mark up sale	Rent of usufruct	Fee for service	Fee for guarantee
Cash advance	Additional charge and higher interest	Yes	Yes	No	Fixed charge in the first installment	Same charge as assets purchase
Shariah compliance	Impermissible	Malaysia only	Compliant (GCC)	Compliant	Compliant	Compliant
Shariah substance	Impermissible	Dubious	Dubious	Acceptable	Preferable	Preferable
Late payment fee	Yes	Yes (Forward it to charity)				

Source: Farook (2009).

According to some scholars and authors (Azam et al., 2019; Farooq and Pashayev, 2020), Shariah scholars in Islamic banking opinions differ the confusion among the consumers as well as nervousness among banking leadership and management. If the situation persists, it will be almost impossible to coordinate between Islamic banks and the industry. This difference in opinion is a severe issue. To bring consensus among scholars and decision-makers, internationally recognised guidelines and structure is crucial for Islamic banks to bring credibility among customers and stakeholders and progress towards a more robust platform to operate together. Asni (2021) suggested an internationally recognised Islamic banking and finance council involving a different school of thought to bring consensus among scholars, which will be more authentic among consumers and different jurisdictions to promote Islamic banking products and services.

2.2.16 Disclosure of information

Islamic banks face criticism for not being detailed in their products and services other than providing a few sentences such as "Shariah-compliant products" (Farooq and AbdelBari, 2015). Islamic banks may have a number of issues that it thinks may attract negative opinions from stakeholders in particular, countries in the Middle East and Malaysia are more conservative regarding their structure due to lack of regulatory monitoring (Ansi, 2021). A study by Ullah et al. (2023) suggests that to be competitive and transparent to consumers and regulators, Islamic banks need to reveal their structures, functions, and relevant projects to be more competitive with their counterparts in the conventional banking system. Other Islamic banks and institutions could follow this example to enable them to be more transparent in their dealings (Hasmawati and Mohamad, 2019).

2.2.17 Islamic banking contribution to social causes

According to literature (Mahmood et al., 2022), Islamic banking started contributing to society by avoiding *riba* and *gharar*. The critical objectives across banking and finance institutions across the world. However, Abdullah and Asutay (2021), suggests that Islamic banks failed to maintain the consistency of the objectives of Shariah law via his critical Islamic political moral economy school of thought. This failure is due to focusing on long-term finances and investment activities rather than serving ordinary consumers' needs and wants. For instance, focusing on real estate and other products to keep them competitive in the market (Asutay and Yilmaz, 2021) and not re-embedding the finance into social relations, hence practice the Islamic moral economy (Tekdemir, 2015).

One of the important aspects in Islamic social responsibility is to distribute the wealth under a collective action instead of maximizing of profitability, which is the main objective of conventional economy (Asutay and Yilmaz, 2021). Many sectors need focus, such as agriculture to support farmers, education to support students and scholars, health to contribute to society, and Zakat management, among

others (Asutay, 2018). The Islamic bank has been promoting charitable works by developing a Zakat fund. While paying Zakat, the Islamic bank also worked as a platform for organisations to pay their part of Zakat and distribute it to the poor and needy across the Muslim world (Mahmood et al., 2022). A number of Islamic banks disclosed corporate social responsibility through socioeconomic development activities and a strategy that focuses on the importance of such initiatives. In reality, such data does not exist; therefore, verifying the extent to which Islamic banks are undertaking activities to alleviate poverty and social development with various charity programmes is difficult. In this context, Mahmood et al., (2022) suggests that instead of reviewing banking performance, Islamic banks should comply with a regulation that has to be developed within Islamic banking strategy and contribute towards socioeconomic causes as part of their responsibility towards society and industry.

The above discussion and review highlight the current state of the Islamic banking industry. This descriptive presentation highlights the challenges and opportunities that Islamic banking faces today. This chapter also highlights how Islamic banks meet their customer's expectations and take measures to provide more up-to-date products and services using innovation and technology and effective relationship management in banking and finance in the Islamic banking industry. The impression, which was thought by many that IB's products and services are other sides of the same coin, was discussed, which showed that profit maximisation is one of the motives for using the name of religion. In marketing, the Islamic bank did not clearly state the religious terms or explicit information about how it was Shariah-compliant; instead, it mentioned that only "Shariah-compliant" is not enough to eradicate confusion among consumers. The structure, product innovation, unified Shariah board structure, qualified staff, clear marketing strategy, and more technological usage in Islamic banking are sought (Asutay and Yilmaz, 2021).

Section 2.3 Overview of IB in UK on customers' perception

2.3.1 Introduction

This section will review and critically analyse the development and challenges of the case countries. This part of the chapter also reviews some online Islamic banking strategies. It examines how Islamic banking performs in line with its vision and mission statement and reflects consumers' views in the UK.

Demographic information

Population: According to the latest census, the Muslim population in the UK exceeds 3.9 million (Census, 2021), representing over 3% of the total population across the UK. However, the World Population View (2020) claimed that the population reached 4.1 million. The market value of IB is estimated USD61 Billion, IFSB (2019), and ranked 17th in 2019 globally (GIFR, 2019). The native language of British people is English. Remaining most of the population originates from Bangladesh, India, Pakistan, and the Middle Eastern countries, including Qatar, the Kingdom of Bahrain, Saudi Arabia, and the United Arab Emirates (UAE), and speaks English at certain levels.

The UK is one of the countries that allowed Islamic banks to explore to meet its large growing Muslim population (Financial Conduct Authority (FCA), formerly Financial Service Authority (FSA), 2007). The UK Government's change in the regulatory system allowed Shariah-compliant products and services to flourish. Later within a short period, many Islamic representative and full-fledged banks started to operate and became banking hubs in Europe for the first time. According to Her Majesty's Treasury, the then Chancellor of Exchequer Gordon Brown expressed a desire to become a global centre of Islamic banking powerhouse based in London (HM Treasury, 2006).

Islamic banks and institutions in the UK have been using a wide range of marketing platforms and websites to promote products and services, including

digital media. According to the Office for National Statistics (2021), drawing the latest census of 2021, the UK Muslim population exceed 3.9 million. The then UK Financial Standard Association (FSA, 2007) policy shift enabled Islamic banking services to grow significantly compared to Western nations such as the USA (Simmonds, 2014; Shahzad et al., 2014).

2.3.2 History of Islamic banking institutions and development in the UK

Table 2.8 Islamic banking in the UK (Branches, retails and full fledge)

Islamic Banks in the UK (Branches, Full-Fledge & Retails)			
Year	Name of the Institution	Types of Banks	Products & Services
1982	Al Baraka International Bank	Investment	Islamic mortgage
1996	The Ahli United Bank PLC (Formerly United Bank of Kuwait)	Investment	Islamic mortgage
1998	Hong Kong and Shanghai Bank (HSBC - Amanah)	Retail and Investment	Islamic mortgage, Treasury, private and investment
2001	UBL (UK) Ltd	Retail and Investment	Retail and Investment
2004	Al Rayan Bank (formerly Islamic Bank of Britain)	Full-fledged Shariah compliant	Full-fledged first retail bank
2005	Lloyds TSB	Conventional banks with Islamic banking	Current account and mortgage
2015	RASMALA UK PLC (Formerly European Islamic Investment Bank)	Investment bank	Wholesale Islamic Investment Bank
2007	Bank of London and the Middle East (BLME)	Fully Shariah compliant	Wholesale Islamic Investment Bank

Investment bank			
2008	Q.UK Finance House	Investment bank	Wholesale Islamic Banking
2008	Gatehouse Bank	Fully Shariah compliant	Wholesale Islamic Investment & retail
2010	QIB	Fully Shariah compliant banking	Current, Notice accounts Property financing
2010	Adib (UK) Ltd	Investment bank	Investment
2013	Abu Dhabi Bank	Fully Shariah compliant banking	Investment and retail

Source: Website compilation of some of the existing banks in the UK as of 2023 (Created by the author).

In addition, there are more than 20 conventional banks using Islamic banking window to offer IB products and services (McLean and Bibi, 2021). The following sections will provide Islamic banking in the UK by dividing retail, conventional banking offering Islamic banking products and full-fledged Islamic banking:

According to the various Islamic banking website (table 2.8) Al-Baraka bank was established in 1982 with 3 branches in the UK. However, the branches were closed due to regulations and banking license requirements, which were not within Al-Baraka bank's scope. In 1996, Ahli United Bank (Formerly Bank of Kuwait) established investment banking in London mainly on the mortgage (Based on Murabaha) and Ijarah during 1999. Whilst in 2008, NatWest bank introduced commercial services involving mortgage products. Murabaha structure presents to serve based on the website of the bank. Moreover, another commercial bank Lloyds became third Islamic mortgage provider using diminishing Musharakah. Lloyds provides retail services such as current and business accounts and supports students by giving students performances. However, whether the student account has complied with Shariah guidelines is not mentioned. In addition, HSBC

(with Headquarters in Dubai) established with a brand name Amanah in 1998 in London to become the first high street bank to serve Islamic banking products and services such as Mortgage and Ijarah. This product offering was due to the abolition of double taxation as per the government's support of exploring Islamic banking products and services in the UK. Many branches across the UK are available with property finance; where up to 85% of finance is available for consumers.

Yet, Al-Rayan bank (formerly known as Islamic Bank of Britain) was established in 2004 as a full-fledged Shariah-compliant bank with branches across the UK. Since then, Al-Rayan bank has introduced more services to meet the banking needs of the growing Muslim population across Britain. Among the essential products are home purchase loans, Ijarah, Personal loans for up to 3 years, current accounts with a debit card facility, cheque, and most notably, online banking services. These examples, along with other banking institutions' expansion, show the progress of the Islamic banking system in the UK financial sector (Housby, 2013).

2.3.3 IB's challenges in the UK on consumer perception

In order to understand the impact of customers' behaviour on Islamic banks operating in the UK, it is imperative to understand the challenges Islamic banks are facing that are contributing various challenges to their products and services, which reflects the consumers' perceptions in the UK (Alam, 2019b). In other words, if there are issues in IB's products or services, consumers' perception reflects it in the context of that products or services when providing feedback on the usage of the products experiences and satisfaction (Rahman et al., 2023). On the contrary, the negative attitude to Islamic banking services could bring financial distress to the customers, change in behaviour to the extent customers mentally affected, adverse effect of consumers knowledge of the banking crises leading to anger and political orientation of consumers (Elhajjar, 2020).

At the beginning of the development of Islamic banks in the UK, a few banks, such as Ahli United bank and Al-Baraka bank with retail products (Kulshrestha and Ali, 2019), started serving Sharia-compliant products as the regulatory frameworks eased by the UK government (Smaranda and Jacob, 2022). At this stage, with the lack of customer awareness, lack of qualified staff, high prices, limited services, and as usual, without any regulations, Islamic banks faced significant challenges in operations and expansion in the UK. The tax regulations in the UK were one of the key challenges. In addition, due to expensive products, it could not compete with conventional banking for prices, in addition to inadequate services, and lack of qualified staff. Further more, twice the stamp duty was the reason for to increase in the cost of Islamic mortgages. However, as the situation eased when UK government allowed to Islamic banking products and services to flourish, which was a key to develop Islamic banking in the UK (Smaranda and Jacob, 2022).

Elhajjar (2020) states that customer perception towards banking industry including the Islamic banking is a process by which brand information is received, chosen, ordered, and interpreted by consumers. Literature and previous studies suggest significant weaknesses among Muslim consumers in product awareness and knowledge of products such as Mudarabah, Musharakah, and Istisna. In addition, several studies suggest that customer knowledge was a key obstacle to developing this sector in the UK (Mansour, 2018; Farooq and Pashayev, 2020).

The lack of central religious authority, lack of Shariah scholar's interpretation, regularity frameworks, and standard policy, many scholars think that Islamic banking is copying the structure of conventional banking (Rafiki, 2020). In addition, overlooking consumer needs and preferences could be another drawback that Islamic banking faces in this globally competitive business scenario because to bring positivity to customers' perceptions, constant engagements with consumers are a key requirements (Alam, 2018).

According to Eleyan et al. (2023), their empirical study in the UK found that less religiosity that influence Muslim customers in choosing IB products and services. It also emphasised the due to the lack of efficient services with higher cost, the customers were reluctant to consider IB services. The study was conducted involving both conventional and Islamic banking customers on safety of money, loan and interests as well as transfers. It was found that even conventional banking customers had knowledge and awareness to some extent but awareness was low among Islamic banking customers due to the lack of awareness as Islamic banking institutions in the UK customers.

2.3.4 Financial Conduct Authority (FCA), UK and Islamic banking

According to Smaranda and Jacob (2022), Financial Conduct Authority (FCA), previously Financial Service Authority (FSA), started to monitor banking in 2007, predominantly wholesale, retail banks and their product lines. In 2003, double taxation was abolished, opening the door for many banks to open retail and wholesale banking across the UK. There was another issue with deposits. In this, the bank is bound to return the total money. According to the FCA report 2007, Islamic banks and FCA had to bring a consensus to be in line with Shariah-compliant where an account (saving deposit) with less or no risk of losing was allowed and therefore, UK become one of the Western European nation to allow IB services with strong legal and regulatory frameworks in place (Smaranda and Jacob, 2022). While the FCA provides opportunities, the financial institutions including Islamic banks needs to be strictly compliant with the regulations. Non-compliance could result in substantial penalty by the FCA. The most recent such penalty notice issued to Al-Rayan bank in the year 2023 and published by the FCA (FCA, 2023).

Islamic banking was introduced in the UK to meet the requirements of banking aspiration of the Muslim communities in addition to bring knowledge and awareness of various products and services of IB and their importance in daily life of Muslim community that has deep connection with the religion of Islam (Farooq

and Pashayev, 2020). The IB services were limited when it started in 1980s with limited services from Ahli United Kuwait and the Albaraka bank (Kulshresta and Ali, 2019). The exemption of Stamp Duty by FCA was a step forward in developing and expansion of IB products and services. However, the key drawback was customers' awareness, lack of authenticity of the IB products and services, and affordability of Islamic banking services, which further held back the growth of Islamic banking in the UK (Eleyan et al., 2023).

2.3.5 Market and competition issues in the UK

According to literature (Asutay and Yilmaz, 2021) the lack of consumers' understanding and awareness of the products and services of IB is hindering its growth. In addition, marketing strategies and doubt over the authenticity of Shariah compliance services and affordability make IB growth more complex (Smaranda and Jacob, 2022). In the UK, larger financial institutions with a wide range of products and services supported by high-quality staff have created another obstacle for IB competitiveness. In addition, competitiveness with low growth, low capacity of product lines, a smaller number of qualified staff, regulations, and brand awareness are crucial areas IB faces (Ayachi et al., 2017). Despite the demand, in the beginning, IB institutions were too weak in strategy development, and execution brought more complexity to consumers. For instance, during the development stage, Ahli Bank even did not advertise well for customers to access its complex location in a place in London (Housby, 2013). HSBC Amanah, which was one of the biggest IB operations using conventional bank closed down in 2012. However, another conventional bank with IB products Lloyds TSB was equipped with superior marketing with clear products description in combination with recruitment in their workforces where the local and Muslim community and qualified personnel hired who knew the needs and wants of Muslims. In addition, conventional banking management aimed to reach the local and international Muslim community through radio and TV media platforms using various languages such as Urdu, Arabic, English and other Asian languages deemed appropriate for enhancing domination in the IB industry. IB's enhancement is not only to depend

on Shariah scholars, but innovation and clear marketing are crucial to meet the greater demand for more advanced banking and finance in the UK (Housby, 2013).

Muryanto (2022) suggests that despite the UK being one of the top five countries in Global Islamic Fintech (GIFT) index and have potential to grow in compliance to Shariah principles, it continues to face challenges and emphasize to improve prices and other services, including international money transfer and is not limited only to Shariah-compliant products and services. Kulshrestha and Ali (2019) reviewed a number of East Asian, Africa, and the Middle East including the UK in the context of Islamic banking development on customer's attitudes and perceptions. In this review, the authors highlighted how the IB industry expanded with the help of the UK regulatory agencies under the FCA (Formerly FSA) since 2003 and has gone through extensive development in terms of market, competition and regulation frameworks and became the Islamic banking hub in the Western world. However, a number of empirical study suggests that awareness of IB products and services among the young generations are not sufficient and having numerous set back in offering IB compliant services specially in retail sectors. The main players in the market are Al-Rayan Bank (formerly bank of Britain) and had various accounts and banking services such as mortgages from NatWest and Lloyds bank among others. However, due to the offering from Islamic banking products from conventional banking window, there are concern remain about the conventional bank offering IB products and services. The fundamental reason is that conventional banks might not strictly follow Sharia's objectives, which could undermine the religious faith. In a review of such concerns from consumers, FCA (2008) instructed that customers must be aware of actual banking procedures and structure and be able to differentiate between two banking systems. Therefore, IB marketing strategies should be clear to understand by all stakeholders (Ayachi et al., 2017).

2.3.6 Shariah board issues in the UK market

The Financial Conduct Authority (FCA) regulates banking institutions and has nothing to do with Shariah law. This regulatory body was a critical challenge that IB faced in the UK to promote IB's products and services while complying with Islamic law because Islamic law (Shariah law) cannot work under the guidelines of FCA. Or any other financial body due to its unique nature (For example, Islamic law principles cannot be modified or changed). However, FCA is also monitoring and conducting a test on executive director positions. In this case, whether a Shariah board member is considered the same or not is the concern of FCA as Shariah board members are not actively involved in the day-to-day management of Islamic banking institutions. The FCA (2007) emphasized it by stating "the shortage of appropriately qualified scholars raises concerns over the ability of Shariah supervisory boards to deal with challenges and supervision."

While religiosity issues were heart of IB, the study by Jackson and Kaleel (2021) found that customers were reluctant to undertake Islamic banking products and services due to lack of efficient services. The study also emphasised the insufficiency was affecting their perception towards IB products adversely. This is due to the reasons, that people in the UK are used to have established banking systems with premium services including safety and security of customer's finance. Whereas the Islamic banking services are yet to compete with conventional banking services with similar capacity. (Jackson and Kaleel, 2021).

2.3.7 Issues on the shortage of qualified personnel in IB branches

As described previously, and in the other studies conducted on consumer perception towards IB, one of the most common global findings was that shortage of qualified personnel hinders and negatively costs IB. According to Akkas and Asutay (2022) that IB needs experienced employees and may need to train them well to face customers with adequate knowledge, which is also a key factor for customer positive perception towards the IB industry. The skills of an individual can be developed through effective training and relevant education, and proper use of human knowledge leads to benefits for organisations of any size. Human capital

development is an investment for the organisation, and customers' benefit from creativity, knowledge and professional behaviour from the organisational staff that positively impacts customers (Ahmad et al., 2020).

The need for more experienced employees in Islamic banking sectors has seen and increased. Alam and Seifzadeh (2020) insist that literature lacks or is unable to answer the questions on how to promote the Islamic banking and finance at international level due to many issues facing IB sectors and efficient Islamic banking scholars lacking in the sector. The most prominent Islamic bank in the UK is called Al-Rayan Bank, in which there were only 2 branches in London, which was reduced to 1 last year (Al-Rayan Bank website, 2023). This indicates that Islamic bank needs more personnel and branches to serve a considerable number of Muslims living in the UK.

In line with the above, there are a number of institutions provide postgraduate research degrees (*i.e.*, MSc, MBA and PhD), training programmes, certificate and diploma programmes, academic activities (*i.e.*, public seminars, lectures, and workshops) and summer schools. These institutions include CASS Business School, University of Oxford, University of Cambridge, University of Durham University Business School, the Markfield Institute of Higher Education, Centre for Islamic Finance, University of Bolton, University of Dundee, the University of Birmingham, Coventry University, University of Bangor, and SOAS University of London and dozens of other universities and institutions in the UK. At the same time, the Chartered Institute of Management Accountants (CIMA) offers certificate-level courses. However, these are positive signs of developing Islamic banking scholars but not complete solutions, which could take several years, if not decades (Ahmad et al., 2020). Therefore, it is imperative that Islamic financial institutions and other training organisation to provide timely and effective education and training related to Islamic banking and finance (Al-Awlaqi and Aamer, 2022).

2.3.8 Services quality and Islamic bank in the UK

Numerous studies have been conducted in the banking industry on service quality, customer satisfaction, and reliability of marketing strategies to measure service quality and vice versa. There are several service quality streams in banking service literature, such as in retail, Internet and mobile banking (Patel and Siddiqui, 2023). Abdullrahman and Robson (2017) conducted a study among 300 Muslim Islamic and non-Islamic bank account holders in the UK. They identified five-service quality dimensions: responsiveness, credibility, tangibility, accessibilities and reputation. The findings were different from the original service quality study previously conducted in the context of the Western countries as well as the Carter model that developed based in a Muslim-majority country. The finding also shows the statistically significant difference between holders of Islamic and non-Islamic banking customers, indicating the impact of cultural effect on customer perceptions towards banking services. However, the comparative studies undertaken by Asma (2012) found that assurance, reliability and empathy are statistically significant in this study while comparing 3 countries, including the UK in the West, Pakistan in South-East Asia and the United Arab Emirates in the Middle East. The customer's perceptions and preference in Pakistan and the UK are found similar, as most participants preferred the assurance, reliability of products and services, and empathy. In contrast, in UAE, assurance and tangibility are more significant for satisfaction (Asma, 2012). This study recommends that academic and practitioners consider the entire dimension revealed through the research, which will help managers and decision-makers to understand the various patterns of customer preferences, perceptions and satisfaction.

It is essential to review the customers' perceptions and attitudes based on the experience and level of satisfaction of IB (Ali and Naeem, 2019). In addition, customer relationship management is also imperative to improve customer relations to acquire information required to develop effective strategies to serve customers better (Melo et al., 2017).

Figure 2.4 Mean values and ranking of banking preference

Dimensions	Items	Average importance (IBB)	Ranking-IBB	Average important (CB)	Ranking-CB
Compliance	1 Run on Islamic law and principles (run on ethical policy)	4.09	3	4.10	1
	2 No interest paid nor taken on savings and loans (no investment on environmentally harmful business)	4.41	1	3.32	29
	3 Provision of Islamic products and services (no financial support for countries and companies with poor human rights record)	4.19	2	3.76	6
	4 Provision of free interest loans (customer oriented financial services)	3.96	6	3.62	13
	5 Provision of profit-sharing investment products (provision of all conventional banking and financial products)	4.04	5	3.29	31
Assurance	6 Politeness and friendly staff	4.05	4	3.72	9
	7 Provision of financial advice	3.67	15	3.53	15
	8 Interior comfort of Islamic bank of Britain	3.68	14	3.54	14
	9 Ease of access to account information	3.75	11	3.69	12
	10 Knowledgeable and experienced management team	3.57	20	3.34	28
Reliability	11 Convenience (short time for service anywhere)	3.59	19	3.40	24
	12 Wide range of products and services provided	3.27	30	3.43	23
	13 Security of transactions	3.56	22	3.40	24
Tangible	14 More tills open at peak time	3.65	16	3.46	21
	15 External appearance	3.72	13	3.81	4
	16 Speed and efficiency of transactions	3.64	17	3.75	7
	17 Opening hours of operations	3.77	9	3.78	5
	18 Counter partitions in bank and its branches	3.52	23	3.71	10
Empathy	19 Overdraft privileges on current accounts	3.29	29	3.45	22
	20 Bank location (easy to getting to the bank)	3.49	24	3.70	11
	21 Well known bank	3.17	31	3.53	15
	22 Bank size in assets capital	3.32	28	3.31	30
	23 Parking available	2.96	32	2.71	33
	24 Confidentiality of bank	3.77	9	3.50	18
	25 Confidence in banks management	3.80	7	3.74	8
	26 Products and service profitability	3.45	26	3.53	15
	27 Lower service charge	3.39	27	3.49	19
	28 Provisions of financial advices	3.48	25	3.47	20
Responsiveness	29 Knowledge of customers business or willing help	3.75	11	3.94	2
	30 Way staff treat customers	3.80	7	3.85	3
	31 Availability of credits on favorable terms	3.57	20	3.38	26
	32 Number of branches	2.87	33	2.85	32
	33 Fast and efficient counter services	3.61	18	3.37	27

Source: Sadek et al. (2010)

A survey by Sadek et al. (2010) to identify the preference of IB customers among Cooperative Bank (CB) and Islamic Bank of Britain (IBB) in Leicester, UK, which is mentioned based on the ranking of various preferences and comparing the importance felt among the IBB and traditional banking customers. Among the five top preference-ranking shows that the Internet's importance in banking is most important and preferred even more than the traditional banking customers. The second most desired ranking is the provision of Islamic products and services with "no financial support for countries and companies with poor human rights records". This preference is again higher than that of conventional banking customers. The

third ranking of preference was “the run on the Islamic law and principles that are designed to run based on ethical values. The fourth most ranked preference was the behaviour of the staff of IBB. The customers of IBB preferred their self-respect while dealing with customer service crews. The fifth ranked preference was the provision of profit and loss-sharing investment products because this option enables customers to be more confident when they see their investment is not at risk. The sixth most ranked preference was the interest free loans based on the customer’s requirements. The seventh most ranked preference was confidence in IBB management and whether they are consistent and provide standardized services and the appropriate treatment of customers by the banking staff. On the other hand, the least preferred rank was if there were more branches, the availability of parking at the bank, overdraft facilities, reputation of banks, bank size, lower service charge, profitability on products and services.

The most recent study in the UK involving both conventional and Islamic banking customers shows that the level of awareness about their money in banks related to interest, safety and security is not high in conventional banking (Eleyan et al., 2023). Still, at the same time the Islamic banking customers show less awareness than conventional banking customers. This shows that customer relationship is lower than both banking perspective, where Islamic banks need more effort to bring information on IB products and services and the benefits to the customers using various available banking channels. Even though CRM implementation is complex, a recent study with top banks in Bahrain found that customers are decreasing in high net worth customers (Hazeem, 2021).

2.3.9 Summary

The UK's Islamic banking development is continued. The Muslim population has crossed more than 3 million marks and understanding, and awareness is considerably higher than in the last few years (Census, 2021). Essential services such as investment and home finances have increased significantly. In addition, Shariah-compliant personal finance and banking demand is growing across the

UK. Among the key obstacles are innovation, qualified staff, lack of availability of Shariah scholars, and precise marketing needs to be addressed by the management of Islamic banking institutions to play a vital role in meeting the growing demand for Islamic and ethical banking. Also, unless Islamic bank invests more in innovation and more Shariah-compliant products and services with affordable and competitive prices, the Islamic bank will face stiff competition in the coming years in contemporary Britain (Abdullrahman and Robson, 2017). According to Lebdaoui and Chetioui (2020), in the current decade, customers use their cognitive ability for decision-making in buying, which resulted organisation to implement Customer Relationship Management (CRM) than ever before that have been reflected positively in a number of empirical research (Rafiki et al., 2019).

Section 2.4 Overview of IB in Bahrain on customer's perception

2.4.1 Introduction

Bahrain's independence happened in December 1971. The following information will present the demographic information about Bahrain, a Muslim majority country guided by Shariah law. Bahrain is considered one of the most advanced countries in the Gulf Cooperation Council (GCC) in Islamic banking and finance. Bahrain adopted Islamic banking and promoted truly complying principles of Shariah law, which have seen local and international investment in upgrading the Islamic banking industry. The banking sectors are the lifeline of Bahrain's economy as more than 85% of financial assets are from the banking and finance industry (Wilson, 2019). The Central Bank of Bahrain (CCB) regulates and promotes all banking and financial institutions. Both conventional banking and Islamic banking operate across Bahrain.

The population is approximately 1.6 million (Ministry of Information Affairs, Kingdom of Bahrain, 2022). More than 70% of the people are Muslim. The currency of Bahrain is Bahraini Dinar. Bahrainis are Arab and their language is Arabic. Despite of their native language Bahraini people speak fluently in English.

The concept of Islamic finance and banking was endorsed to promote (Naim et al., 2016) even during financial crises. Many scholars believe Islamic finance is better than conventional banking (Hasan, 2018; Uddin, 2018; Lai et al., 2017; Rudnycky, 2017). One such advantage is that Islamic banking doesn't charge interest compared to conventional banking (Modan and Hassan, 2018; Gundogdu, 2018; Varol, 2018; Shaikh, 2017; Ayachi et al., 2017; Aidrus, 2014). However, conventional banks also exist along with Islamic banks as Bahrain's highest GDP generates from Islamic banking sector. Bahrain is also an Islamic country, which is guided by Sharia law (Bambore & Singla, 2017; Bansal et al., 2018, Simmonds, 2014; Shahzad et al., 2014).

Many marketing strategies have been employed to promote Islamic financial products (Holland, 2017; Kotilaine, 2016). Some scholars, such as (Tahir, 2015; Yousaf, 2016), have argued that direct advertising typically involves exaggerating a product's benefits. On the same note, as Kumar et al. (2018) note, the same advertisements and promotions also downplay the shortcomings of the same products, which is contrary to Islamic teachings. On the other hand, lack of staff experience and qualification in Islamic banking hinders service quality. Without appropriate knowledge of Shariah rulings, staff is to face the difficulty of advising customers.

Retail banking activities in Bahrain

Table 2.9 Islamic bank in Bahrain (retail)

Year	Name of Inst.	Types of Banks	Products & Services
1979	Bahrain Islamic Bank (BisB)	Retail	Islamic mortgage, Treasury, private and investment banking
1984	Al Baraka Bank	Retail	Islamic mortgage, Treasury, private and investment banking
2004	Khalijee Commercial	Retail	Home finance, Mudarabah and

	Bank		personal account, corporate financing, investment
2006	Al Salam Bank (Formerly Bahraini Saudi Bank)	Retail	Bank also offers Corporate Banking, Private Banking, Investment, and Treasury Services.
2006	Ithmaar Bank	Retail	In addition to serving in the local market, Ithmaar bank has overseas operations, such as Faysal Bank Limited in Pakistan.
1979	Kuwait Finance House	Retail	Deal with Housing, Mortgage, and retails

Source: Existing Islamic Bank websites in Bahrain as of 2022 (Created by the author)

Wholesale banking in Bahrain

Table 2.10 Islamic bank in Bahrain (wholesale)

Year	Name of Inst.	Types of Banks	Products & Services
1984	Al Baraka Bank	Investment financing	Islamic mortgage, Treasury, private and investment banking
1980	Arab Islamic Bank	Retail and Wholesale	Consumer banking, corporate and institutional banking, treasury
1980	Bank ABC	Conventional and Islamic banking	Corporate banking and investment services.
2004	Bank Al-Khair	Financing	Asset management, corporate finance, private equity.
1996	City Islamic Investment Bank	Wholesale	Investment banking supports the organization of Initial public offering (IPO), Real Estate.

2008	First Energy Bank	Wholesale	Asset management, Private equity, and Islamic financing
1975	GFH Investment Bank	Investment bank	World's first Shariah-compliant digital retail banking service, investment, asset management, bond and Sukuk issuance
2007	Global Banking Corporation	Investment bank	Private Equity, Structured / Islamic Financing, Investment Banking, Capital Markets / Asset Management, Treasury and Real Estate.
2003	International Investment Bank	Investment bank	Sharia-compliant real estate and private equity products
2007	Investment Dar Bank	Retail and investment	Investment advisory, private equity and venture capital and asset management
1997	Investors Bank	Investment	Corporate finance, mergers, initial public offering, and underwriting; asset management services
2010	Kuwait Turkish Participation Bank Inc.	Financial Services	Provides Islamic banking services, including deposits and loans.
2002	Liquidity Management Centre	Wholesale banking	Short-term liquidity, asset management and innovative investment instruments
2004	Seera Investment Bank (formerly United International Bank)	Islamic banking	Wholesale bank, asset management, investment with global representation
2015	Turkiye Finans	Islamic banking	Deal with Housing, Mortgage, and

	Katilim banks		retails
2005	Venture Capital Bank	Venture Capital	Investment, Capital Management, Private equity

Source: Website compilation of Wholesale Islamic Banks in Bahrain as of 2023 (Created by the author)

2.4.2 Regulations in the banking industry in Bahrain

Bahrain's banking industry is monitored and regulated by the Central Bank of Bahrain (CBB). These regulations were used as a rule that has been bypassed without any significant legislation by the parliament. Bahrain has been pioneering its banking industry among GCC nations and has improved considerably in Islamic banking. International Islamic Rating Agency (IIRA) is developed in Bahrain and provides assessments independently of Islam's principles. In addition to IIRA, another milestone was established when auditing organisation for Islamic Financial Institution (AAOIFI) was established. The above development indicates that Bahrain is one of the leading countries that promote the Islamic banking industry more moderately than others in the Middle East region (Arwa, 2018).

2.4.3 Development and challenges of Islamic banking in Bahrain

Bahrain is among the leading GCC nations worldwide in banking sectors, especially Islamic banks. According to Bahrain Central Bank, there are more than 20 Islamic banks (Retail and Wholesale) operating in Bahrain (CBB, 2020) with estimated Islamic banking assets the US Dollars 31.4 billion (CBB Fact Sheet, 2019) along with other foreign branches of Islamic banks. In addition, numerous conventional banks pose considerable competition in the banking industry. Therefore, to be competitive in the market, the Islamic banking industry must invest in banking in terms of innovation, prices, quality, and standard of services (Arwa, 2018; S&P Global Ratings, 2020).

2.4.4 Fraud management on customer's perceptions

Despite consistent development, fraud activities have hindered the Islamic banking industry in the Middle East (S&P Global Ratings, 2020) and are expected to slow down the growth during 2010-21. To be a leader in the region, Islamic banking institutions need to be associated with the most rigorous banking system, from ATM security to online banking and fraud. This creates a considerable challenge in The Islamic banking industry, which could diminish consumers' confidence.

2.4.5 Zakat Management on customer loyalty

According to Government direction, the Shariah-compliant bank only charges 2.5% Zakat from 2019 (PWC The Middle East, 2018) since Zakat is one of the pillars of vital Islamic principles. Many institutions are currently responsible for collecting Zakat to be more authentic in line with religious duty, which considerably impacts consumer behaviour. However, it is IB management who must ensure that Zakat distribution are fair among the needy communities and therefore, effective strategies are followed involving government and banking agencies.

2.4.6 Bahrainisation

Bahrain started to follow other GCC nations to nationalize specific jobs and business sectors to reduce foreign workers, especially in areas where the national interest comes first. Government agencies such as Labour Market Regulatory Authority (LMRA) have started many schemes to develop citizens through various training and development centres across the country to take over this sector. However, forced nationalization many times cause problems in the market in terms of talents and fairness of skilled populations.

2.4.7 Shariah scholars in Bahrain

Despite Bahrain being allowed to promote Islamic banking institutions, the fundamental issues remain and needs to be addressed. The qualified Shariah scholars were involved in dozens of other financial institutions nationally and internationally, proving that Bahrain needs to develop more Shariah scholars

(Housby, 2013) by providing exceptional training at home and abroad. In addition, more research scholarships are to be delivered to individuals, organizations, financial institutions, and universities to reduce dependency on fewer Shariah scholars.

2.4.8 Marketing Issues and products controversy

The competition makes Bahrain's Islamic banking industry a leader in the Gulf Cooperative Council (GCC) region. In line with digital marketing, several banking institutions found advertising products and services without detailed information on whether it is Shariah-compliant. In addition, many digital advertisements are not clear to the consumers as to whether the products Shariah compliant or not which creates confusion among consumers and critiques (Alam, 2019a). For instance, personal credit card, which is allowed in Saudi Arabia, Bahrain, and the United Arab Emirates while this kind of products, is not promoted among Asian Islamic banking institutions. In addition, various means of marketing such as use of high amount of rewards for joining the bank by opening an account (Ahmad et al., 2017). Bahrain still possesses the best scenario among GCC nations. However, consistent product and service innovation, qualified personnel development, and more flexibility with competitive prices will help to enhance the banking industry to a different height.

2.4.9 Summary and conclusion

The study focuses on the impact of consumer behaviour on IB's products and services by analysing two case countries of different continents. Therefore, geographical context and cultural impact are considered relevant to the outcome of the study. The study finds out there is a lack of attention on comparative studies of these two important stakeholders of the global Islamic finance industry via critical literature review. The interview and online survey became a vital tool which outcome will reveal IB's current consumer state of opinion and expertise in different geographical contexts. In addition, the study will also shed light on how the different cultures and religions could impact IB's products and services in the

long run. The implication of such a diverse scenario could not affect academic viewpoints but also broader business implications due to the financial nature of the subject.

On the theoretical part, consumer behaviour is generally used for conventional banking and finance. Islamic Banking is comparatively new to the market, with remarkable growth over a few decades of operations. One of the critical aspects of consumer behaviour is mainly influenced by religious views. Still, financial aspects are never a light issue for any individual, regardless of religious points of view. Therefore, any financial products are not exempted if not served well. Many consumers from ethical platforms view IB's initial growth, but at the same time, when various issues became acute, consumers also became reluctant to avail of IB's products and services. The behavioural theories have also become widespread that matched with IB's banking consumers' behaviour and its impact that has profound implications if not complied according to Shariah principles in the coming years. Some theoretical aspects will be discussed and analyzed in the following chapters, which could also offer and bring new information to consumer behaviour theories in Islamic banking and finance context by suggesting the implementation of Customer Relationship Management (CRM) techniques.

The importance of appropriate methodology is crucial for credible and valid research. The current study plans to use a method involving a comparative study on two different case countries designed to find differences and similarities in the subject topic. The previous studies predominantly focused on various aspects of quality, attitudes, and perceptions using a Likert chart or aim to measure satisfaction among consumers in other geographic elements. However, in this study, we will involve various dependent variables such as age, gender, religion, and location to find the independent variables' impact on IB's products and services, such as satisfaction and experiences, which directly impact customer perceptions and attitudes.

One of the importance of this research is Muslim consumers living in Muslim and non-Muslim countries and the difference and similarities in their demands and needs. More specifically, the comparative study between the UK and Bahrain is the first of this kind. At the same time, both countries are regional hotbeds for IB's progress, i.e., the Middle East and the European continents. Therefore, this study is expected to bring significant and unique viewpoints of two strategically important nations, and a regional powerhouse of Islamic banking and finance. The literature discussion also sheds light on the banking products and frameworks that Islamic banking follows. Among key issues are attitudes, marketing, and management, which need to address consistently. In contrast, prioritizing consumers' needs and wants. In addition, the wide range of topics and concerns analyzed and compared with the conventional banking system, e.g., banking products and services. The current state of Islamic banking products and services is also discussed, and how it affects global financial markets. Moreover, explore the history and development of crucial research case countries Bahrain and the UK. The weakness, opportunities, and challenges discussed directly link consumers' needs and want in addition to a wide range of tools to develop a unique relationship with customers.

The Islamic banking and finance industry is in its growth stage. It is progressing with a plan to develop more ethical products in line with Shariah principles as the demand is increasing between Muslim and non-Muslim customers. The UK and Bahrain case countries have witnessed considerable growth over the last few decades of operations. However, the innovation in banking products and services remains limited. One of the critical issues is that educating consumers is a big task for IB while keeping the consistency of banking procedures in the right direction. This procedure would comply with the Shariah principles and meet the customer's demand for better services with adequate clarification of products and services. For instance, while marketing, product details are not clarified while only mentioning "Shariah-compliant", which doesn't give full pictures of the products and services for Muslim consumers who want to abide by religious terms embedded in their life for every activity. Therefore, consumer demand is

paramount. Innovation and customer engagements are keys to keeping IB's products and services reputation high, leading to loyalty for long-term sustainability in this highly competitive banking and financial markets.

On the other hand, the government's role in appropriate regulations can create further opportunities in this industry while maintaining consumers' satisfaction and demand. The IB institutions need to be more customers focused and address the consumer's concerns consistently. The Shariah scholars' role is critical because IB provides services and platforms for ethical businesses. Therefore, marketing and compliance with Islamic religious views are essential for all devoted Muslims to ensure their religious obligations are in consideration. The key objective is to review the current state of consumers' attitudes toward Islamic banks and to meet customers' expectations; the CRM is crucial, one of the theoretical tools to achieve customer feedback and address customer concerns. CRM and consumer behaviour will be discussed in the next chapter to connect the literature review with the theories, which will attempt to validate the purpose and objectives of this study.

Finally, the wide range of discussions on the impact of customers on IB's products and services will help to determine new ways to understand consumer behaviour practically and theoretically, enabling IB's leadership and management to reshape the strategies for sustainable growth in the banking and finance industry.

CHAPTER THREE

LITERATURE REVIEW

ISLAMIC ECONOMICS, BANKING & FINANCE, CONSUMER BEHAVIOUR PERSPECTIVES, AND CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

3.1 Introduction

The theoretical framework of this research is based on the analysis of several other concepts tested and found valid by previous studies, especially in identifying factors affecting the consumer's decision-making process. This chapter will focus on critical theories reviewed and adapted in the current research. The chapter will begin with the theories of Islamic economics, which is the driving force of Islamic banking and finance. Subsequently, a brief section of consumer behaviour theories in the context of banking and finance, which is a supplementary review of this study that enable us to understand various aspects of customers' cognitive abilities to understand the phenomena and the factors that influence them to consider any products or services they intend to acquire. This part of the discussion would also enable us to understand the behaviour of customers and the impact it has on the current research in the context of the Islamic banking industry.

In the second stage of the theory discussion, the leading theory, Customer Relationship Management (CRM), which plays a central part in this study. Under the second stage, the functional components of CRM frameworks have been linked with the questionnaires. This section would also clarify how CRM fits in this study and how they help to achieve the aim and objectives of the study by answering the research questions and research sub-questions.

3.2 Islamic Economics (IE): An Overview

To discuss Islamic Economics (IE) and its development, it is imperative to refer to the legal sources of Islamic economics, which are the Quran and Sunnah. In addition, Usul al-fiqh (Islamic legal theory) is also mentioned in early Islamic economic literature (1950-1970). Later on, other methodologies were needed to examine Islamic economics differently, and *Maqasid al-Shariah* played a significant role in this context (Mukhlisin et al., 2022). Before this period, the pioneer in this field was Imam Al-Ghazali during the year 1058 to 1111, which are the period of Al-Mamun and Harun Al-Rashid (Abdurakhmonovich, 2023; Alharbi, 2015), who developed the science of management related to the household, which is also called a branch of philosophies led by Muslim philosophers. Subsequently, the

development of methodologies, which Abu Yusuf used as a case study prior to developing theory of prices in his book of taxation (Abdurakhmonovich, 2023). In addition to the above narration of IE development, literature suggests other approaches (Abdurakhmonovich, 2023), in which early Muslim scholars and philosophers criticised conventional economic theories. In line with IE concepts, it is crucial to consider issues facing modern society, which triggered the Integration of Knowledge or Islamisation of Knowledge (IOK). For instance, Al-Atta's concept of IOK emphasises the early Islamic legacy for knowledge in contemporary economics.

On the contrary, the modernity theory states that Western society is far ahead of any other non-Western society in the field of industrialization and development of science and technology. Therefore, non-Western society should follow and adopt Western science and technology as a modern driving force in science and technology including the banking and finance (Mikhailov, 2023). Now, because most scientific and technological advancement succeeded within an intellectual environment in European continents, neo classical scientists claim that without scientific socialism, the economics wouldn't be scientific (Abdurakhmonovich, 2023). However, critique (Mikhailov, 2023) suggests that Muslims who studied and adopted Western scientific development could not critically analyse those advancement. In this context, it is imperative to gain Islamic economic knowledge in combination with Fiqh and Maqasid Al-Shariah inherited from early Muslim intellectuals and connect them with the current advancement of science and technology and integrate them into banking and finance to bring social justice in moral economy (Mikhailov, 2023; Tekdemir, 2021).

3.2.1 Economic Thought (Classical versus Modern)

The initial phase of economy was from the 7th Century to the 13th Century CE, during the Prophet Muhammad (SAW) era, including the contribution from the Sahabah (Companions of the Prophet, SAW) - afterwards, the development of Islamic knowledge reduced including economic ideas and knowledge. On the

contrary, modern IE thought only appeared during the 20th Century. Therefore classical literature founded by the Islamic intellectuals must be addressed while developing IE in the modern business context. This is because the thoughts of early thinkers of IE are found in various languages, including Arabic, Urdu and English, where thinkers used survey and analysis of economic thoughts. There are multiple areas where reflections of IE thoughts appear, such as the following (Mukhlisin et al., 2022; Inoua and Smith, 2023):

- a) IE philosophy
- b) IE system
- c) IE critiques of modern economics
- d) Economic analysis in the context of IE
- e) History of IE thought

3.2.2 Development of Islamic Economic Thoughts:

Literature suggests (Islahi, 2015; Baeck, 2012) mainly two periods, classical thoughts and contemporary or modern thoughts; among them, IE is regarded as thoughts earlier than classical thoughts (Islahi, 2015). The five phases the author divided as part of the IE thoughts are as follows.

- i) Formative period: In this period, most IE developed from the Holy Quran and Sunnah since the ideas and thoughts are related to Islamic jurisprudence (fiqh), theology and hadith called tradition from Prophet (SAW). According to Ismail (2016), some of the critical Muslim thinkers are thought to be Abu Yusuf, Muhammad Al-Shaybani, Yahya ibn Adam, Abu Ubaayd Al-Qasim and Ibn Zanjawayh.
- ii) Translation period: In this period is also called translation period (Ismail, 2016) when many foreign workers arrived from Sanskrit and Greek in 8th Century CE, for instance; *Ilm tadbir al-manzil and hisbah*.
- iii) Period of golden era: Combining translation from Islamic science with Greek and Sanskrit to various languages in Europe formed new

scholastic economists. For instances; Ibn Khaldun (d.1406), Ibn al-Azrak (1500), Al-Dawani (d.1502). This era is also called a golden ear of Muslim intellectual development.

- iv) Dormant era: This period is called a dormant era of Muslim intellectuals compared to the third development phase. The development of problem solving was different than it was thought. However, some Muslim scholars initiated writing on monetary management (tadbir al-manzil), which is also called household management in this era. According to Islahi (2015), the controversy of cash waqf arose in the Ottoman Empire.
- v) Modern era: This stage is considered modern IE, which Islahi (2015) divided into various stages, which are discussed below:
 - a) In the first stage, various Western books such as English and French translated to Urdu or Arabic (Islahi, 2015). In addition, the Muslim intellectuals published books to address various socio-economic issues. Within this stage, a new development arose among Muslim economists and philosophers.
 - b) From 1926 to 1950s, generations started to translate and review Western economic thoughts and translated, customized and published IE and classical works. In this era, the foundation is formed for IE scholars and some of the names mentioned in literature, such as Muhammad al-Ghazzali from the Middle East, Ali Ozek from Turkey and Iktisad Islam from Indonesia.
 - c) From 1951 to 1975, the third generation of IE was born. During this era, the University of King Abdulaziz organised the first international conference. In this generation, the analytical works published and pushed the level of knowledge in a more modern style than previously seen among IE scholars.
 - d) In this 4th phase, covering 1976 to 2000, this generation improved radically and could publish not only books but also became familiar and started to organise seminars and conferences even publish their works in indexed journals.

- e) In the 21st Century, the last phase of the generation started as advanced researchers and thinkers and eventually specialized as scholars independently in various banking, finance and insurance sectors.

3.2.3 Modern Thoughts of Economics

Scholastic school is thought to be the beginning of modern economics, which is normative because they are not positive or normative (Inoua and Smith, 2023). The Bible was the source of principles and values. This scholastic school believes in salvation of souls rather than focusing on the development of paradise on Earth (Inoua and Smith, 2023). Adam Smith, David Ricardo, John Stuart Mill, and Thomas Robert Malthus are the prominent names in the classical economic era. A number of the above economists attempted to find similarities between the modern economics and neo-classical economics. However, this was also criticised by the authors, stating that classical theory failed to explain due to the marginal utility (Inoua and Smith, 2020a), stating that the criteria to be considered are absent among the theorist who relates to both modern and neo-classical are similar because the modern economy with broader worldview differentiates between the two schools of thoughts.

3.2.4 Development of Islamic Finance and Banking (IFB)

In addition to the previous section discussion, we now focus on how Islamic economics shaped Islamic banking and finance since early development from fiqh and Maqasid Al-Shariah. However, the modern conventional banking and finance didn't aim for greater welfare of the society where interest is the main objective of banking and finance (Umair et al., 2017; Mukhlisin et al., 2022). In addition, many other aspects, which are prohibited in Islam, is the day-to-day practice of conventional banking, such as derivatives, uncertainty, and unconditional rewards, which is a gain without a risk. This situation had become problematic, resulting in large-scale financial crises since the early 2000s and most recently, 2007-2008 and 2023 when Silicon Valley Bank in the United States collapsed (Dan, 2023;

Khoo, 2023). While conventional banking consistently faced problems, including serious financial crises, Islamic banking products and services continued to expand globally with the mission of ethical banking, resulting massive progress within a short span of time. Though Muslim countries started to think about alternative banking, finance and economy that are in line with Shariah law dating back to the 1930s, the banking journey started in the 1980s. According several sources, the development of Islamic banking and finance began to develop in various phases (Umair et al., 2017; Mukhlisin et al., 2022). The first phase of Islamic financial activities was started during the pre-1960s in the postcolonial era when Muslims started to regain their identity and culture, including the economic sphere. The first formal criticism of interest in banking arose when Barclays Bank was raising funds for the Suez Canal construction. In the 1890s and 1923 interest free activities started in Southern India. The interest free activities were in the form of loans to the poor, and later on, an interest-free loan society was also established. In the 1950s the Islamic intellectuals and economists felt for an alternative to conventional banking and mainly used Mudarabah and Wakala based Shariah compliant banking (Yenice et al., 2022). After this period, Islamic banking started to shape in modern banking (Mukhlisin et al., 2022) establishing a series of banks in Egypt, Malaysia, and UAE. The first international conference was organised in Mecca, Saudi Arabia, during 1976 on Islamic Economics (IE). Subsequently, various Middle East, African and South East Asian nations started to develop Shariah compliant banking (Iqbal and Mirakhor, 2011).

Since the 1980s till the present time, IE has been developed substantially. According to the Islamic Financial Services Industry Statistics (IFSIS, 2022), as of 2020, over 500 Islamic banking institutions operating in more than 70 countries. As of 2022, the total asset level is 3 Trillion (S&P Global Ratings, 2023). In addition, many conventional banks now offer Islamic banking products and services as part of their banking operations. The global regulatory bodies started forming as mentioned in chapter two (table 2.6). As part of the rapid progress of IB, Islamic bonds (Sukuk) were also issued using the capital market in various Middle Eastern

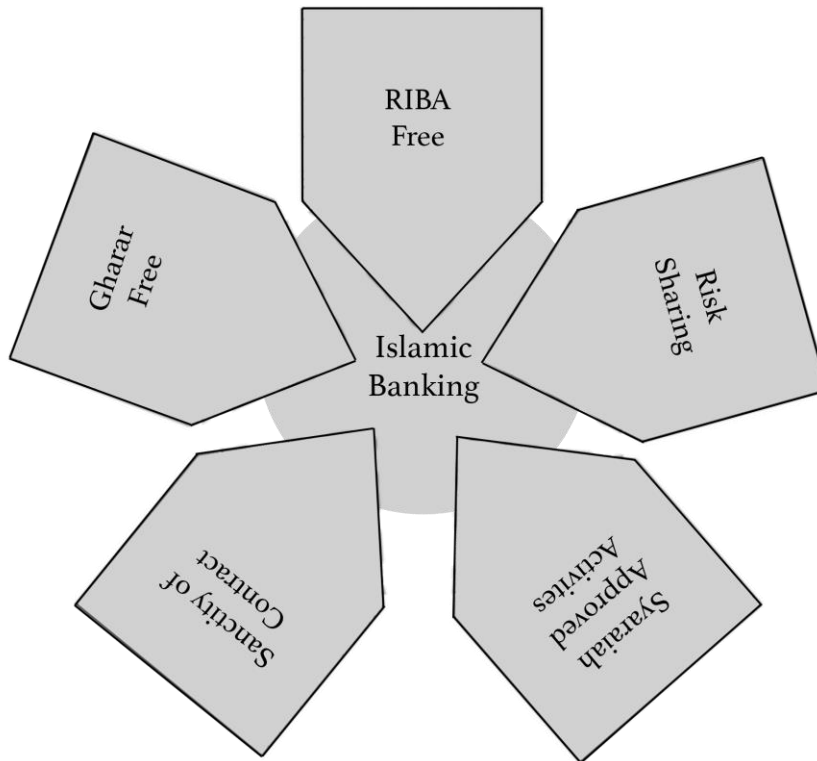
countries such as Bahrain, Saudi Arabia, Qatar, and the United Arab Emirates. From South East Asia, Pakistan also started practising Shariah compliant banking. Subsequently, HSBC began to IB operations as Global Islamic Finance, and later, many more conventional banks followed and served as an Islamic banking window. With tremendous success and expansion, regulatory bodies such as the Islamic Financial Service Board (IFSB) established the International Monetary Fund (IMF) to bring regulations in Shariah Supervisory Board (SSB) supported and various governance-related issues (Munawar et al., 2023).

3.2.5 Principles of Islamic banking and finance (IBF)

Islam or Shariah has established the principles of Islamic finance. There are a certain derivation of religion is a must for Islamic banking and financial institutions and their operational instruments to achieve long-term and sustainable development. This process aims for fairness in wealth distribution, safeguarding all parties involved in socio-economic activities and subsequently helps to bring social justice in banking, finance and moral economy. Therefore, Islamic principles follow religious principles and the force of conventional law to promote economic development (Simona and Allali, 2018).

While the Islamic finance are guided by the religious principles, however, its instruments of finance and economic models are well balanced and to fulfill the responsibility towards others without harming individuals, society or nature. IBF therefore, must deal with the real economy involving tangible products, share the risk involved by both parties regardless of the religiosity or other characteristics (Choudhury, 2018). The following figure helps us to understand that Islamic banking and finance are formed with the most fundamental principles are applied in any type of Islamic banking and financial activities, which are also the prohibition of riba (interest charging), prohibition of gharar (uncertainty), prohibition of haram activities (deemed harmful to individual and the society), implementation of profit and loss principles (PLS) and usage of tangible assets in banking and finance.

Figure 3.1 Principles in Islamic Banking and Finance



Source: Islamic finance, a practical perspective by Alam et al. (2017)

3.2.6 Critical Review of Islamic Economics and IBF

Discussion on Islamic Economics and its expansion is continued. In the wake of the failure of the conventional banking system, Islamic banking is growing to bring social justice in banking, finance and economy. However, Islamic Economics (IE) or Islamic Banking and Finance (IBF) are also not exempted from criticism. There is criticism in many areas in the current IB industry, ranging from products, services, staff, management and marketing. The opportunity cost of IB is enormously high (GIFR, 2020), and the Shariah ruling on products and services found differences between the countries in the Far East (i.e., Malaysia) and the Middle East (Bahrain and Saudi Arabia). The need for qualified staffs in many banking institutions are unable to explain Islamic banking objectives due to many employees are hired from the conventional banking sectors with limited knowledge on Islamic economics or the objectives of Shariah law (Rasool, 2018). In addition, the product's cost is higher than the conventional banks. The process of Islamic

banking products is lengthy, and many think Islamic banking products are similar to those of conventional banking (Ayyadi, 2018).

3.2.7 Summary

The above discussion suggests the importance and foundation of legal sources of Islamic economics that identify the fundamental roles of the social and economic developmental process. The consistent failure in the conventional banking system over several decades has destabilised the global financial industry (Dan, 2023). On the contrary, Islamic banking and finance as an alternative banking and finance gained considerable acceptance due to the fundamental Islamic principles (Rafiki, 2021). Therefore, it is imperative to embed the values of the Islamic system within the Islamic ontology and epistemology for undertaking any banking, finance and economic activities. Failure to embed Islamic values in the financial system may end up being the other side of the coin of the conventional banks where the sole objective is profitability. According to Avdukic (2016), "Any financial initiatives can only be effective in an environment where Islamic axioms such as *tawheed*, *adl*, *ukhuwah*, *masqasid* and others are employed to define the scope and substance of these activities."

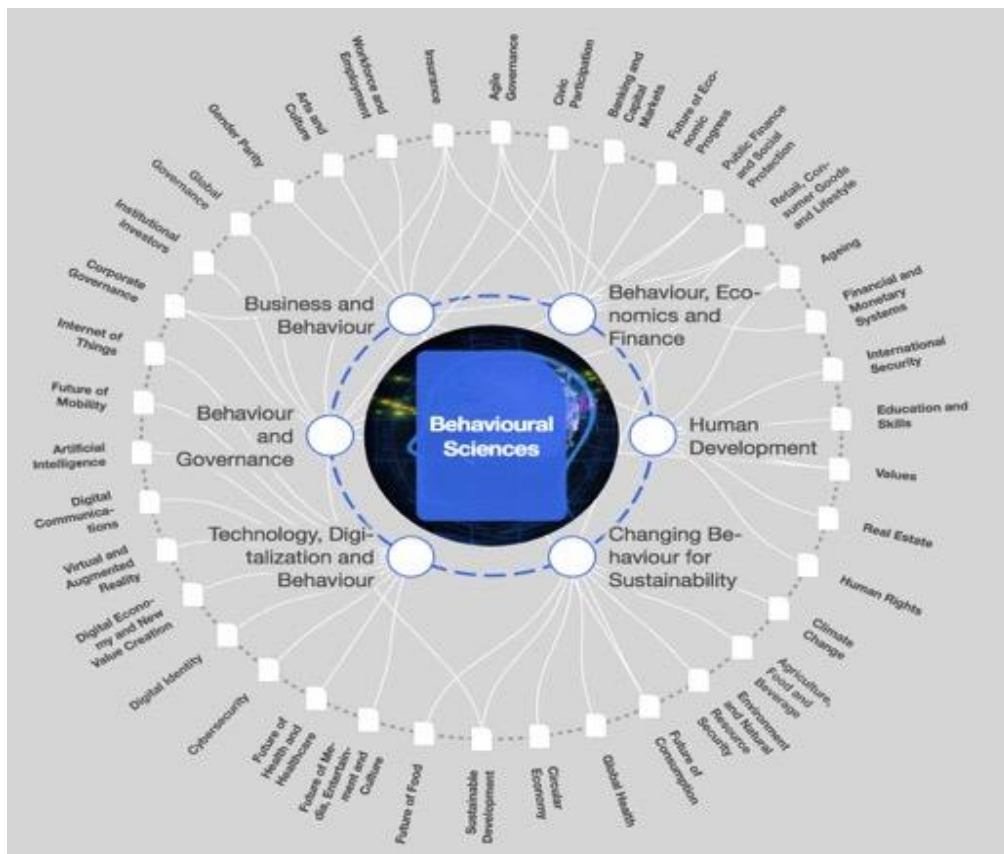
3.3 Consumer Behaviour: An Overview

The consumer behaviour theories and models are used in conventional banking perspectives. However, the intense competition and expansion of Islamic banking products and services, the current study will review various perspectives, theories and models of consumer behaviour and the factors influence consumer's decision-making process. Afterwards, this section will review the implication of consumer behaviour theories and models in the context of Islamic banking and finance.

The discussion on consumer behaviour started in the 1930s (Paz and Rodriguez-Vargas, 2023) when the concept of "economic man" was dominated during the 1950s in literature when economists and psychologists developed various models of consumer behaviour. Among them are the Pavlovian learning model, Maslow's motivation concept and the Freudian psychoanalytic model to find new information

on consumer behaviour. According to Paz and Rodriguez-Vargas (2023), researchers started to review factors other than mental and physical behaviour that have no economic impact. These factors greatly influence consumer decision-making before buying a product or service. These aspects have gained considerable attention in business and academia, which was discussed and reflected in the World Economic Forum (2016).

Figure 3.2 Behavioural sciences



Source: World Economic Forum (2016).

Although consumer behaviour discussion started in the 1950s and 1960s, a complete consensus on definition among scholars and experts has not evolved till now. Consumer behaviour patterns are far more complex in the present-day market situation (Ling et al., 2015; World Economic Forum, 2016). One of the reasons is that consumer needs and demands are frequently changing the

business world. Therefore, marketing and researchers found that what consumers prefer today might not choose the next day, which makes managers to struggle to cope (Kotler and Keller, 2016, Dibb, 2012) resulting wide gap between the consumers and providers.

The importance of understanding consumer behaviour to both businesses and academia is imperative, specially when it comes to the decision-making process. This process starts from dreaming, searching, evaluating, obtaining, and consuming the products or services. The following table informs the reader of the various phases of consumer behaviour theories and models developed over the past decades.

Table 3.1 Consumer behaviour phase

Consumer Behaviour Development in various phases			
Phases/Year	Theoretical pillars	Views about consumers	Limitations
1930-1940	Theory of Classical economy	Rationality in buying behaviour	Economic factors not involved
1950	Freudian model of psychoanalytic and Maslow's theories	Acceptance of external influence in decision making	Findings are subjective and lack formality in decision-making
1960-1965	Cognitive psychology and response model	Problem solvers, information processors	Limited theoretical conceptualisation.
1965-1970	Development of consumer behaviour	Use of cognitive knowledge in buying behaviour	Use of western trends of buying behaviour and process
1970	Theory of cognitive knowledge and principles	Individuals seek a correct decision on the product	Confidence in cognitive psychology and processing customer

(Kassarjian 1981)

buying skills

1980	Various kinds of consumer consumption	Cognitive decision-making (Zaichkowsky, 1991).	Development of methodological change
1990-2000	Development of cross-cultural theories	Development of interactive culture	New research methods see an enigmatic alternative

Source: Fotis (2015)

In these phases, researchers used all essential methods to investigate and find out other factors influencing consumers' behaviour and decision-making process in buying products and services. Danny et al. (2018) stated in their article citing Mason Haire's research "Shopping list" during the 1950s where deep insights provide that did not involve physical characteristics (Ling et al., 2015). According to the authors, psychological contexts present while developing marketing strategies to overcome marketing setbacks for products and services.

In progress with consumer behaviour research, during the 1960s, an important article titled "Marketing Myopia" by Ted Levitt emphasised the significance of "customer orientation" for marketing strategy development, which was acceptable, and probably the matter still exists in the 2020s (Ratchford, 2020). The progress continued to formative phase subsequently to Utopian Grand Theory Phase (Ling et al., 2015). This phase also started to use models, processes, and consumer behaviour concepts. There are a number of specialists contributed in these phases. Among Nicosia (1966) and Engel, J., Kollat, D and Blackwell, R. (1968) is a few key contributors. But Ling et al. (2015) found that even though recent consumer behaviour has progressed, it is not a new phenomenon, which existed

previously. However, the next phase, "The information processing phase", has significance in marketing management as researchers and marketers significantly emphasise how consumers think of a product and service and the processes until decision-making and buying take place.

3.3.1 Perspectives of consumer behaviour studies

In consumer behaviour and development, various perspectives are reviewed, such as the rationalistic, cognitive traits, and the experiential, behavioural and motivational perspectives. These perspectives use for analysing consumers' buying process. Many scholars (Lone and Rehman, 2017; Belwal and Al Maqbali, 2019) think that customer perspective are the key elements in analysing the performance of the financial brand and its products by customer knowledge, brand awareness, brand identification and brand attribution. Others, such as post-modern and interpretative perspectives, consider new perspectives to evaluate consumers' motives and behaviour at individual and group levels.

Under the traditional consumer behaviour perspective, customers tend to buy in a rather natural process, which also called utility theory (Ling et al., 2015) in which customer expects a positive experience. On the contrary, the cognitive perspectives enable customers to start searching, evaluating and decision-making process) evaluation is a process that enables researchers to find how cognitive perspectives work for consumers before the buying decision is in place. Therefore, investigation of these phenomena helps determine factors that influence such behaviour (Ling et al., 2015). This phenomenon gave cautious approval by scholars because this is at least helpful with information that can be used as an essential input to investigate consumer decision-making processes (Hosen et al., 2021).

If we review the behavioural perspective, the customer state of mind is already known, for instance; religiosity was found to have considerable influence on Muslim community to buy IB products and services (Wilson, 2019; Zaki and

Elseidi, 2023), however, Arwa (2018) cautious due to the increase of customers behaviour on the use of cognitive abilities. There are other types of perspective called experiential perspective in which it is not a not a prerequisite. Mukhlisin et al., (2020) added that preliminary information on the buying process should be available as a supplement to strengthen the position of decision-making and consumption, which is also a components of CRM that helps to gain competitive advantages.

The trait perspective enables a customer to buy products and services. According to (Wang et al., 2023), “businesses can launch more accurate marketing strategies for consumers who are shopping together, find ways to reduce consumers' attention to their own responsibility or fault and guide them to conduct external attribution to their impulsive consumption behavior.” This type behaviour is opposite of cognitive consumer perspective (Hosen et al., 2021). Even though this study was relevant to consumer traits, the personality perspective also focuses on discovering consumers' motivation, which is hidden.

The new consumer perspective consists of interpretive and post-modern viewpoints. The interpretative has its origin in phenomenology that social scientists use to understand consumers' certain traits of symbols and type of consumption stated in the qualitative research of Marsden and Littler (1998). On the contrary, the post-modern perspective is more focused, as consumers are unaware of any given previous information about behaviour they need to do. Therefore, researchers suggested conducting studies through multiple contexts instead of a factual environment.

The previous discussion analysed the cognitive behavioural perspectives, various contexts, and their limitations. However, critique (Mukhlisin et al., 2020) pointed out that the researchers couldn't contest the philosophical paradigm (Mercier, 2022) as an example of Customer Relationship Management (CRM) because the author finds various approach in support of cognitive techniques. Many authors, as well as

contemporary researchers, see the cognitive approach as rather complementary instead of considering it competitive (Ahmad et al., 2020).

Since, the consumer approach is not fully understood; therefore, this study suggests that a combination of various perspectives is more helpful in understanding how consumers make decisions. Secondly, in the context of methodology, a mixed-method is a more logical choice of research on consumer behaviour to avail the most beneficial outcomes (Saunders et al., 2018). The mixed-methods analysis enables researchers to use both qualitative and quantitative approaches to gather data from various perspectives than any single method, which is reliable for adopting a holistic approach to getting more neutral outcomes of the research (Creswell, 2018).

3.3.2 Models of consumer behaviour

There are various purposes for modeling consumer behaviour. However, i) theory construction and ii) learning facilitation is two essential purposes that are considered. According to Paz and Rodriguez-Vargas (2023), consumer behaviour begun with psychology focusing customers' attitudes and perceptions on various decision-makings and buying processes. The various behavioural models are developed based on different purchasing phenomena. Since then, consumer behaviour models have developed over 50 years based on the types of consumer purchases. The authors reviewed some of the most important consumer behaviour models out of 39 models that started from 1935 to the year 2021. The following table is presented to reflect some of the most discussed behavioural models, mentioning the Pros and Cons of the models.

Table 3.2 Empirical Evidence of Consumer Behaviour Modeling (1935-2021).

Model	Author	Findings	Pros	Cons
Economic Behaviour Model	Gabriel Tarde	Desire and Belief result in buying	One of the effective attempts in the	Belief tangentially is the only

		behaviour.	20 th Century to explain economy	consideration is a shortfall of such a model.
Consumer Behaviour Model	Nicosia, 1966	Systematic way of understanding of consumption from buying to consumption.	Intentional behaviour is used for the first time.	Consumers' internal factors were not considered, i.e., the brand before consumption.
Consumer Behaviour and Decision-Making Model	Engel, Kollat & Blackwell, 1968	Products input, Information, and decision of purchases.	One of the remarkable concepts to of consumer behaviour.	They are considered as too technical to understand consumer behaviour.
Theory of Reasoned Action Model	Ajzen and Fishbein, 1980	Intention is influenced by the behaviour and perceptions	Factors considered which are occasionally envisaged	Lack of ability to predict behaviour
Consumer Decision Model	Howard and Sheth, 1989	Seven elements that start to experience purchase.	It provides step-by-step understanding of the individual buying process.	It may not have the power of predictability.
Theory of Planned Behaviour Model	Ajzen, 1975	Use of internal cognition	Empirically found valid	Fewer variables and insufficient explanation of relationships.

Consumer Decision-Making Process Model	Blackwell, Miniard & Angel, 2002	Some determinants influence buying behaviour	Information on internal and external forces and influence for the buying process	Stimuli of marketing influence
Purchase Behaviour Model	Kotler & Keller, 2016	Four variables such as price, products, communication and distribution influence in addition to others.	They are considered as the black box of the organisations.	This only occurs in time of a complex decision-making and buying process.
Compensatory Consumer Behaviour Model	Mandel, Rucker, Levav & Galisky, 2017	Five strategic models that consumers use to compensate on the buying process	Influence of mediation in buying process	Cons are about regulating discrepancy in consumer personality
Green Purchase Behaviour Model	Gilal, Chandani, and Channa	Influence of regulations inspire consumer to be environment-friendly	Influence of motivation on the environment	Not all consumers think of the environment.
Consumer Online Purchase Intention Model	Vasilica-Maria, 2021	This theoretical model has indirect relations with other variables from	Referenced this to most studies	Variables having influencing moderations.

		search to purchase.		
--	--	---------------------	--	--

Source: Authors compilation of literature, adapted from Paz and Rodriguez-Vargas, (2021).

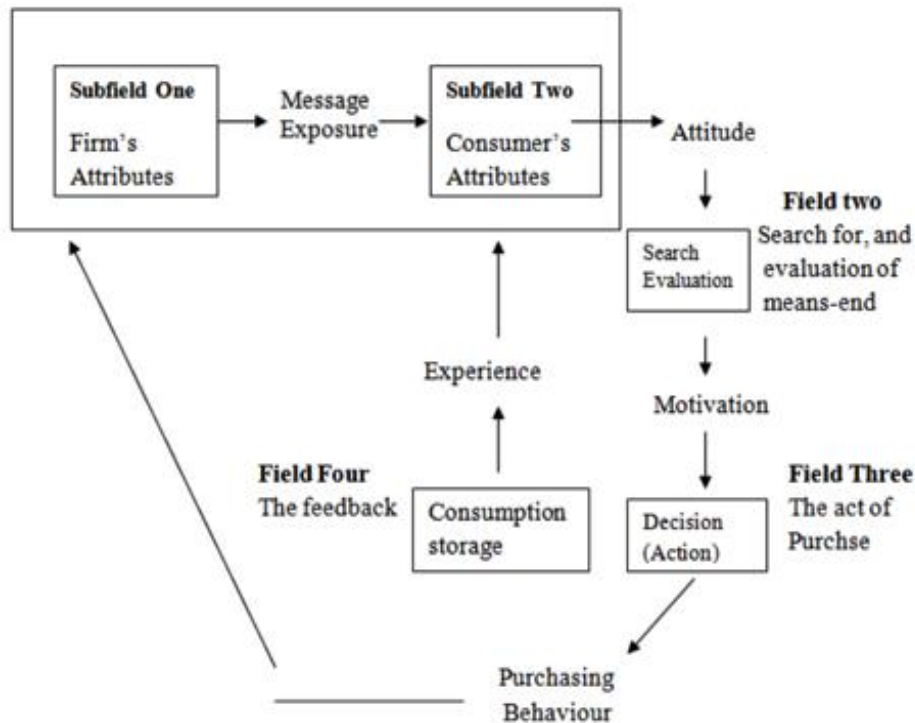
Parasuraman et al. (1985) first attempted to conceptualise and determine various service quality levels (SERVQUAL), which was a logical and straightforward way of representing reality. Consumer behaviour changes over time, even during one buying process, and models help to determine the consumer's approach to buying products, understanding and beliefs, which are the factors that help researchers understand the decision-making process and buying behaviour.

The other model described as "multivariable" originated from multiple disciplines as the Nicosia or Aristotelian model. This model is between the micro and macro models as both cover each stage of consumer behaviour in various marketing setups. The first classification suggests that consumers emphasise decision-making processes before and after purchasing because mental activity occurs before and after a purchase. In the second classification, after purchase, knowledge is developed. The buying behaviour theory is called Nicosia, The Engel, Blackwell and Miniard model of consumer behaviour. The following section explains the details of the Nicosia model.

Nicosia Model

Francesco Nicosia (1966) developed this model during the 1960s, suggesting four distinctive decision-making behaviour components. The figure 3.3 shows the attribute of firms in field one in which firms makes message communication. The same communication messages from the customer concerning the company or product instigate from communication messages. In this process, attributes reflect in the output box, which eventually becomes the feedback, which reflects in field two prompts to explore further. These fields analyse information to evaluate it; if a

Figure 3.3 Nicosia model



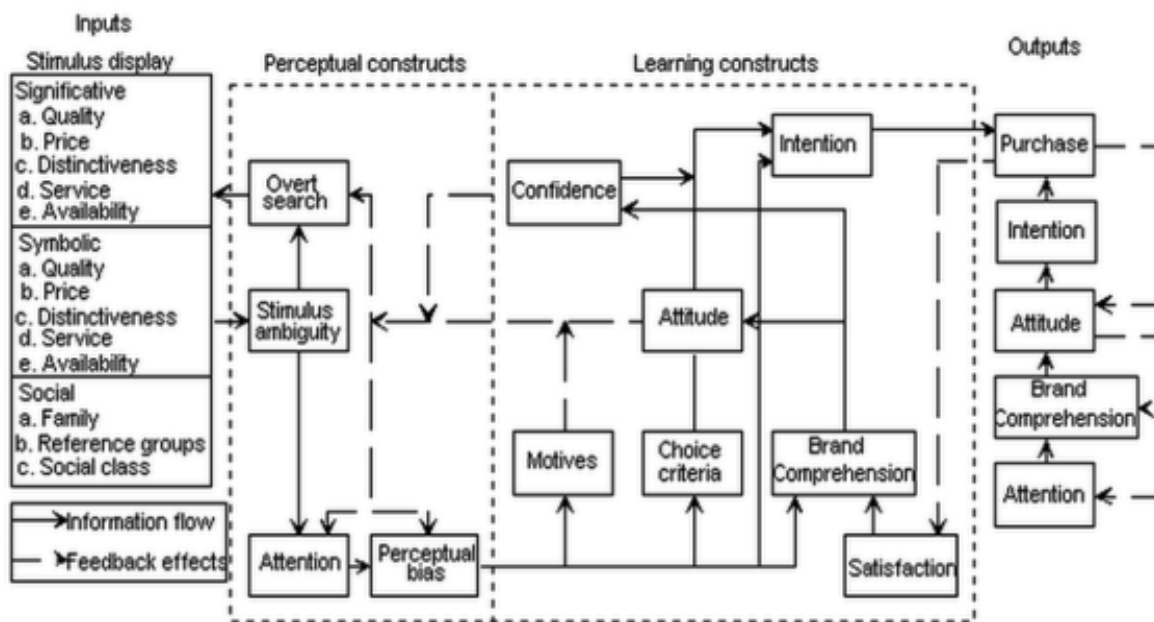
Source: Francesco Nicosia (1966)

customer finds the product they bought is up to the expectation and satisfaction, the consumer continues to believe and accept. This process continues to field three, which Nicosia (1966) labelled as field four. At this stage, there are two impending outcomes of customers' product consumption. Firstly, the company receives the evaluation of buyer behaviour and secondly, as a result of decision-making to buy a product and consumption and experiences, there could be a positive or negative evaluation from the consumers and, therefore, could see buyer change their mind of the products and services (Darley et al., 2010). This is inevitable mainly because of the customer's susceptibility to the development. This model is also not free from critique because consumer's decision-making process is very limiting as the consumer proceeds with decision-making without the propensity of the firm or its products (Hosen et al., 2021).

Howard and Sheth model

Howard and Sheth (1969) proposed the theory of buying behaviour. This theory explains buyer behaviour in a specified phase. This theory appeared to be focused on brands and brand choices but considering a wide range of other factors associated with this theory, Howard and Sheth named it the "theory of buyer behaviour" presented in figure 3.4.

Figure 3.4 Howard and Sheth model



Source: Howard and Sheth (1968).

In this theory, Howard and Sheth (1968) suggest four key variables as Input, hypothetical, exogenous and output variables, where input and output variables, which originated from perceptible reality, are considered as intervening variables. The concept of hypothesis is deduced from principal variables to understand and read the rationality of buyers that lead to the decision-making of buying. The final construct, an exogenous variable, is also a state of the indirect impact of buyer intention, which influences decision-making. There are three variables and three

types of motivations derived from marketing activities including the significance in marketing, symbol and social environment (Howard and Sheth 1969).

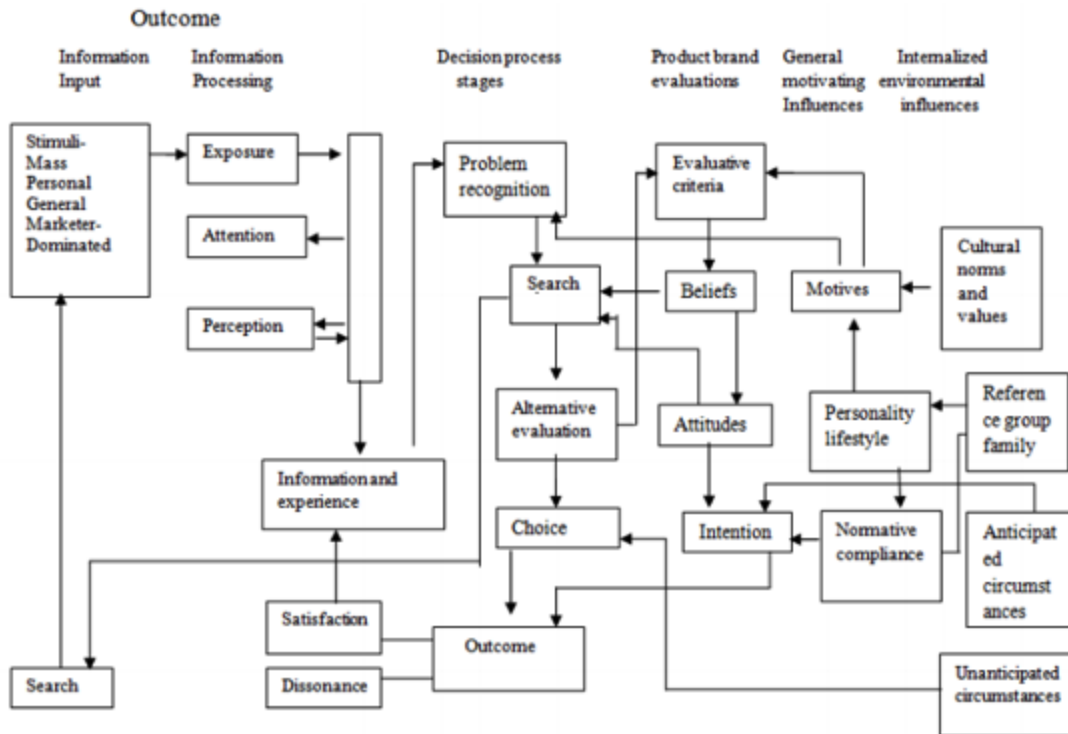
3.3.3 Buyer decision-making process

Engel, Kollat and Blackwell (1968) first developed the concept of the consumer decision-making process (CDP), which Loudon and Della-Bitta (1993) explain. Since then, the number of modifications and revisions has shaped the concept into one of the most popular consumer behaviour studies. The CDP model indicated in the literature as Engel-Blackwell-Miniard provides ample background to understand concepts and associated variables of consumer behaviour.

The analysis and literature suggest Howard and Sheth previously stated that the CDP recognised the extent of involvement in various problem-solving behaviour. The extended problem-solving (EPS) behaviour with satisfaction makes a consumer loyal to the brand, while Low Problem Solving (LPS) involvement considers a low risk. Without search criteria and motivation, a buyer with LPS involvement continues repurchasing the same brand due to inactivity and demotivation. Initiated EPS due to the influence of the environment and various individual distinctions that caused individuals to know how a brand performed during and after the purchase, and then when buyers attempt to identify the similarities and differences about the perfect state, then only a need and wants are recognised by the buyer. Once the consumer acknowledges the requirements, an internal search should initiate for the information. If there is insufficient information or knowledge, then a further investigation involving current market trends and a review of various products and their merits and demerits to reach a conclusion indicating the information process model of McGuire (1976), cited in Engel *et al.*, (1995). Suppose the consumer found in any sense from the inward incitements or motivation enabling the consumer to further adds meaning with it to gain understanding.

Nonetheless, the most important aspect is if the buyer accepts this process by getting the persuasion. At the end of this process, buyers use acceptance stimulus information for future dealings during the pre-purchase stages, though this doesn't reflect in the model presented by Blackwell (2006), which is self-explanatory.

Figure 3.5 Blackwell model



Source: Blackwell et al. (2006)

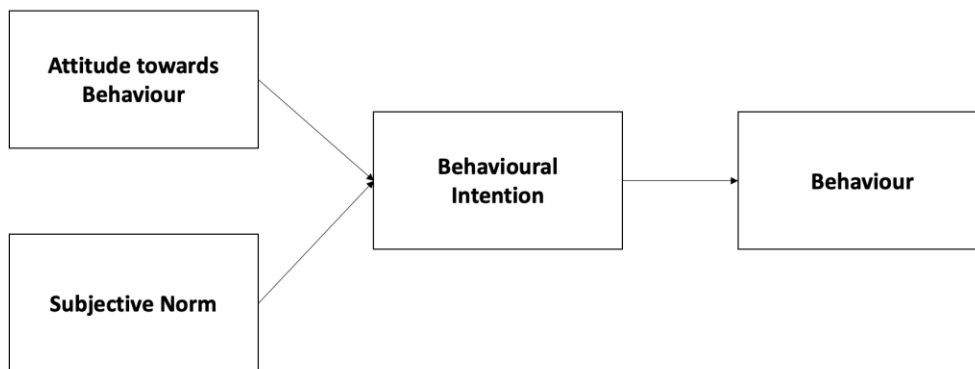
Various factors from the environment and individual process of evaluation of CDP often influence the consumer; in this context, the buyer reviews and evaluates other alternatives before selecting any brand that ends up with a purchase. The usage and post-purchase evaluation are complete considering pre-purchase expectations. If the brand can meet the pre-purchase expectation, then there is satisfaction; on the other hand, if the expectation doesn't fulfil, there is dissatisfaction. In both cases, the evaluation comes from the consumer and updates on the future alternative evaluation by the model suggested. This model is mainly applied when consumers are unsatisfied with the pre-purchase expectation,

which leads to an external alternative search. The divestment stage began, and consumers attempted to dispose of it in various ways (Blackwell et al., 2006).

3.3.4 Analysis of Theory of Reasoned Action (TRA) and the theory of Planned Behaviour (TPB)

According to Fishbein and Ajzen (1975) Theory of Reasoned Action (TRA) is an alternative consumer behaviour theory in which declare the desired outcome before a decision-making process of buying products or services (Joshua et al., 2018). Therefore, TRA patronage predicts consumer behaviour (Deborah et al., 2019). The following figure from Fishbein and Ajzen (1975) best describes TRA.

Figure 3.6 Theory of Reasoned Action (TRA)

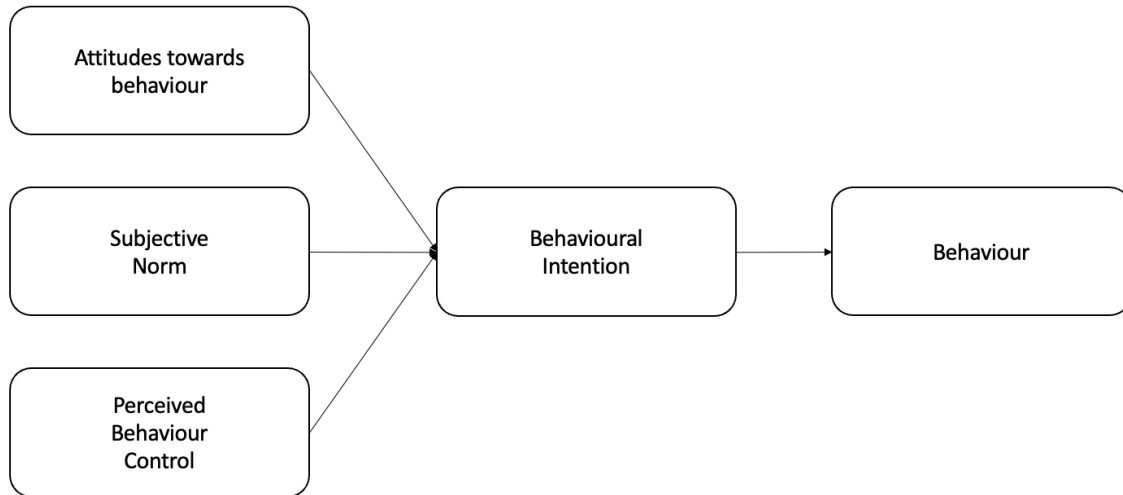


Source: Fishbein and Ajzen (1975).

TRA became one of the discussed theories in marketing and consumer behaviour as TRA enable a person to guide the attitude towards behaviour, which makes any products and services a competitive advantage when TRA is positive towards behaviour or a disadvantage when TRA is negative (Ajzen and Fishbein, 1980). However, many authors (Martensen and Gronholdt, 2016; Otieno et al., 2018) suggest revising it more efficient by considering cultural diversity, as TRA is more

in the perspective of consumer behaviour related to western consumers. Therefore, socio-economic circumstances are necessary (Zhang et al., 2020). Due to the limitations, Ajzen (2015) introduced the extension of TRA called the Theory of Planned Behaviour (TPB), referred in the following figure.

Figure 3.7 Theory of Planned Behaviour (TPB)



Source: Adapted from Ajzen (2015)

TRA and TPB use in many research associated with Islamic banking and finance due to the nature of the behaviour that exists in terms of religiosity and ethical perspectives in business (Zinser, 2019; Raza et al., 2020; Effendi et al., 2021) hence it is imperative to mention while analysing consumer behavioural models.

3.3.5 Consumer behaviour in the Islamic Banking industry

After reviewing the discussion on models and perspectives in the context of the IB industry, this research will understand how it evolved and progressed since its inception. The current study may not consider any single philosophy or model for designing the theoretical frameworks; instead, it would connect with consumers of Islamic banking and finance in the community wherever applicable. This communication will explore areas of consumer behaviour theories and models that apply because of the ideas, and the literature suggest that the consumer behaviour

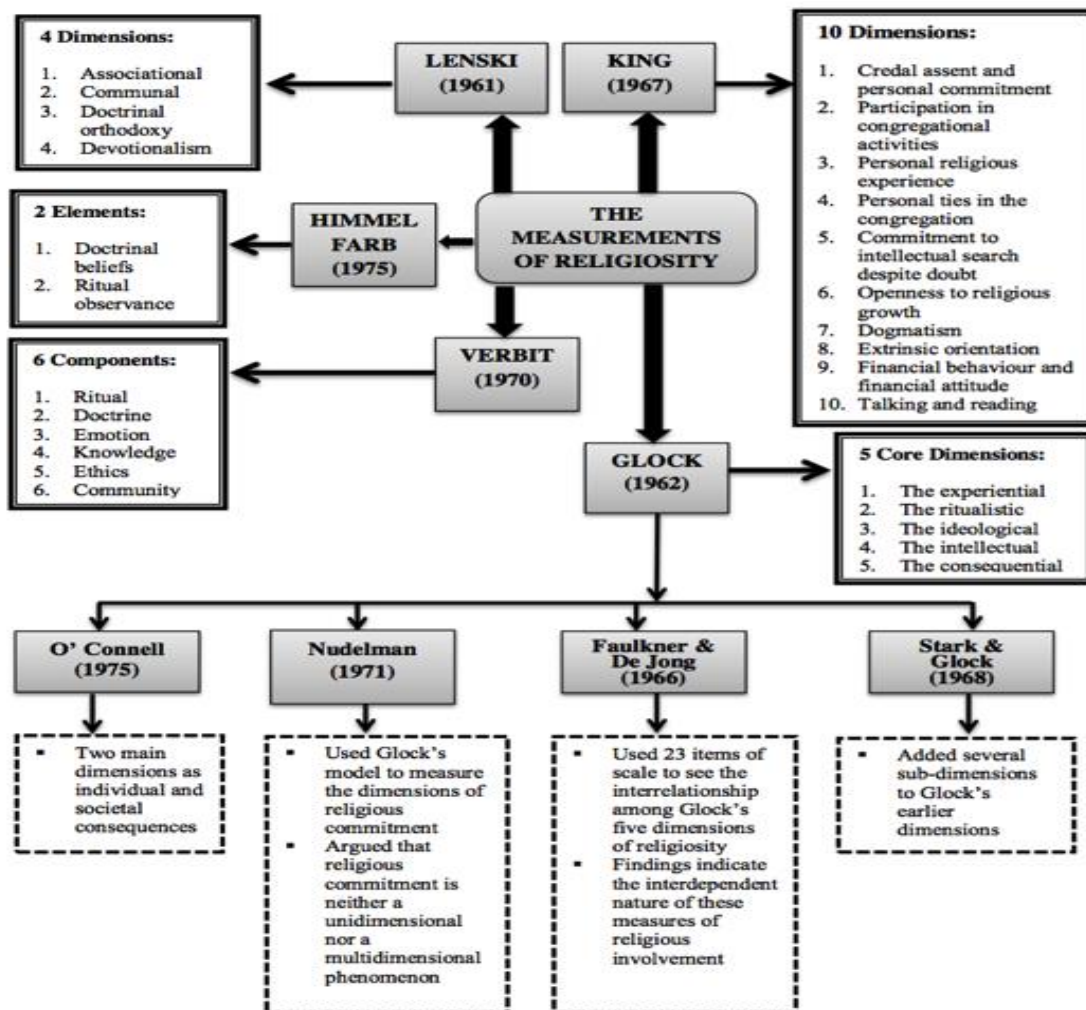
models, perspectives and approaches are used in a particular context and not in any specific context in Islamic finance and banking for various reasons such as religiosity (Housby, 2013). The current research aim is to review the behaviour and use of consumer relationship management theories, which will help add knowledge to consumer behaviour literature. On the other hand, the banking institutions will take note and attempt corrective action.

Previous studies highlight in the literature review (Chapter 2) that in this competitive global market, the behaviour of customers is changing rapidly. In addition to religious beliefs in which customers are more concerned about the quality of products, consistent customer service and digital marketing systems are critical criteria that today's consumers prefer and choose banks accordingly. The discussion in chapter 2 states various demographic variables such as wealthy individuals, education, and higher salaried persons compared to low salaried persons who tend to choose Islamic banks over conventional banks. The diverse product offering also attracts customers, and within a few decades of operations, Islamic banks emerged as the fastest growing banking across the globe (Wilson 2009; World Bank Group, 2018). This development is significant because Islamic banks elaborate on and educate customers about the principles with full clarification of products that comply with Shariah principles as many Muslims prefer to bank with Islamic banks.

The Muslim religion is different from the tradition of Judeo-Christian as Islam considers both spiritual and material life as not separate and thus drives Muslims to be caused by their culture (Jamaludin, 2013). As religiosity exists in most societies, it may depend on religion's level of practice. Therefore, Muslims living in Muslim countries are not necessarily very religious and vice versa when compared with Muslims living in non-Muslim countries and practising religion at their best level. They tend to follow religious guidelines in all spheres of life (Jamaludin, 2013). Research suggests (Mukhtar and Butt, 2012) that Muslim consumers are more focused on the products and services that align with the principles of Shariah

law (Islamic law). In connection with the above, compared to other consumer behaviour perspectives, models are less applicable when applied to the Theory of Reasoned Action (TRA) and Theory of Planned Behaviour (TPB) when Muslim's attitudes towards products and services are pre-defined due to religiosity (Housby, 2013). However, when religiosity is less, then both TRA and TPB are not a fair argument to conclude the effectiveness of the theories. In line with the above discussion, scholar such as Salleh (2012) proposed the following figure that there are five constructs "consumer belief, knowledge, practice, experience and consequences" when any of the categories become high, the religiosity also becomes high.

Figure 3.8 Religiosity measurement dimension



Source: Salleh (2012)

3.4 Analysis of Customer Relationship Management (CRM)

3.4.1 Introduction

This section aims to review the CRM frameworks and the application of the research under study. The previous section has reviewed Islamic Economics (IE) and the most relevant models and theories of consumer behaviour to understand how the consumer acts and the factors influence customer's decision-making processes. For instances, the idea of planned behaviour in the IB industry which enable many Muslim customers to choose IB products due to the influence of religiosity. On the other hand, implementation of CRM affect consumers' minds positively towards a products and services because effective CRM process helps IB to reflect the requirements of customers needs leading to competitive advantage. In this research, the operational or functional component of Consumer Relationship Management (CRM) will connect to answer the research questions and help to solve problems that Islamic banks are experiencing in the current market and competition.

3.4.2 Definition of Customer Relationship Management (CRM)

Since the 1990s the use of Customer Relationship Management (CRM) has been started, and many authors have attempted to define the CRM domain. However, a clear consensus yet to be reached among the organisational experts, marketing consultants and academic scholars (Nwankwo and Kanyangale, 2023). The acronym of CRM is also found in the contest, for instance, some would interpret it as 'Customer Relationship Management' while others would understand it as 'Customer Relationship Marketing' and technology-based companies would brand them as a 'software application' to support various function of an organisation (Buttle and Maklan, 2019).

According to Kotler and Armstrong (2018), “CRM is a total data management activities and the establishment and maintenance of profitable customer relationship through the provision of superior customer value and satisfaction”. Soltani et al. (2018) defined CRM as “an enterprise strategy that enhances customer attraction, retention, loyalty, and profitability by comprehending and influencing customer behaviour through efficient interactions”. CRM is a means to develop relationship with customers to gain competitive advantages over rivals using customer oriented services, managing knowledge with friendly service members and using of up to date technology. According to Alhakimi and Ghaleb (2019), “CRM is the process of gathering and analysing information about a company’s interaction with customers to increase those customers’ value to the company. It is imperative to mention that many believe CRM differently, which is confusing to the readers, and therefore, the following are the misconceptions about CRM outlined by Buttle and Maklan (2019).

3.4.3 Misconception of CRM

1. CRM is a database to support sales and marketing.
2. CRM is a marketing tool.
3. CRM is an IT issue
4. CRM helps to develop loyalty among customers
5. CRM can be undertaken by any organisations.

Buttle and Maklan (2019) defined CRM as “the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high-quality customer-related data and enabled by information technology.” There are several types of CRM that exists in the literature. However, Buttle and Maklan (2019) have suggested the three most important types of CRM as the following:

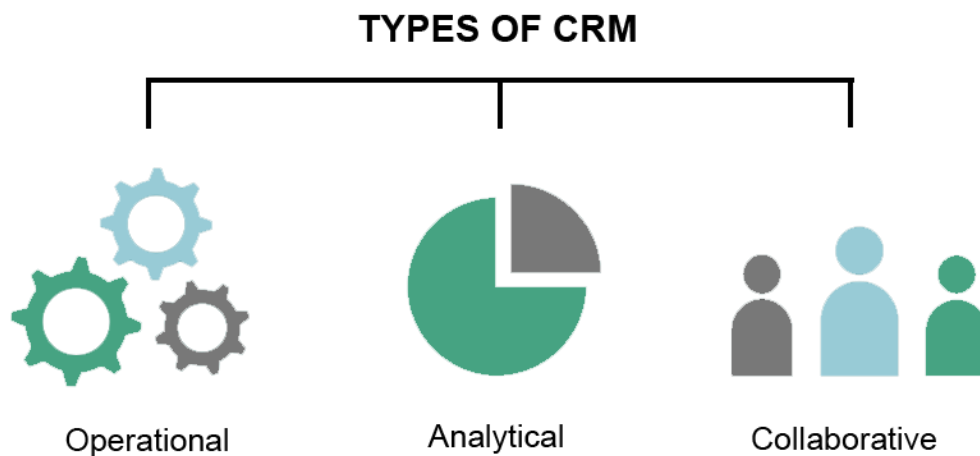
1. Strategic CRM: Under this CRM, businesses are focused on core customers by providing the best possible products and services to keep them satisfied

and loyal and gain competitive advantages over their competitors (Kotler, 2016). Using strategic CRM, the firm becomes customer centric in which everything focuses on how customers can be happy and delivers outstanding services for customer satisfaction (Buttle and Maklan, 2019). Most company's vision and mission claim that they are customer centric and aim to satisfy customers because all companies are made to be profitable and successful (Kotler and Keller, 2016). Therefore, strategic CRM helps customers to improve their knowledge while the company develops effective strategies to gain customers by addressing their needs and the customer become loyal (Soltani et al., 2018).

2. Operational CRM: This CRM uses functional or operational components of business operations aiming to automate customer-facing processes such as products, services, staff, management and marketing. In this study, the main theoretical frameworks are used using operational components of CRM in the context of Islamic banking in two selected case countries. Therefore, the subsequent discussion of operational CRM, its structure and how it is relevant to the IB industry to bring IB products and services positive experience and satisfaction, which is the main objective of CRM (Rafiki, 2019).
3. Analytical CRM: Under this CRM, organisations transform customer related data for tactical or strategic purposes. In an enterprise, customers related data are stored, including the history of purchases, history of payments, customers' credit scores, marketing campaigns involving customers' opinions and customers' feedback on services. These data are later used in a structured way and kept in a database for analytical purposes, for instance, which customers are most loyal to the firm's products and services. In addition to this customers may switch to rivals. In the early 2000s, we saw the emergence of data called 'big data'; however, in only a few years, businesses have been fond of them (IBM Website, 2023).

Buttle and Maklan (2019) suggested another type of CRM, mentioning it as a 'social or collaborative CRM', which is mainly used by technology-based companies as a solution and tools to sell their products and services. They are using social media platforms. This data are unstructured and attempt to develop relationship between the companies and customers. However, the three CRMs discussed above remain the fundamental CRM in literature. The following figure illustrates the types of CRM adapted from Buttle and Maklan (2019).

Figure 3.9 Types of CRM



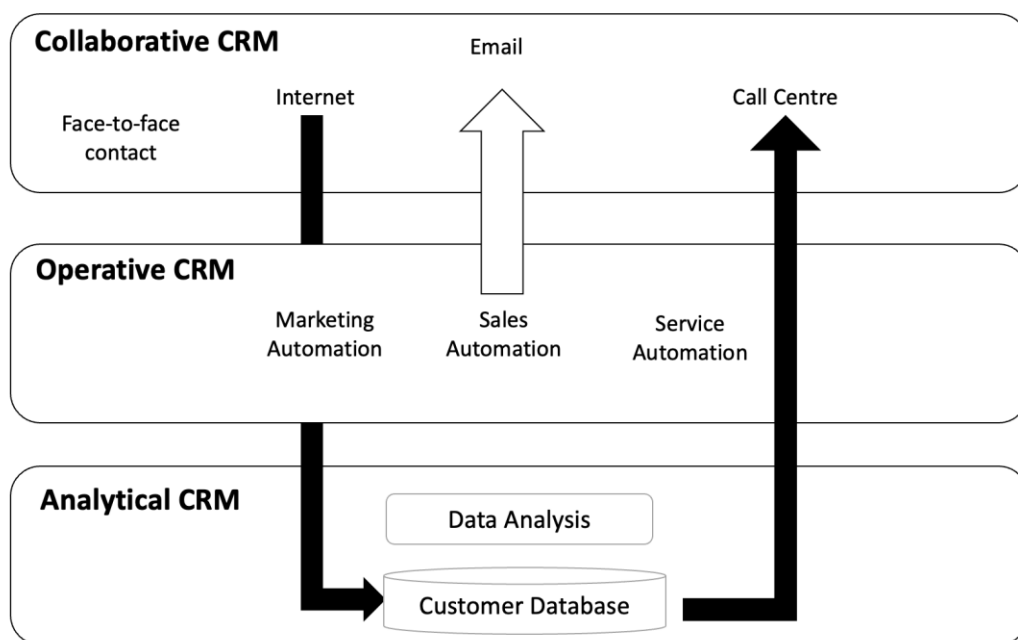
Source: Adapted from Buttle and Maklan (2019).

The current study will focus on operational CRM. Therefore, the following discussion will focus on it in the context of IB with theoretical and empirical evidence.

3.4.4 Operational Process of Consumer Relationship Management (CRM)

The previous discussion on CRM including operational CRM is explained the definition and scope. The marketers and scholars are trying to bring different CRM for different issues related to customers. However, scholars found a common way to use CRM to gain financial, marketing, strategic, operational, and organisational success (Soltani et al., 2018; Rafiki, 2019). The processes pass through strategic, operational functional, and analytic CRM. The following chart helps understand the cycle.

Figure 3.10 CRM cycle



Source: Adapted from Hadjon et al. (2016).

According to Buttle and Maklan (2019), data from analytical CRM is typically analysed and managed, which supports new product development and understanding customers' behaviour and predicting accordingly. The front office marketing and sales activities involve operational CRM, while data collected face-to-face and online, and call centres are collaborative CRM. Therefore, analytical CRM became an important part of implementing the CRM (Soltani et al., 2018). These CRM processes are discussed in the following automation process:

Following table illustrated from Buttle and Maklan (2019) to understand the scope of operational CRM and the usage of various organisation activities that helps to integrate operational CRM.

Table 3.3 Operational CRM

Automation	Processes
Marketing Automation	Campaign Management, Event based marketing Marketing optimisation
Sales Force Automation	Account management, Lead management, Opportunity management, Pipeline management, Contract management and Proposal generation, Product configuration.
Service Automation	Case (Incident or issue) management, Customer communication management, Queuing and routing, Service level management.

Source: Adopted from Buttle and Maklan (2019)

3.4.4.1 Automation in marketing using CRM

Marketing Automation (MA) is the process for marketer to use CRM data, which allow evaluation, execution and targeting of customers of various segments. This type of campaign integrates the communication using multiple engagement channels such as use of promotional activities to attract customers with positive attitudes and perception towards the brand. Event campaign also plays a part in enhancing promotional marketing because communication takes place during marketing, even with the potential customers. There are also strategies to integrate customers' relationships and engage customers. For instance, when a customer contacts a bank by phone and inquires about certain products or services, the bank operator or service staff can understand that the customer may be looking it to compare with other offers. This type of marketing is also possible business to

business, for instance, supplier communication when a business customer informs about a change in their contact lines (Buttle and Maklan (2019)). Another type of marketing is also called 'real time customers' who surf the company website or social media sites, and this allows companies to compile data from the customers and also review and analyse their behaviour and enable the company to understand their choice of products or services and can be offered accordingly.

3.4.4.2 Automation in sales using CRM

According to Buttle and Maklan (2019), Sales Force Automation (SFA) is now imperative for most organisations to gain competitiveness in sales and business environments. SFA act as the heart of the company's management for sales support activities using technology. There are various levels and stages in the automation process, such as leads in generation, qualification, nurturing, identifying of needs, specification development, and development of business proposal to presentation and negotiation until completing the sales process successfully (Rafiki, 2019). In this type of automation, support is included for all kinds of customer interaction, especially with individual customers starting from planning and execution during sales activities. This process is how data is reviewed and utilised for future planning, which eventually helps gain competitive advantages over rivals (Kotler and Keller, 2016). SFA also allows organisations to track customers while offering and negotiating till sales closure, and therefore, automate the sales. Another vital aspect is customer contact data management, in which companies can automate customer automated dialing, and manage the sales staff's calendar and other online communication activities.

3.4.4.3 Automation in services using CRM

This type of automation helps evaluate various services, product monitoring and process structuring to avoid hurdles. In addition, forecasting and cautionary steps help remove barriers under this automation process. CRM's main aim is to retain customers through their feedback. According to Litvin et al. (2018), customers' feedback is collected systematically, categorised, and processes all complaints

through the CRM system. In support of this (Litvin et al., 2018) added that this is the way to identify the communication gap with the customers, which helps to reorganise and reconnect with the customers effectively. This process could be through any customer communication channel, such as using a call centre, counter service centre, field offices and online. Service automation also helps companies integrate customer communication from all channels into one single point. This prompts management to review and analyse the customer and their needs. For example, the same customer can send an email, and when they are hurried, they may call customer service to follow up, which enables customer service department to understand and deal with the customers efficiently. This process also helps customers to understand the process and become educated in the nature of the products and services they inquire about. On the other hand, call automation is also a significant improvement for organisations; the customer can interact with the computer system and be guided to the right person to contact. For instance, the option of pressing the key 1 will take the customers to the service centre that enable the customer to inquire about the information that is needed.

The empirical study by Lebdaoui and Chetioui (2020) among 247 managers both from Islamic banks and traditional banks in Morocco found that service quality contributes by mediating in the practices of CRM in developing the performance of the Islamic banks which also confirms the result from previous similar studies by Akroush et al. (2011) where that has also indicated and validated that CRM helps to improve organisational performance thus help the banking industry to gain competitive advantages.

3.5 CRM frameworks

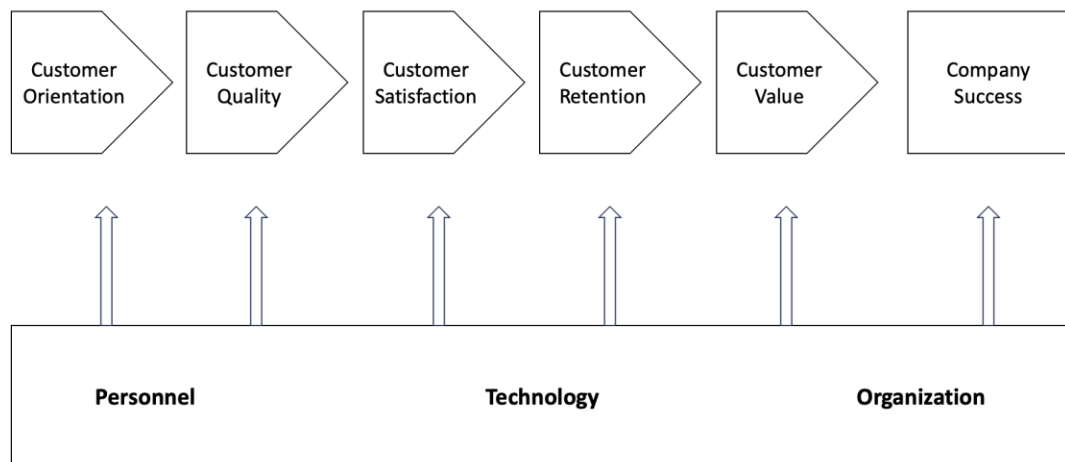
According to Buttle and Maklan (2019), frameworks of CRM can explain different responsibilities and execution processes. Many scholars attempted to describe CRM and its functions among five frameworks, such as developing and creating effective strategies to enhance values through multiple channels for integration, managing information and finally, enabling it to review the overall performance management (Payne and Frow, 2013; Antonio, 2019). Technology and data in

business play the most critical part in creating economic values for the firm, while consumers are loyal to the organisation. According to Gerhard Raab et al. (2016) explains the process and various stages of CRM as per the following:

1. Customer orientation
2. Product quality
3. Customer satisfaction
4. Customer retention
5. Customer value
6. Company success

The author explains that the above stages are supported by the organisation using the skilled personnel and technology (see figure 3.11).

Figure 3.11 CRM process and stages



Source: Adopted from Gerhard and Raab et al. (2016).

CRM collect and develop a database with every detail of the information of consumers. This database helps to determine consumers' needs and how they can meet customers' demands. This database is beneficial for the marketer to address

the concerns and therefore succeed in fulfilling customers' needs. In line with this understanding, four different CRM models consist of identifying customers, differentiating them, interacting with them, and then customising their needs and wants (Buttle and Maklan (2019). Following are the four steps presented below:

3.5.1 Identification of customers

CRM's main aims are to identify all levels of customers (New and old). Subsequently, compile their information, such as preferences of products and services, which is essential for the marketer and organisation for them to develop the strategy to serve better in future with more confidence as the organisational success depends on how the consumer responds to their products and services, positively or negatively? According to Rafiki (2019), various marketing channels and contact points use to collect the information. Buttle and Maklan (2019) opined that they undertook the process to ensure that revised strategies consider consumers' requirements.

3.5.2 Differentiation of customers

According to Kotler and Keller (2016), banks compete with differentiation factors of their products and services. These approaches focus on critical areas such as efficient and faster services, which are easier to execute using up-to-date technology (Rafiki, 2019). The products, services, prices, and the brand become unique when such approaches are holistic (Buttle and Maklan, 2019).

3.5.3 Interaction of customers

Organisations use technology and collect customer feedback from various channels for their products and services (Hermenegildo et al., 2019). The aim is to develop an organisational strategy to address customers' attitudes and perceptions. The feedback enables organisations to review and identify the problems and the customers' needs and wants (Rafiki, 2019). According to literature, Islamic banking sectors face numerous criticisms in which such activities are absent on many occasions and face growing challenges among Muslim

customers while unable to attract other customers searching for services that comply with Islamic law. Therefore, IB is in greater need of CRM establishment to address the gap between consumers and banks (Hoque, 2018).

3.5.4 Products customisation

To address this feature, the firm must consistently bring innovation with unique features of their products and services while keeping customers engaged through business interaction with the wide range of marketing channels (Gil-Gomez et al., 2019) so customers' needs and wants can be accommodated (Rafiki, 2019).

Table 3.4 Purpose of CRM

	Identification	Differentiation	Interaction	Customisation
Source of benefits	Clean data about single customer view	Understanding the customers	Customer satisfaction and loyalty	Customer satisfaction and loyalty
Benefits	Help sales force for cross selling	Cost effective and direct marketing helps to reduce costs	Cost effective customer services	Lower cost of acquisition and retention of customer maximise share of profitability

Source: Adapted from Nwankwo and Kanyangale (2023).

3.6 CRM components and challenges

The framework and components are similar to a basic understanding of the consumer relationship, which starts with identifying customers, understanding their feedback, developing strategies to address customers' input, and managing and maintaining the relationship by developing various contact points of customers. This process is vital for gaining customer trust for products and services.

The behaviour of consumers is measured by reviewing consumer attitudes and expectations and post usage of products and services. CRM also examines the strategy and effectiveness from various angles. For this, the firm needs to consider

sales, profit margin, and retention of new customers, the defection of old customers, and most importantly, customer complaints (Antonio, 2019; Rafiki, 2019). The following table helps to understand how CRM is measured:

Table 3.5 Measures of CRM

Measures of CRM	
Common measures of CRM	Behavioural measures of CRM
Revenue	Perception / Attitude
Return on Investment / Profits	Understanding / Expectations
Share of Market	Perceptions of quality
First-time customers	Dependent on fulfilling the promises
Defecting customers	Dependent on customer feedback
Timeline of service	Identify the customer's need
Handling of customer complain	Customer retention

Source: Common Vs. Behavioural CRM measures (Created by the author)

After a careful review, this study considers a few main components that match the research aim and objectives, such as customers, products, services, management, strategy, and technology as a theoretical basis of the research. While the behavioural models and decision-making play a vital part in this research, CRM components analysis will be able to understand how the main components of CRM would bring customer satisfaction. This process creates and develops a relationship between consumer and brand to be more sustainable in this highly competitive business world (Buttle and Maklan, 2019). CRM components will add value to the process and enable the firm to understand customer feedback and meet them by innovating products and services.

Based on the existing literature, the components and purposes of CRM compiled and presented in the following table.

Table 3.6 CRM components and purposes

CRM Components	Purpose of CRM			
<p>CUSTOMERS</p> <p>CRM is used to understand customers better and to maintain interaction (Buttle and Maklan, 2019).</p>	To bring loyalty	Value creation	Positive experience	Satisfaction with products and services
<p>MANAGEMENT</p> <p>The objective is to transform employee skills to achieve organisational goals with the help of management (Nwankwo and Kanyangale, 2023).</p>	Recruiting & developing to achieve marketing goals	Align and develop an organisational structure	Integrate information and communication	Effective management
<p>MARKETING</p> <p>Modern marketing needs more than traditional marketing to fulfil customer's requirements (Kotler and Keller, 2016)</p>	Advertising and publicity	Train and educate	Use of various marketing channels	Attract consumers
<p>STRATEGY</p> <p>With CRM strategy, organisations can find a way to deal with clients effectively (Payne and Frow, 2013).</p>	Objective	Mission and Vision	Enhancing performance	Follow up and monitor

<p>PRODUCTS & SERVICES</p> <p>"CRM helps to evaluate and invest in new products and services based on a detailed understanding of consumer preference" (Buttle and Maklan, 2019).</p>	<p>Innovation & development</p>	<p>Fulfil the needs of customers</p>	<p>Unique products</p>	<p>Segmentation</p>
<p>TECHNOLOGY</p> <p>"CRM evaluates the data through technology and integrates the information through the entire department" (Gil-Gomez et al., 2019)</p>	<p>Review and evaluation</p>	<p>Product and service integration</p>	<p>Effective implementation</p>	<p>Communicate and deliver</p>

Source: Website/Literature review and compilation (compiled by the author)

As the theoretical frameworks are in sight, the following sections will aim to connect CRM components with our study research questions. The CRM could be a success factor if followed appropriately and on time (Gil-Gomez et al., 2019). However, CRM cannot be considered a guaranteed tool without proper implementation in a real business scenario. Therefore, the organisation must organise and implement the CRM systematically.

The following table is scheduled based on each CRM component and the challenges each component faces.

Table 3.7 CRM components and challenges

CRM Components	Challenges			
<p>CUSTOMERS</p> <p>CRM is used to understand customers better and to maintain interaction (Buttle and Maklan, 2019).</p>	Fragmented information	Less effective products and services	Unmatched consumer expectation	Low level of satisfaction
<p>MANAGEMENT</p> <p>The objective is to transform the employee's skills to achieve organisational goals while management ensures the process to keep proactive employees by providing training (Nwankwo and Kanyangale, 2023).</p>	Lack of staff knowledge	Inadequate communication	Unable to adapt to change management	Lack of effective customer handling
<p>MARKETING</p> <p>Modern marketing needs more than traditional marketing to fulfil customer's requirements (Heczko and Stoklasa, 2011)</p>	Vague marketing	Lack of training	Poor marketing plan	Ineffective marketing – a negative outcome
<p>STRATEGY</p> <p>With CRM strategy, organisations can find a way to deal with clients effectively (Payne and Frow, 2015).</p>	Lack of business process	Ineffective leadership	Lack of vision and mission	Unable to match customer expectation

<p>PRODUCTS & SERVICES</p> <p>"CRM helps to evaluate and invest in new products and services based on a detailed understanding of consumer preference" (Kotler and Keller, 2016).</p>	<p>Lack of products Innovation</p>	<p>Compromise quality of products and services</p>	<p>Lack of performance</p>	<p>Less diversified products range</p>
<p>TECHNOLOGY</p> <p>"CRM evaluates the data through technology and integrates the information through the entire department" (Gil-Gomez et al., 2019)</p>	<p>Unable to adapt to new technology</p>	<p>Lack of product and service integration</p>	<p>Lack of effective implementation</p>	<p>Unable to communicate and deliver</p>

Source: Literature compilation of CRM challenges (Created by the author)

3.7 Empirical evidence and adoption of CRM

Quality services have the notion of connecting with a company's reputation, and the banking and finance industry is no exception (Rafiki et al., 2019). Service industries are now increasing in an exponential rate. However, there is a considerable gap in the literature on marketing (Paul et al., 2016). Therefore, quality has become the benchmark to gain competitive advantage (Paul et al., 2016). Although CRM has been used widely in the conventional banking sectors, the concept of CRM is yet to be explored in IB industry. The following table illustrates how the service industry examined using CRM.

Table 3.8 Empirical Evidence of CRM

Topic	Methodology	Research findings	References
CRM and banking	Qualitative research	Superior CRM can improve the performance of the bank	Coltman (2007)

performance			
CRM and influencing variables	Quantitative research	Knowledge and attitudes of staff at the bank have significance in CRM implementation.	Rootman et al. (2008)
Impact of CRM on cost and profitability in US commercial bank	Quantitative research	Complaint resolution, customer orientation and empowerment have a positive impact on gaining competitive advantages.	Krasnikov et al. (2009)
Impact of CRM on Customer satisfaction and empowerment	Quantitative research	Results found that social CRM helps customer empowerment and satisfaction in Islamic banks in Kuwait.	Aldaihani and Bin Ali, (2018)
Customer perception in implementing CRM in the banking industry	Qualitative study	A technology based CRM the most important factors in comparison to people and processes that change the paradigm of CRM.	Dubey and Sangle (2019)
Impact of E-CRM and factors for successful bank performance	Quantitative research	The research found that customer satisfaction and trust lead to customer retention, which positively impacts the performance of the bank.	Al-Dmour et al. (2019)
Influence of CRM indicators in Islamic bank	Quantitative research in Indonesia	The result suggests that complaint resolution; customer orientation, knowledge and empowerment are the main factors that affect the loyalty of Shariah compliant banks.	Lubis et al. (2020)

CRM dimension and customer behaviour	Quantitative research in Nigeria	The study found that the CRM dimension helps to predict customers' intention, which is helpful in strategy development	Kura, K. (2021)
Customer satisfaction and loyalty using CRM	Qualitative research in Indonesia	The result shows that customer is satisfied with the process of CRM, resulting in satisfaction and loyalty.	Lorenza and Nurohman (2022)
Nexus between CRM and competitive advantage	Qualitative research in Bangladesh	The research found that technology and customer orientation have a positive influence on banking customers.	Al Karim et al. (2023)

Source: Existing literature review of research involving CRM by the author.

The above empirical evidence suggests that customers want products with differentiated approaches to have a positive experience (Buttle and Maklan, 2019). The competition in banking industry is extremely high in the current market scenario, and the implementation of CRM in operational aspects of the banking sector will help to gain competitive advantages and customer loyalty (Rafiki, 2019)

3.8 CRM and its connection with research questions

The initial research sub-questions considered answering using the CRM in the context of Islamic banking. Many aspects of consumer behaviour theories directly influence dependent variables that lead to consumer satisfaction. The critical elements of dependent variables are available in CRM. The use of CRM tends to improve customer experiences; therefore, the following section will present and clarify the motivation behind the use of CRM in the current study by elaborating with most relevant research sub questions/factors, and its connection with CRM.

Research sub-question 1: Are customers from the UK and Bahrain trustworthy and loyal to their banks?

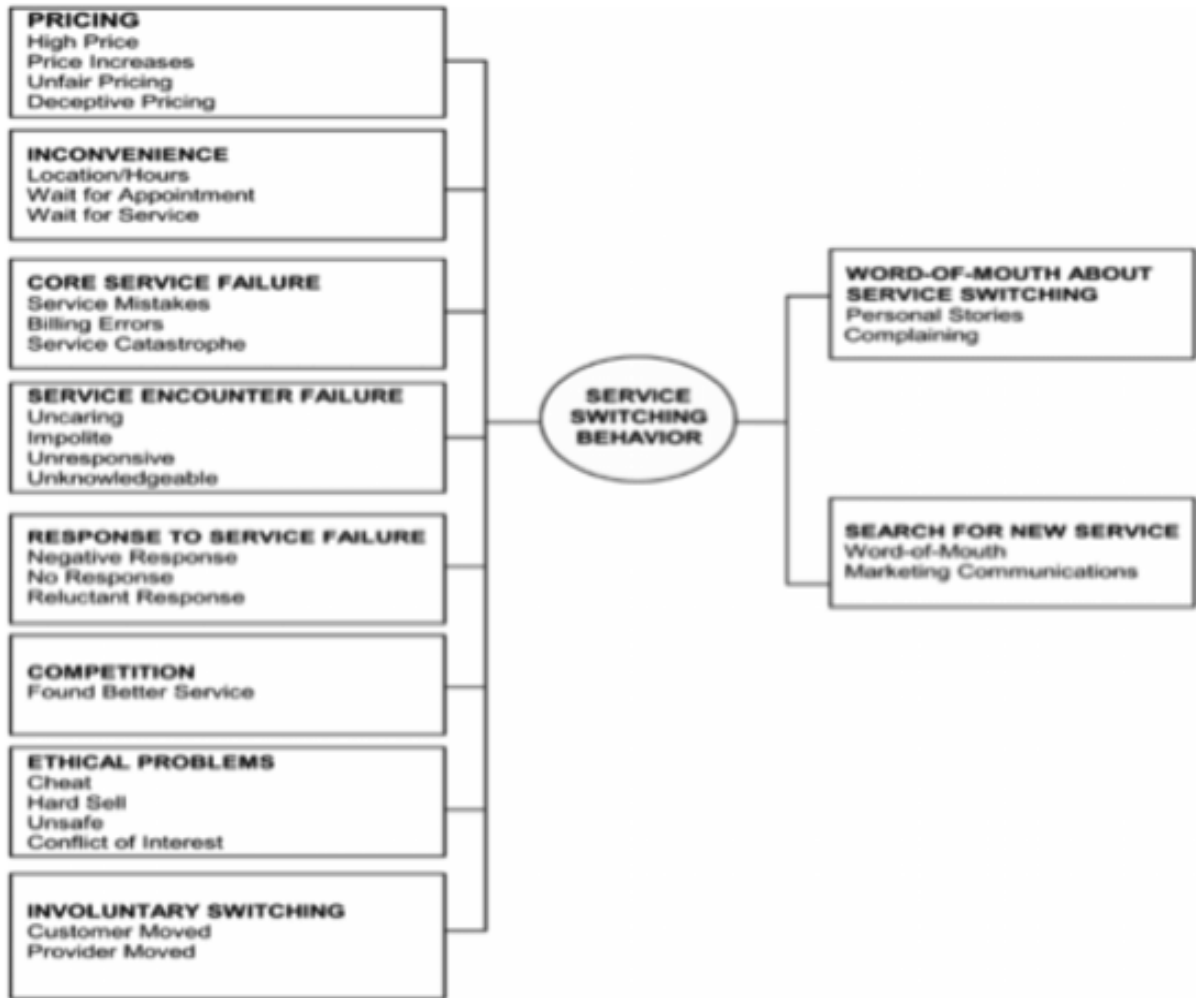
Connection with CRM: Are Islamic banking customers from the UK and Bahrain would recommend the bank to their friends and relatives? To answer the above question, customer attitude, needs, expectations, and experiences are essential, and banks should comprehensively provide all the above services to gain customer satisfaction (Kotler, 2016). When the process follows, firms can provide customers services as expected. The customer becomes loyal and favourable, recommends the bank to others, extends their usage with other products, and more importantly, the firm will benefit from the lower cost of advertising to gain new customers.

Research sub-question 2: What are the key factors influence customers to change their banks?

Connection with CRM: How can Islamic banks attract and retain their customers? The answer is available in literature as customers are to leave when they feel valueless, and the bank serves less than their commitment (Nwankwo and Kanyangale, 2023). This condition reflects in consumer behaviour aspects. According to the literature on CRM, it will be impossible to retain the customer when they do not receive the expected services and products and, therefore, relocate or find the alternative elsewhere (Buttle and Maklan, 2019).

Following figure (figure 3.12) illustrates the reasons behind customer switch their banks.

Figure 3.12 Service switching behaviour



Source: Adopted from Zhao et al. (2023)

As CRM literature suggested that the main reasons of the customer change their brand is essential (Zhao et al., 2023). We will review Islamic banking customers about why they decide to change their banking services.

Research sub-question 3: What are the most preferred channels for customers in the UK and Bahrain?

Connection with CRM: How can Islamic banks retain their customers using banking channels by satisfying their customers in the long run?

According to Buttle and Maklan (2019), CRM's fundamental aim is to satisfy customers by bringing both customer and technology to interact with customers at all levels and enable them to achieve customer satisfaction (Rafiki, 2019). These channels are one-to-one consultation during banking communication, an active call centre with responsive and helpful staff members, Mobile messaging applications, email, and interactive websites. These communication channels are highly effective in maintaining customer communication for customer queries, marketing, information, customer clarification and complaint procedures, which build a compelling connection between the customers and the banks (Hoque, 2018).

Research sub-question 4: How does a customer compare Islamic banking with conventional banking regarding values and cost?

Connection with CRM: How can a bank improve its products in terms of value to its customers? This question is a critical aspect of any organisation. The quality factor is hugely important here as customers only value a product when they are satisfied fully and leave the company if the product does not fulfil the requirements of customers (Kotler and Keller, 2016). A study found that the key factors that differentiate between banks that compete found that customer becomes loyal to products when they find consistently good in quality and in addition to "tangibility, reliability, responsiveness, assurance and empathy" (Parasuraman et al., 1993). In this context, Islamic banks will compete with conventional banks using unique advantages with Sharia principles that aim to do better than harm (Buttle and Maklan, 2019).

Research sub-question 5

What is the customer's perception of the organisational vision, mission, and objectives of Islamic banks?

Connection with CRM: How can the Islamic bank display its unique core values to the customers? Organisations primarily determine their mission, vision and

objectives and show them in front of customers to gain customers' trust and loyalty. The aim is to gain competitive advantages while increasing customer satisfaction by providing the best products and services (Rasool, 2018). Many scholars (Nomran and Haron, 2020) believe Islamic banks should clearly explain effects with distinctive features. For instance, when providing Shariah-compliant products, clear clarification is essential for customers to know to ensure that the products comply with Shariah (Alam, 2020). The current research will emphasise two negative aspects such as "increase profit is the objective of Islamic banks", and the other is "Islamic bank pay interest in the name of profit". This statement will explore further during the survey and subsequent interviews.

Research sub-question 6: How do Islamic banking customers view the cost of products and services?

Connection to CRM: How can Islamic banks gain competitive advantages by bringing uniqueness to products and services? These techniques could include an array of product ranges, consistent service quality, security of money and investment, and various features targeting factors such as age, gender, and nationality while keeping low cost wherever possible. Customers often compare products not only on price but also on the principles of Shariah embedded in offering products, the convenience of dealing, availability of qualified staff and handling of complaints (Arwa, 2018). According to CRM literature, product differentiation is crucial to gaining competitive advantages (Pappers et al., 1999; Berry et al., 1991; Parasuraman et al., 1985).

Research sub-question 7: What is the key justification/attraction for choosing an Islamic bank?

Connection with CRM: To what extent do customers know to understand the IB's products and services? The literature in chapter 2 (see table: 2.) discussed this area, which indicated religiosity is often connected (Sultan, 2018). Previous studies

outcomes that efficiency was one of the critical aspects of choosing Islamic banks (Nomran and Haron, 2020), in addition to various factors such as age, gender and wealth as well as income factors, were crucial aspects of choosing Islamic banks. For instance, people with comparatively wealthier families have been choosing Islamic banks. Other issues include Zakat collection from customers' accounts and halal investment activities through Islamic banks. This factor has implications on various factors such as age, gender, nationality and education, which will be reviewed through current research and analysed as part of the research contribution to the knowledge.

Research sub-question 8: What is the customers' attitude to Islamic banking marketing?

Connection with CRM: Marketing and branding are crucial to spreading products' values, emotions, attitudes, and promises by using various slogans, product names, and logos to bring uniqueness to the development and attract competitors' products (Kotler, 2016). As new products and services compare to conventional banking, Islamic banks are under colossal competition not only from conventional banking perspectives but also from foreign banks and branches that operate under the window of Islamic banks (Wilson, 2019). The literature review section already highlights it and researchers expressed doubt whether Islamic banks offering abided by Shariah, or they are secret tricks to attract customers that fear religious factors (Tahir, 2015). In addition, Shariah compliance may not be the way to attract Islamic banking products, but they should be highly informative and highly authentic on Shariah compliance, quality staff support and affordability too (Wilson, 2019).

Research sub-question 9: What is the attitude and perception of customers to Islamic banking staff and Shariah board?

The link with CRM: How can Shariah scholars be more efficient and effective in their role in Islamic banking and finance? According to many scholars (Suharto, 2018; Farook and Pashayev, 2020), the unique approach of banking staff and Shariah scholars can bring competitive advantages to banking services. To gain these advantages, the banking institutions need to adopt effective recruitment and focus on appropriate training to prepare employees best way possible (Migdadi, 2020) and, more importantly, maintain it. Here the CRM plays a crucial role in utilising operational components such as interaction, commitments, and corrective action with more effective communication and interactions to bring bank strategies in effect to gain competitive advantages. Literature (Rafiki, 2019) suggest due to the lack of sufficient Islamic banking staff, many managers from Islamic banks have been hiring staff from non-Islamic banking experienced team (Wilson, 2019). This situation repeated consistently across leading Islamic banking operations in Malaysia, UAE and the UK (Rafiki, 2019).

Research sub-question 10: Are customers are happy in terms of satisfaction with Islamic banking products marketing through websites and other digital means?

Connection to CRM: This is another important phase of customer's attitude and if customers are happy with digital marketing systems. These CRM aspects will embed in the survey questionnaires, which will be reviewed and verified by the bank officials as part of the cross-review. Websites are interactive, and up-to-date information could be available for many banking customers around the globe. In addition, the specific area, furnished in the form of Frequently Asked Questions (FAQ), helps customers obtain information instantly. Therefore, this medium of marketing and advertising has an immense influence on customers, and it is the responsibility of the banking institutions to keep all the information right. Among the critical data are features of all the products, the contents of all products, the way of advertisement and a clear explanation of Sharia-compliant products. In the literature review, several website information, including historical facts, is discussed. The participant's opinion of this study also reflects the same.

3.9 Conclusion

The chapter discussed the understanding of consumer behaviour in various businesses, including banking customers' behaviour. Conventional banking mainly uses the consumer behaviour definition, perspectives and models compared to use in IB, which is still emergent. One of the key reasons is that Islamic banking is new to the operation compared to its counterpart, and literature suggests that religious factors influence Islamic banking customers to choose its products and services. However, Islamic banking and finance face massive competition from conventional banking and their branch windows of Islamic banking services. It is imperative for Islamic banks to understand consumers' needs and wants in today's environment to stay in the competition for long-term sustainability in the banking sector. The second part of the theory chapter also specifies the frameworks of Customer Relationship Management (CRM) and how it relates to the customer's behaviour leading to attitudes and perceptions toward Islamic banking products and services. These questions use CRM elements to understand customers' perspectives, satisfaction in banking staff handling, products and services, and marketing strategies. It is to reveal if religious belief still significantly influences Islamic banking customers, while other researchers found service and quality the key factors. With this state of the situation, the current research may find a new kind of definition of consumer behaviour in the Islamic banking and finance industry that derived from Islamic Economics (IE) among diaspora Muslims.

Finally, considering the above theories, concepts and models discussed and analysed in chapter 3, the survey questionnaires and semi-structured interviews will be connected to the theoretical frameworks as a tool to administer the questionnaires to achieve the aim and objectives of the research by answering the research questions.

CHAPTER FOUR

RESEARCH METHODOLOGY

4.1 Introduction

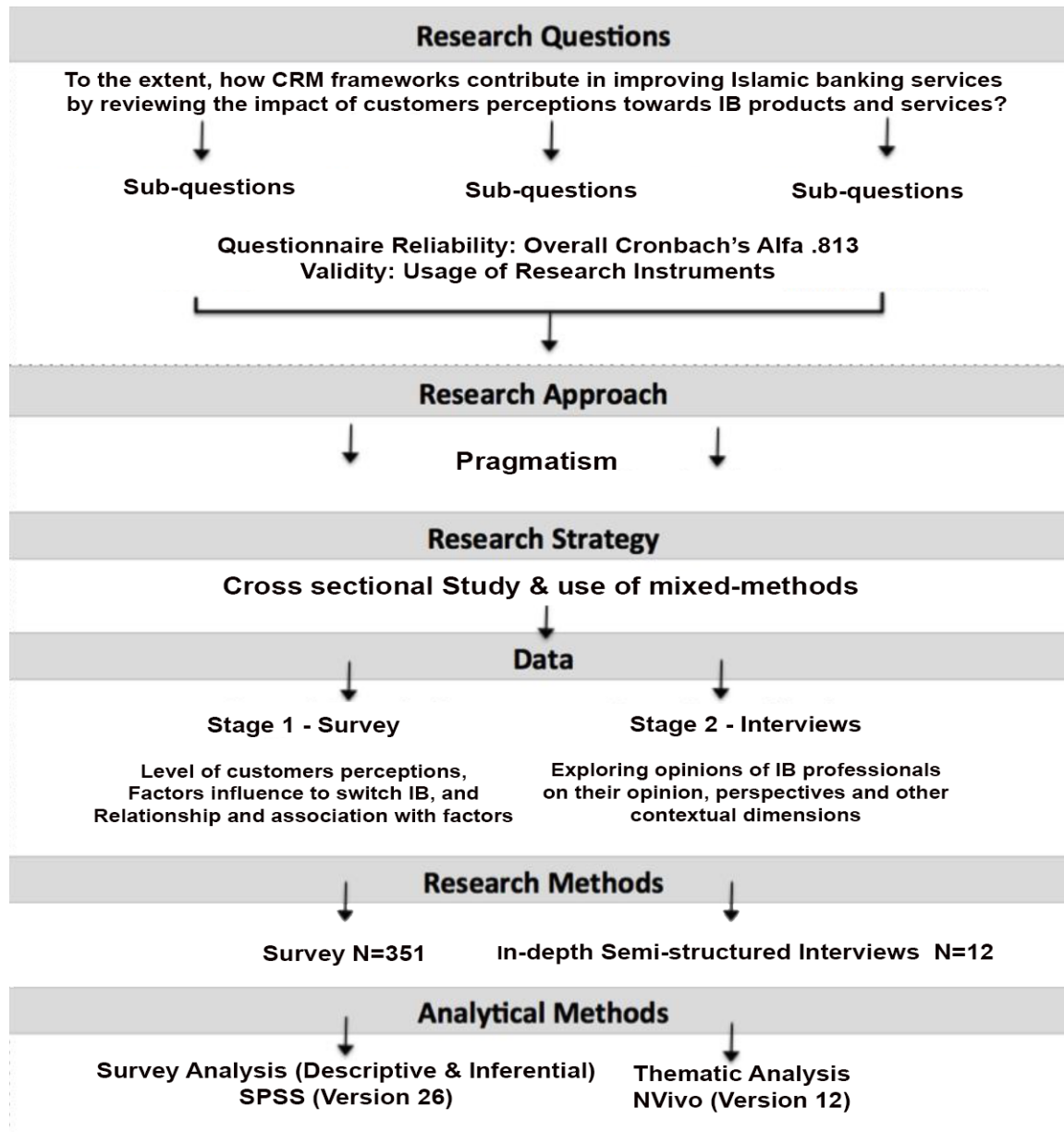
In previous chapters, most discussions highlighted the introduction and literature review in which the definition, history and frameworks of Islamic banking and finance have been discussed and analysed. The literature review discusses the current global situations of Islamic banking and finance, including the case countries – the trend of consumer behaviour and the impact on consumers analysed involving the most recent and credible literature. This framework of the study allows us to design the formula and structure of the thesis by designing the methodology of the research. Hence, this chapter mainly focuses on achieving research objectives by designing the most effective methods to answer the recent study questions and accomplish the research aim. The chapter comprises a few areas: introduction, philosophical position, research approach, design, and strategy. Afterwards, the step-by-step research will form methods, including research instruments and administration using the most effective and appropriate sampling methods applicable for the current research. The subsequent sections are the pilot study of data collection before collecting data, the data analysis methods, and the validity and reliability of data, limitation and conclusion.

4.2 Research Position

The current research adopts a pragmatist approach. In many previous researches emphasised positivistic methods for empirical research (Sindhu and Kumar, 2014); however, it is also significantly acknowledged that the Interpretivist process is equally essential in subjective realities in customers' attitudes and perceptions. Within this domain, a researcher can understand the phenomenon of the social world by interpreting, explaining, and constructing those social phenomena (Bryman et al., 2019). Some theorists (Burrell and Morgan (2017) are supportive in subjective while others (Creswell, 2022) in objectives means measuring the socio-cultural dimension of perceptive assumptions. However, many other authors and scholars emphasised the pragmatism approach explain the findings in a better way (Creswell, 2022). The current research approach created a connection with the research aim and objectives. In this aspect, the level of customers' perception of IB products and services can integrate. In contrast, they are exploring and clarifying

how customers perceive their beliefs, ideas and insights that can generate using an Interpretivist approach. Therefore, the current research employed a mixed methods for data collection to obtain a piece of more comprehensive information to explore, explain, and increase the research's values (Richey and Klein, 2014). The following figure shows the process of the current research design.

Figure 4.1 Research design overview

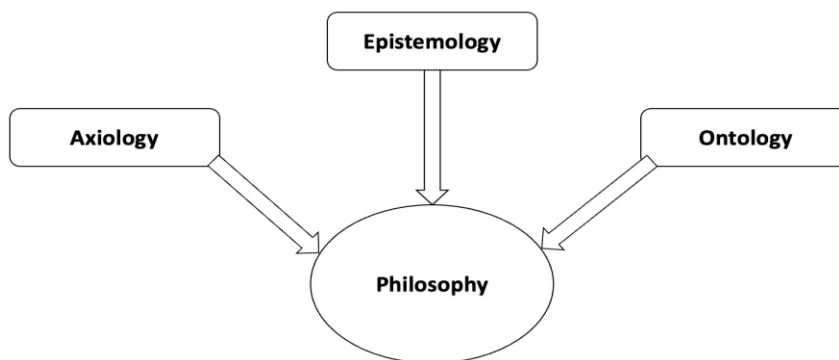


Source: Created to by the author to understand step-by-step methods used for current study.

4.3 Research Philosophy

The research philosophy describes the researcher's view of the world (Saunders et al., 2019). The components of philosophy (figure 4.1) explain as some set of beliefs or assumptions that underpin the research (Bryman and Bell, 2018).

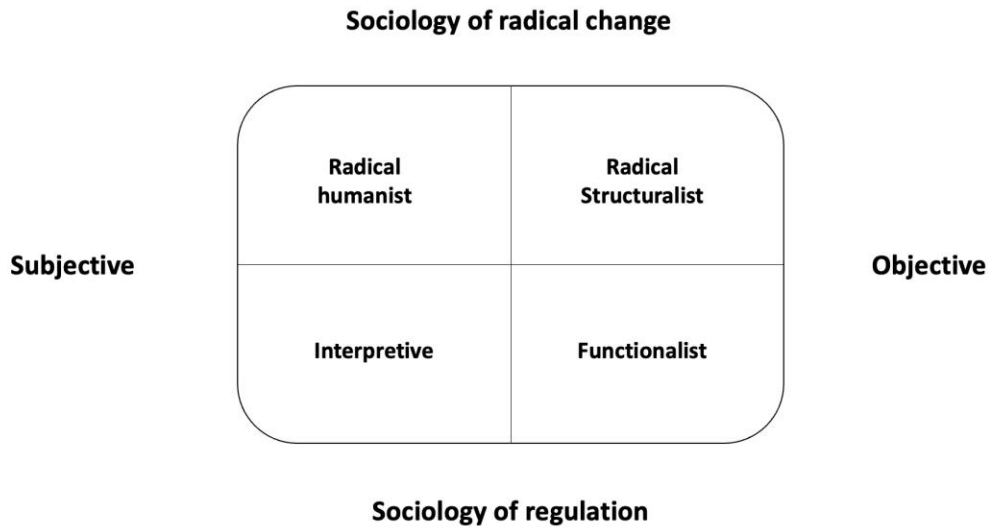
Figure 4.2 Philosophy components



Source: Adapted from Saunders et al. (2019).

According to Saunders et al. (2019), a research paradigm is essential to explore and understand the research philosophy. Saunders et al. (2019) first used the term "paradigm" in research in which researchers assume to think about worldviews. In this process, researchers could use one or more paradigms (Saunders et al., 2019, p140), which dictate the research methodology. Because paradigms enable researchers to examine "social phenomena from which can gain particular understandings of these phenomena, and explanations attempted". According to Burrell and Morgan (2017), paradigms divide into a few dimensions as per the following figure.

Figure 4.3 Four dimensions



Source: Burrell and Morgan (2017)

Burrell and Morgan (2017) have explained these four dimensions from sociological points of view. These are: Radical humanist, Interpretive, Radical Structuralist, and Functionalist. However, any one of the above four categories falls either in objectivism or subjectivism, as these assumptions is all about the nature of the sciences (Burrell and Morgan, 2017). On the other hand, other authors such as Bryman and Bell (2018) stated that the critical components of philosophy or research paradigm in 3 different elements, which are:

I. Ontology: A branch of metaphysics, which refers to the nature of reality. Bryman and Bell (2018) explained that it's a researcher's assumption about reality. Besides, Saunders et al. (2019), highlights that researcher journeys start with assumptions, which help to understand research questions, step by step, methods and data collection and interpretation. Ontology divides into subjectivism and objectivism (Burrell and Morgan (2017). While, as per Bryman and Bell (2018), objectivism is "an ontological position that asserts the social phenomena and their

meanings has an existence independent of social actors." Calling them the root of objectivism in philosophy. Realists believe in a single truth, which cannot change. For instance, organisations with rules, regulations and activities are carried out with a mission to achieve objectives where the organisation is an intangible objective different from other organisations. However, they remain external to the people involved and deal with it. Bryman and Bell (2018) emphasised: that "when people break the rules, they get punishment, which shows that organisations act as a force to its people". Subjectivism is the opposite of objectivism (Saunders et al., 2019; Bryman and Bell, 2018). Subjectivism refers to a term called constructionism, which refers to "Social phenomena and their meaning are being accomplished by social actors" and the belief in multiple truths about the social phenomena. According to Killam (2013) truth or realities are created by observing how it evolves and transforms through the researcher's own experience.

II. Epistemology: As Bryman and Bell (2018) state, epistemology concentrates on elements or a group of components that are adequate knowledge in the research field. It also verifies relations between the researchers and the discovered knowledge (Killam, 2013). Therefore, the questions arise "what do we know and how do we know? To address these questions, the ontological position "subjectivism and objectivism" approach is preferred. The critical epistemological positions are positivism, realism, interpretivism and pragmatism (Saunders et al., 2019).

III. Axiology: The judgments of the role and values consider in this branch of philosophy. In every research stage, personal values are involved as the researcher continues to research by determining a set of methods most appropriate for the research (Saunders et al., 2019). To elaborate, Bryman and Bell (2018) clarified that the biography, including experiences, knowledge, and attitudes, is personally involved with the researcher by which the researchers see the world in their ways. In connection with this, Bryman, and Bell (2018) researcher must confirm that there should not be any unimpeded infiltration of values in any

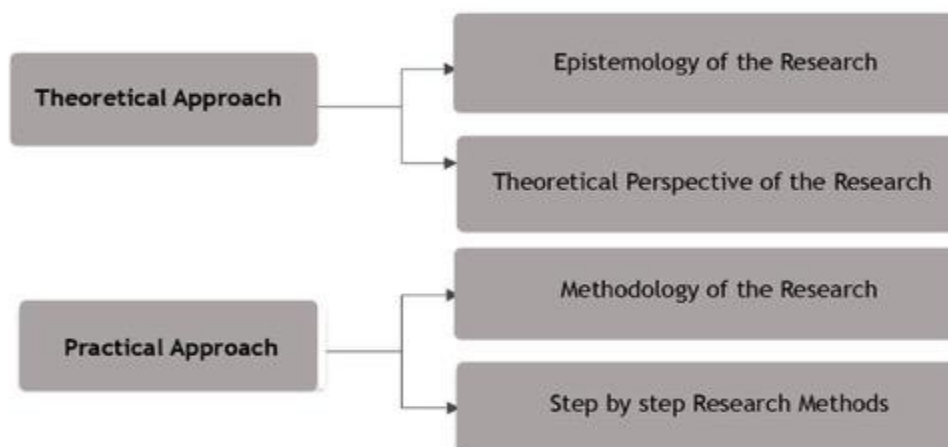
research process. According to Saunders et al. (2019), a researcher paradigm must adopt a viewpoint on ontology, epistemology, and methodology.

After reviewing the above discussion, the current study falls into multiple realities and truths; therefore, this researcher believes in pragmatism (Bryman and Bell, 2018). Pragmatism ensures both outside and inside views before concluding; therefore, the researcher's approach are both emic and etic, enabling a researcher to measure truth in both inside and out by employing a mixed-methods (Quantitative and qualitative) research.

4.4 Research Approach

The criteria for determining position on ontology, epistemology and methodology depend on the research philosophy. The current research is involving both subjective and objective way (involving both inductive and deductive). According to Burrell and Morgan (2017) there are two fundamental approaches to social science research: theoretical and practical.

Figure 4.4 Four elements of research process



Source: adapted from Burrell and Morgan (2017)

Based on the above figure, the theoretical approaches of the current research design consider; on the other hand, figure 4.4 will show the second category of research approach, which is a practical approach.

Theoretical Approach

Research Epistemology: Pragmatism

The study considered mixed-method because of the research approach as many researchers have recommended as most empirical points of view (Goldkuhl, 2012). The following table adapted from Burrell and Morgan (2017), which explains how a mixed-method approach helps to understand the impact on the population under a research study.

Table 4.1 Research paradigm

Paradigm	Positivism	Post-Positivism	Pragmatism	Constructivism
Methods	Quantitative	Primarily quantitative	Quantitative + Qualitative	Qualitative
Logic	Deductive	Primarily deductive	Deductive + Inductive	Inductive
Epistemology	Objective point of view. Knowers and known are dualism.	Modified dualism. Findings probably objectively "true".	Both objects and subjective points of view.	Subjective point of view. Knower and Known are inseparable.
Axiology	Inquiry is value free	Inquiry involves values, but they may be controlled.	Values play a large role in interpreting results.	Inquiry is value bound.
Ontology	Naive realism	Critical or transcendental realism.	Accept external reality. Choose explanation that best produces desired outcomes.	Relativism
Casual Linkages	Real causes temporarily precedent or simultaneous with effects.	There are some lawful reasonable relationships among social phenomena. These may be known imperfectly. Causes are identifiable in probabilistic sense that changes over time.	There may be casual relationships, but we will never be able to pin them down.	All entities simultaneously shaping each other. It is impossible to distinguish causes from effects.

Source: Adapted from Burrell and Morgan (2017)

Social science research, particularly business study must have to explain the best suitable techniques are appropriate for a research project. In this case, the pragmatism approach is unique because, in this domain, our research employs the best methods to solve the research problems. Creswell (2018) indicates that researchers consider pragmatism when they are not able to use any of the

techniques (qualitative or quantitative) to obtain the expected outcomes of the research. The current study involves customers' perceptions of IB and therefore, aimed to gather data of customer's opinion and interpret accordingly. In addition, after review the survey outcome, an in-depth interview using semi-structured questionnaire among banking officials to cross-examine the survey findings to improve credibility significantly.

Positivism versus Pragmatism

This argument allows us to see the relations between positivism and pragmatism approaches and how we can locate ourselves in this research project. It can be considered the central epistemological paradigm stating that "the social world exists externally to the researcher, and that can measure its' properties directly through observation". Positivists believe in one reality and can extend it by observing social phenomena. The advantage of positivism is that it pinpoints the main facts under research, which is possible through quantitative research. It can assume that quantitative data are measured by collecting independent points of reality that are separate from human observance. Contrary, pragmatism is known as exactly the opposite. Creswell (2022) said, "Positivist rejects the view of human knowledge; meaning is not discovered but constructed". It is contrary for pragmatists to agree on something such as the "objective truths are waiting to be discovered". But it is only possible that objectives exist that can only be discovered by interacting with world realities. The author also suggested the researcher's purpose by interpreting the fact but not offering an unpremeditated explanation. Other authors, such as Wu (2011), points out that social science research is entirely different because many phenomena are not controllable due to the complexity of human behaviour. It may suggest that the paradigm involving using both subjectivity and objectivity in the research termed as pragmatic. Pragmatic approach can also be defined as a mixed of qualitative (subjective) and quantitative (objective) models which is also called mixed-methods (Creswell, 2022).

Practical Approach (Research Methodology)

Under the practical research approach, Burrell and Morgan (2017) considered the research methodology the first step. In this respect, our research strategy is based on to planning and designing the research in a coherence manner, hence connect with the expected outcome of the research. Moreover, we adopt a pragmatic approach to enable the researcher a profound and thoughtful understanding of the research phenomena by mixing both qualitative and quantitative methods. The case study become a handy tool and facilitates the research involving both qualitative and quantitative, which helps to understand people's attitudes and perceptions and the social phenomenon for various research investigations. Therefore, pragmatism approach can justify a practical approach to case study research (Bryman and Bell, 2018). According to Saunders et al. (2019), pragmatism is one of the most compelling research paradigms. This paradigm is suitable for case studies due to its ability to utilise data collected from multiple sources despite criticism from leading authors such as Saunders et al. (2019). They stated data from case studies are non-representable. However, the critique (Burrell and Morgan (2017) says that statistically, it is unnecessary to be representative in data generalisation. Still, analytical is more critical, which can be collected based on various information, concepts, theories and insights.

4.4.1 Research Design

To achieve the aim and objectives, an appropriate and justified research design is crucial, which enables researchers to find the answer to the research questions (Saunders et al., 2019). In this connection, Burrell and Morgan (2017) have categorised the research purpose into three different categories, such as:

a) Exploratory: This type of research aims to explore an event, data, or fact when little or no information is available, which does not require highly structured research designs (Saunders et al., 2019). According to Bryman and Bell (2018), exploratory research design initially focuses on large, and as the research progresses, they limit and concentrate and refocus by narrowing down the focus.

To add to this, Burrell and Morgan (2017) suggest experimental research design aims to find how things are and not why things happen and how they should happen. This design is highly flexible and can accommodate changes to be the best fit (Saunders et al., 2019).

b) Descriptive research design: This research design inclines to research facts and affairs of social phenomena (Saunders et al., 2019). This design starts with which, when and how and describes without further explanation (Burrell and Morgan (2017).

c) Explanatory research design: According to Saunders et al. (2019), this kind of research design aims and focuses on research and explains a fact or a problem.

In our study, the research aim is to review and analyse consumers' current state of mind toward Islamic banking products and services to find similarities and differences of perceptions and behaviour towards customers in the two case countries. Further more, study will also find the answer to various issues of IB at the current time and how CRM components could help bring quality and standard to IB's products and services. After collecting the required data, this study would recommend using operational CRM to address the current fundamental issue that hinders IB's progress, as much current and existing literature suggests. Based on the above, this study is more inclined to be explorative because this research will investigate consumers' opinions on products and services of Islamic banking products and services and then analyse the phenomena. While descriptive research questions deal with events or persons and understanding them, the research becomes less valuable if it focuses too much on illustration (Saunders et al., 2019). According to current research criteria, this study falls in a combination of descriptive and exploratory research design categories. This type of research design dictates the researcher to be able to answer the research questions that were not known previously (Saunders et al., 2019).

The Methods Approach (Mixed Methods)

The researcher defines and explains various methods of research. The mixed methods research combines qualitative and quantitative research (Bryman and Bell, 2018) by explaining that qualitative research focuses on meaning, interpretation, and concepts, whereas quantitative analysis focuses on measuring or counting to analyse research data. The authors also demonstrated that qualitative methods deal with words and understanding of conversations rather than quantifying collected data. Therefore, qualitative research methods differ from quantitative methods, and the purposes are additional to the research problems (Bryman and Bell, 2018).

Literature suggests (see table 2.3) many research on customers' perceptions and attitudes toward IB products and services to measure customer satisfaction, including quantitative data analyses. However, in this research, we employed a mixed method in combination of both qualitative and quantitative data analysis. To explain mixed-method research, many authors described mixed-methods research comes with extended works (Creswell, 2022) but enables a researcher to achieve more understanding of the problems by interpreting the mixed-method data. In this context, Creswell (2022) explains, "An approach to research in the social, behavioural, and health sciences in which the investigator gathers both quantitative (closed-ended) and qualitative (open-ended) data. Then integrates the two, and then draws interpretations based on the combined strengths of both data sets to understand research problems." Further, when the advantages of qualitative and quantitative data analysis are considered and combined, the disadvantages of the mixed-method disappear (Burrell and Morgan, 2017). The following table indicates the main difference between both qualitative and quantitative research.

Table 4.2 Quantitative and qualitative research

Tend to or Typically	Qualitative Approaches	Quantitative Approaches	Mixed Methods Approaches
<ul style="list-style-type: none"> • Use these philosophical assumptions. • Employ these strategies of inquiry. 	<ul style="list-style-type: none"> • Constructivist/ Advocacy/ Participatory knowledge claims. • Phenomenology, grounded theory, ethnography, case study and narrative. 	<ul style="list-style-type: none"> • Post-positivist knowledge claims. • Surveys and Experiments. 	<ul style="list-style-type: none"> • Pragmatic knowledge claims. • Sequential, concurrent and transformative.
Employ these methods	Open-ended questions, emerging approaches, text or image data.	Closed-ended questions, predetermined approaches, numeric data.	Both open and closed ended questions, both emerging and predetermined approaches, and both qualitative data and analysis.
Use these practices of research as the researcher	<ul style="list-style-type: none"> • Position himself or herself collects participant meanings. • Focuses on a single concept or phenomenon. • Bring personal values into the study. • Studies the context or setting of participants. • Validates the accuracy of findings. • Makes interpretations of data. • Creates an agenda for change or reform. • Collaborates with participants. 	<ul style="list-style-type: none"> • Tests or verifies theories or explanations. • Identifies variables to study. • Relates variables in questions or hypotheses. • Use standards of validity and reliability. • Observes and measures information numerically. • Use unbiased approaches. • Employs statistical procedures. 	<ul style="list-style-type: none"> • Collects both quantitative and qualitative data. • Develops a rationale for mixing. • Integrates the data at different stages of inquiry. • Presents visual pictures of the procedures in the study. • employs the practices of both qualitative and quantitative research.

Source: Creswell, 2018 (p.19).

Sequential data analysis within mixed-methods research

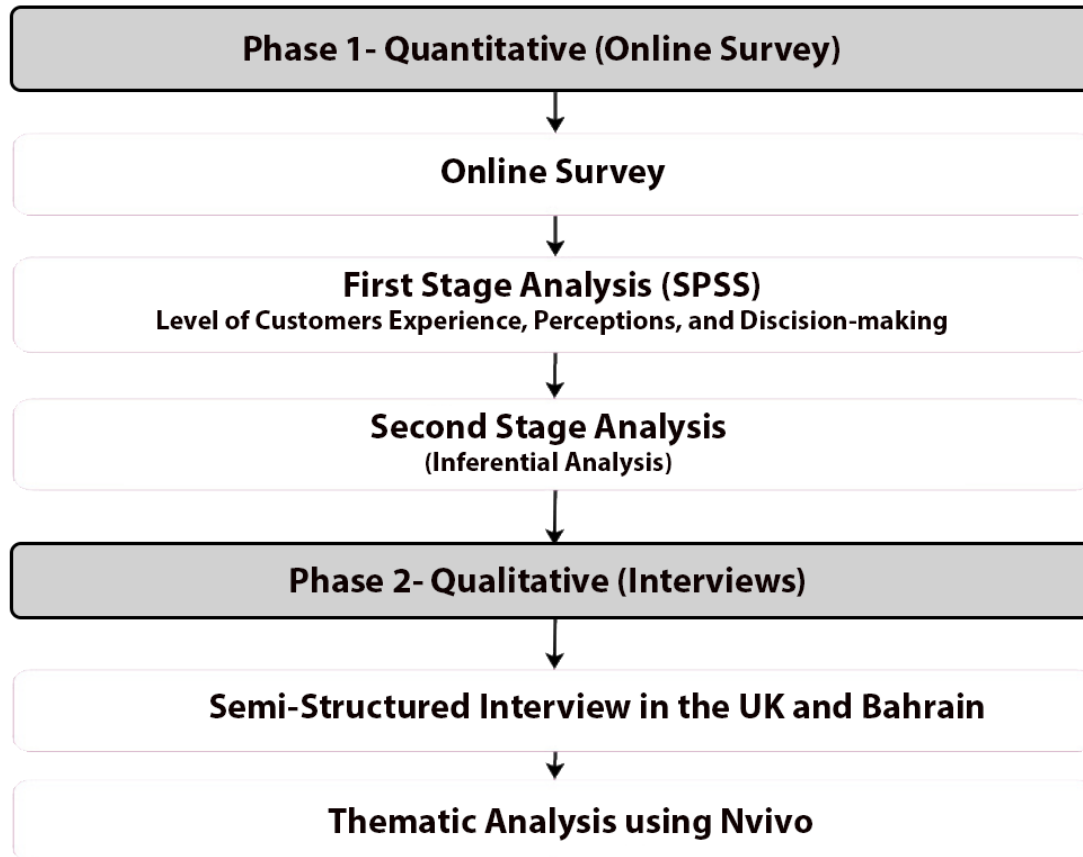
Creswell (2022) suggested three different models within mixed methods research design. These are:

1. Convergent parallel mixed methods: Parallel data collection, interpretation and analysis consider.
2. Exploratory sequential model: Qualitative phase comes first before considering quantitative analysis.

3. Explanatory sequential methods: This model considers quantitative data collection and analysis before performing qualitative data collection and analysis.

The current research considers similar to the explanatory sequential model due to the nature of the study. First the quantitative phase subsequent to quantitative phase of data collection and analysis will bring the research credibility in a greater depth (Creswell, 2022). In this process, initially, the survey method uses to collect and analyse data, review various factors and relationships, and compare between variables before considering qualitative interviews to complement the research on interpreting and explaining the initial findings of survey data. Based on our research objectives, our study was set to collect quantitative data using a survey to process and analyse customer perceptions of IB products and services using several of analytical tools. The survey instruments were designed to connect our study's CRM frameworks and objectives. In the second stage, we conducted interviews among banking professionals including Shariah scholars to cross-examine the outcome of the survey result using a semi-structured interview questionnaire. This process helped to bring more credibility to our study because the second stage confirmed the outcome (negative or positive) after the cross-examination, which justifies the process of sequential data analysis within mixed methods research, as reflected in the figure 4.5.

Figure 4.5 Structure of quantitative and qualitative phases



Source: Created by the author to illustrate on how the explanatory sequential mixed-methods used for the current study.

4.5 Research strategy

Three different categories of research strategies exist in the literature. These are:

a) Deductive: In this category, the researcher does their research within the existing theory. According to Burrell and Morgan (2017), deductive research starts with a view or hypothesis, concluding the thesis through empirical observation. Therefore, this approach deals with theories or hypotheses that test existing ideas (Saunders et al., 2019).

b) Inductive: Inductive research strategy is the opposite of the deductive method. According to Saunders et al. (2019), this approach begins with using empirical data

and generally concludes and, therefore, does not involve testing theories or hypotheses.

c) Abductive: The combinations of inductive and deductive approaches are Abductive approaches. This approach begins with inductive using empirical data, and later, it uses the theories that triangulate the result of the collected data, which mostly used in mixed-methods research (Saunders et al., 2019).

Table 4.3 Inductive versus deductive

	Deductive	Inductive	Abductive
Logic	In a deductive inference, when the premises are true, the conclusion must also be true.	In an inductive inference, known premises are used to generate untested conclusions.	In an abductive inference, known premises are used to generate testable conclusions.
From/To	Generalise from the general to the specific	Generalise from the specific to general.	Generalise from the interaction between the specific and the general.
Use of Data	Data collection is used to evaluate propositions or hypothesis related to an existing theory.	Data collection is used to explore a phenomenon, identify themes and patterns and create conceptual frameworks.	Data collection is used to explore a phenomenon, identify themes and patterns, locate these in a conceptual framework and test this through subsequent data collection and so forth.
Theory	Theory falsification or verification.	Theory generalisation and building.	Theory generalisation or modification incorporating existing theory where appropriate, to build new theory or modify existing theory.

Source: Saunders et al. (2019).

Our study will review Islamic banking products and services, including the frameworks for how Islamic banking works. Also, the domain-specific relevant literature is to be reviewed, analysed, and prepared for the questions. However, no attempt considers testing the theories. Instead, use both qualitative (Inductive) and

quantitative (Deductive) approaches to develop conceptual frameworks to answer the research questions to achieve its aim and objectives (see table 4.1).

4.6 Research Methods

Step by step process from data collection to analysis is called research methods in social science research (Saunders et al., 2019). In this process, when data is processed, it becomes the information, which is used to find answers to the research questions and achieve the aim and objectives of the research. In the current study, two methods of data collection were considered, such as:

- A) Questionnaire Survey (Quantitative),
- B) Interviews (Qualitative Semi-Structured)

4.6.1 Questionnaire Survey (Quantitative Data Collection Process)

There are many ways to collect data, including interviews, questionnaire surveys and observation (Bryman and Bell, 2018). This research has collected primary data using a questionnaire survey (closed-end questions-see Appendix I) and semi-structured interview (open end-see Appendix II). The questionnaires were distributed in Bahrain and the UK among consumers and marketing and management professionals of banking and financial institutions. To collect necessary information using the survey, the online forums on various platforms on social media was taken into considerations. These are including various Islamic societies, Islamic education-related Facebook groups, and Islamic communities in the UK and Bahrain. Since beginning of my PhD studies, I got involved in many online platforms across many social and education related networks. These networks were very helpful obtaining participants of my research. Immediately after R2 panel approval on October 4, 2021, I started distributing paper based survey questions and later on focused on online due to the Covid-19 restrictions. I thought that sending questionnaires to University of Bolton study group (WhatsApp) would help to collect data from a diverse group of people including non-Muslims in the UK. Subsequently, I have prepared a short message with the link to the survey questionnaires of over 100 PhD and other research students. I was confident to

receive many responses but it proved me wrong as only a handful of students including PhD students completed the survey forms. There was also a complex situation when I sent a link to my survey with a forwarding message to one of the local native British students (A non-Muslim), who was very angry and immediately blocked me and I was unable to communicate further. This could possibly be one of the reasons fewer local non-Muslims (particularly white race) participated in my research that are linked to Islamic finance/studies, which was also reflected when I communicated with many white and non-Muslims specially those who are working for Islamic banks in the UK. However, I was not frustrated, I discussed with my supervisor and senior students ways to collect reliable data as well as have seen other PhD graduate's works and their techniques specially in the UK and Bahrain for similar studies as mine. I have then turned to various Facebook and other education and business groups related to training and education in the UK, including the following:

1. The Cambridge University Islamic Society
2. Durham University Islamic Society
3. Researcher group in the UK
4. Muslim Entrepreneur Networks
5. Muslims in Britain Research Networks
6. London Entrepreneur Networks
7. Study Abroad Group
8. Alumni groups of other Universities such as the University of Leicester in Leicester, and University of Ulster, London where I have previously studied for MBA and MSc respectively.
9. The Asian forum, UK,
10. Manchester Muslim Forums
11. London Muslim Centre
12. LinkedIn

In LinkedIn, I found many of the participants of my research, which are reliable and more authentic than unknown participants.

On the other hand, being lived and worked in the Middle East for over 17 years and to date as a resident entrepreneur of Bahrain, it was comparatively easier for me to get several participants within short span of time in Bahrain. For instance, I was in contact with local business owners group in the Middle East under Capital Club Private Business Club where I am a member and had the access of many business owners including banking and various other sectors. Being an entrepreneur, I had the connection with several government and private sectors executives and groups where I was able to collect survey data including the Bahrain Chamber of Commerce (<https://www.bahrainchamber.bh/en>), Ministry of Industry and Commerce (<https://www.moic.gov.bh/en/Ministry>). I have also contacted one of the largest banks Kuwait Finance House (KFH), Ahli United Bank, HSBC Middle East, Al-Salam Bank, and Bahrain Islamic Bank (BisB), National Bank of Bahrain to mention. These banks were not only the source of survey participants but also joined as interview participants later for qualitative research. Furthermore, I have circulated most of my friends and previous and requested their help to recommend it to their friends and families. In addition, my fellow researcher from Bahrain within the Centre for Islamic Finance (CIF) also helped from the beginning till the completion of the survey and had the opportunity to collect significant survey participants after I completed quantitative data analysis and started to design and prepare qualitative data. The final number of valid data considered is 351 (189 from the UK and 162 from Bahrain).

Questionnaire Instrument and Structure (Quantitative)

Research instrument design helps to collect necessary data using appropriate tools and means (Saunders et al., 2019). This instrument is mainly the questionnaire development and distributed online for the survey and the semi-structured interview among bank professionals and banking experts in the field of Islamic and ethical banking. The previous comparative and mixed-methods

research for similar contexts in various fields were reviewed critically for our purposes. In this, the identification and assessment of the questionnaire items were critical, which enabled the researcher to examine the current phenomena of empirical research. Consequently, those essential items could be employed in our current research to validate and improve credibility. For instance, the current research aimed to determine the variables that influence customers to switch banks. In our survey instrument, multiple answers were furnished to select the most preferred answers from the participants, and these enabled the researcher to rate the responses under ranking and in various categories (Saunders et al., 2019). As part of the process, this research considered previously used questionnaires/interviews for similar successful research in various other contexts and subsequently modified them based on the research objectives of the current study to ensure research instruments are credible. The initial questionnaires were more than 5 pages; however, after a pilot test and extensive reviews and recommendations from the interviewers, the questionnaire was reduced to 4. Demographic information fills the first page, and the remaining sections focus on relevant questions to achieve the research's objectives. The researcher used two types of questionnaires with similar contents. One was paper-based, and the other was Google Survey Form (free version). The online survey form was distributed across the UK using various social media platforms, including a printed version of the forms. The paper-based version later abandoned due to Covid-19 outbreak and restrictions, though it was useful during the pilot study, which was distributed by the researcher wherever possible. Subsequently, we used WhatsApp, SMS, and email to send the link to prospective participants. For this process, the researcher used online platforms to request unknown participants, for instance, various study forums and Islamic forums in London, Birmingham, Manchester, and Scotland which are virtually accessible to all residents of the UK.

Most of the questions were in the form of the Likert Scale (5 scales). For instance, questions one to five on customer satisfaction appear where 1=highly dissatisfied, 2=dissatisfied, 3=neutral, 4=satisfied and 5=highly satisfied. Similarly, when a

statement indicates, as per the Likert scale, 1=Strongly disagree, 2=disagrees, 3=neutral, 4=agree, and 5=strongly agree. All the questionnaires were written in English, as Bahrain and UK residents could read and write well.

4.6.2 Interview Questionnaires and Instrument Design (Qualitative)

The second phase of data collection in the current study was to employ in-depth interviews among participants of two case countries. The use of a semi-structured questionnaire is one of the most flexible means to obtain data in greater depth by exploring participants' comprehensive views on the topic (Saunders et al., 2019). The process of semi-structured interviews enables the researcher to assess a set of themes and sub-themes through various stages, including phenomena such as emotions, values, perceptions and attitudes of the participants (Bryman and Bell, 2018).

To design the instrument of the interview questionnaires, theoretical frameworks were used to achieve the aim and objectives of our study. In addition, several items based on previous studies of similar but various other contexts from the UK, Middle East and Far East countries were incorporated. These processes are aligned with the responses from quantitative responses and have been cross-examined by qualitative interviews to achieve validity, reliability and credibility. The question selection and development the design of the questionnaires were subject to considerable discussion with my supervisor, peers and refinement till we found the overall objective can be achieved. The five main themes that have been the centre of the CRM frameworks dominated the question design, including the IB products, services, management, staff and marketing aspects of the study. The questionnaire is placed in Appendix II of this paper.

4.6.3 Pilot Study (Quantitative and Qualitative)

A pilot study is considered (see details in questionnaire instrument design above) before actual surveys or interviews are conducted to achieve the optimum level of

validity of the research (Bryman and Bell, 2018). Both quantitative survey and qualitative questionnaires were distributed as part of the pilot test as per the following:

Quantitative: To ensure successful questionnaire administration and achieve the research objectives as effectively as possible, the researcher attempted a pilot test among a few participants to see if any issues arose or corrections needed in the questionnaire (Bryman and Bell, 2018). This pilot-testing scheme enables researchers to review further if the questionnaire and the process are valid and credible (Cohen et al., 2013).

Qualitative: The interview procedure and duration were from March 2022 to May 2022. Before these interviews, a pilot test with a few participants was conducted to ensure the questionnaire validity between the customers of Islamic banks in Bahrain and the UK. Both are customers of Islamic and conventional banks to review their responses and if there are any potential problems in understanding the questionnaires fully. After the interviews, we revised the questionnaires with minor changes that ensure the questionnaire was open-ended but a sub-question or secondary type of questions that would prompt to assist with the interview questions (Saunders et al., 2019).

4.6.4 Procedure of Data Collection (Quantitative and Qualitative)

4.6.4.1 Quantitative: To achieve the study objectives, the help of primary data was enormous. Empirical data determine various levels of engagement of consumers with Islamic banking and services in two case countries. The subsequent step was to design a questionnaire to collect customers and marketing employees of Islamic banking institutions. Since the research is exploratory, this data has been compiled based on the current environment of the case locations. Among those questions, the following areas aimed to answer the research inquiries.

a) Various channels customers use to get services and communicate with banks.

- b) The level of satisfaction during and after-sales services.
- c) The comparison of services between conventional and Islamic banking services.
- d) The opinion of the Shariah Board and its members, the prices of products and services.
- e) Impact of marketing on consumer behaviour towards Islamic banking products and services in the UK and Bahrain and to compare.

4.6.4.2 Qualitative:

The second stages of data collection tools were interviews using semi-structured questionnaires as the use of in-depth interviews enable researcher to obtain participant's perspectives on the subject under study (Saunders et al., 2019). However, it took four months to find participants and organise interview schedule. A total of 12 interviews were conducted from March to May 2022. Participants were joined these interviews from London, Birmingham, and Manchester in the UK and New Janabiya, Manama, Isa Town, Sitra and Muharraq in Bahrain. Some participants were interested in seeing the questionnaires before the interview for their preparation. However, the questionnaires were provided to them as per their request. It was considered that with preliminary information on the questions, the participants might understand better, which could help to acquire better responses. In the interview, the researcher faced several issues with the interviewees because more than half of the participants changed their schedules without notifying the researcher. Some were requested to interview over the phone, and some agreed over Zoom during the communication stages by phone (Phone calls, Text and WhatsApp messages). However, most were comfortable with the audio interview as recorded and saved as proof of real-life interview, which was secured in a file. In the beginning, I greeted the participants, explained the reasons for these interviews, introduced myself before starting questions and answerers, and took notes wherever required. All of participants were fluent in English, so it was no problem to proceed with the interviews. In some contexts, the participants were asked for more clarification, which was cleared before they started answering. Sometimes even the participants started to provide more information, which is not

required, but I did not stop them from keeping the flow of the conversations. For the interview process, the researcher initially listed a few banks starting from full-fledged Islamic banks and contacted them through various personal networks and online platforms. The major participants agreed with the interview after the researcher approached the banking professional and senior leadership of the banks in the UK and Bahrain. Al Rayan Bank and Gatehouse bank are the two biggest Islamic banks operating in the UK, and both banking officials agreed and participated in the questionnaire interviews. In addition, two highly experienced consultants with previous banking with the biggest banks in the UK also attended. The fifth participant was a scholar in Islamic banking and academics at the higher education sectors, like from the University of Coventry and the University of Birmingham.

On the other hand, the Bahrain Islamic bank (BisB), Al Baraka bank, Al Salam bank, National bank of Bahrain, and Ithmaar bank officials participated in the interviews. I also interviewed a Shariah analyst from Kuwait Finance House (KFH), one of the largest full fledge Islamic bank in Bahrain. Followed the exact process to interview banking professionals from Bahrain for the interviews as used in the UK. First, the researcher sent the email or initial request through social media, LinkedIn, and email (email from the University of Bolton webmail) to show authenticity with a participant's information sheet mentioning the researcher's aim and objectives. After sending the request, some professionals agreed to meet, participate, and record for in-depth analysis because note taking alone is not always the best practice. There are advantages with recording that these are the proof of data collection procedure followed with best practice. The criteria of the banker participants were at least 3-5 years of experience in Islamic banking sectors and direct involvement in the day-to-day activities of the banks to ensure participants are knowledgeable in the IB field. However, in reality, the researcher found most of the participants were very experienced, which added credibility in the research. The participants were briefed on the research background and followed the ethical aspects before obtaining the data from the interviewees. The

semi-structured interview data complemented the online survey among participants to cross-examine the survey data. In case any explanation and clarification occurred from the survey, which was very helpful for the researcher to assess the impact of banking services and quality on consumer behaviour and the decision-making process before using Islamic banking products and services.

4.6.5 Information from secondary sources

A large amount of information is obtained and processed while doing a social science research (Bryman and Bell, 2018). In this information sources, relevant information are available but need to review them carefully and required to ensure that data are obtained from a reliable sources. This information is mainly collected from banks, for instance, the annual reports, the government reports, central bank reports and websites of the banks and government and non-government institutions. As part of this process, the researcher has downloaded and reviewed more than 50 successful PhD theses from British Library (Ethos). In addition, more than 200 articles and books related to the current study topic were also downloaded and reviewed from the University of Bolton's main library facility. Furthermore, the professional study conducted in various other countries, including the UK, is reviewed as it has become more critical to compile comprehensive knowledge in the current study process. In our study, we aimed to collect secondary sources of data within last five years; however, some of the secondary data are older than 5 years due to the nature of the information. Among the essential and most relevant works by Hoque et al., (2018), Ayyadi, (2018), Alam et al., 2017, Rafiki (2021), Mukhlisin (2022), Buttle and Maklan (2019), Mohammed et al. (2020), Migdadi (2020), Wilson (2019), Aslam et al. (2023), Nomran and Haron (2020), Asutay and Yilmaz (2021), Tekdemir (2021), Salokhe et al. (2023), Khan, T. N. (2011), Riaz, U. (2014), Financial Conduct Authority (FCA, 2023), Bahrain Ministry of Information (2022) essential to mention in addition to a number of annual reports published by the UK and Bahrain governments. These secondary sources are sometimes helpful to understand historic information related to the researchers. To review the questions on consumer relationship management

(CRM), the researcher will review CRM initiatives of the banks and evidence from respective banking websites to analyse them, which embeds in the recommendation sections.

Collecting primary data has significant control by the researcher, but there are disadvantages while collecting the information from secondary sources; for instance, the information may not be as accurate as being thought, or the process of secondary data collection may not follow the right processes. One of the most important issues with secondary data could be “relevance” to the current research. Secondly, secondary data may need to update of particular issues needs to update. Finally, any types of secondary data should have standard quality over a large quantity of secondary data (Saunders et al, 2019).

4.6.6 Sampling, Strategy and Procedure (Quantitative and Qualitative)

4.6.6.1 Sampling and Strategy for Quantitative Data: Sampling is one of the most important aspects of an academic research (Bryman and Bell, 2018). The selection of a right object, event or individual has enormous importance. According to Saunders et al. (2019), it is important to consider a few factors that helps researcher to draw a conclusion for the whole population under study using a sampling techniques. The current research took the sampling population from cities in Bahrain and several locations in the UK for the present study. These samples included both banking employees and customers in the sampling from the UK and Bahrain. We took the interview appointments in advance after reviewing the participant's eligibility criteria with at least 3-5 years of experience in the profession. Specially at the current bank, to ensure that the banker knows how the strategies are formed at the bank and at the same time, the banker representative knows clearly how principles of Islamic law apply and implement. On the other hand, we used Google survey to administer survey questionnaires with an inbuilt questionnaire design provided by Google free of charge. Due to budget constraints and time issues during the Covid-19 pandemic, it was difficult to obtain responses both survey and interview data. At the beginning of October 2021, immediately

after approval to proceed with the final stage of the research, both questionnaires were piloted, but responses were not as good as expected. Despite the obstacle in the aftermath of Covid-19, the researchers collected more than 70% of the initial target of 500 participants.

There are two types of sampling methods such as, 1) Probability and 2) Non-probability sampling. According to Sekaran and Bougie (2016), when the samples have the possibility of an equal chance to be selected and represented, called probability sampling. These samples include random sampling methods. However, we used non-probability sampling for researchers' purposes and convenience. Therefore, researchers' judgments widely depend on selecting such samples (Sekaran and Bougie, 2016). Most social science research uses non-probability sampling due to the nature of the process and requirements.

It is an essential obligation for researchers to specify how to form sampling strategies. I prefer a convenience-sampling method due to its nature and flexibility in my research. It is most appropriate for the current research and falls into the non-probability sampling methods. We selected this sampling procedure because of most appropriateness compared to other practices in collecting and processing data for the type of research currently undertaken. For instance, snowball sampling is time-consuming and may not even see the actual participants in months or years as per the target sampling size. Other sampling, such as purposive and judgment or quota sampling, is also not the most appropriate for the current research due to its nature and criteria; hence, convenient sampling is considered the best for this research. Since the survey questionnaire was administered first before the interview process, this process follows a sequence that is convenient, appropriate, and effective during the collection process; therefore, this sampling method is called the sequential sampling method under the non-probability sampling method (Creswell, 2022). According to Saunders et al. (2019), the standard size of the sample should be 30 to 500. The current study initially expected to collect 500 responses; however, after finalising, it was 351 valid responses selected to

analyse the data within customers of conventional and Islamic banks among various nationalities in both countries.

4.6.6.2 Sampling and Strategy for Qualitative Data: For selecting the interview participants, snowball-sampling techniques were used for sample collection to maximise the representative of desired sampling (Saunders et al., 2019). Due to the Covid-19 pandemic, the researcher could not travel to Bahrain or other places across the UK from where the researcher wanted to collect data as per the initial planning methods. Therefore, the researcher sought the help of family and friends for recommendations for finding participants. This type of sampling process where research seeks more participants from the interviewees is called snowball sampling (Saunders et al., 2019).

According to the research methodology outlined, this research conducted 12 in-depth interviews among Islamic banking professionals, including bankers, consultants, and Shariah scholars. The availability, interest and acceptance are strategies to recruit the current research samples. A total of 5 participants were from the UK, while 7 participants were from Bahrain. However, none of the participants from the UK were women. On the other hand, out of 7 participants, 2 were women from Bahrain participated in the interview process. Most participants worked in their respective fields in Islamic banking ranging from 5 to 20 years. There was an exception as one participant was only three years in the profession and was in his early stage of Shariah advisory role in a large Islamic bank in their Shariah compliance department in Bahrain. The interview process started from February to May 2022. Despite all the efforts to invite Muslims and non-Muslim professionals, only Muslims agreed to participate. None of the non-Muslim professionals was interested. Others declined without any reason. During the interview process, it was an in-depth understanding for the researcher to know many Islamic banking professionals across various regions of the UK and Bahrain. All the participants were educated and spoke fluently in English; 6 were bachelor's degree holders, one was a Chartered accountant and PhD, while 4 held a master's

degree in finance and banking. All the participants' name was coded using special characters (For instance; resp.1, 2, 3). All the participants were customers of Islamic banks. Most of them have accounts in conventional banks for various other products. Because when participants find competitive products from conventional banks, which Islamic banks cannot provide, for instance, some loan products, which conventional banks provide quicker than Islamic banks, were revealed during the interview conversation with the participants.

In this process, researcher used a covering page mentioning the purpose of the research and then contacted a number of IB professional including academic in Islamic banking. The use of phone, email and social media was the key instrument for the recruitment of the participants in addition to the social and professional media. The professional media, such as LinkedIn (www.linkedin.com) was used heavily because LinkedIn is a place where most professionals will register themselves and it was easy to find hundreds of professional including Shariah advisors, Islamic banking consultants and academics. However, the drawback was many professional didn't reply back, the reason could be they are not interested to take part in the research or have no time to involve in a process that has no material interest in their daily activities. A number of other participants who were agreed but later on backtracked due to their work or family commitments. Even though it was difficult, the researcher finally found 5 participants in the UK and 7 in Bahrain. All the participants are banking professionals and have banking activities in Islamic banks. The selection criteria were unambiguous and straightforward; the participants must be IB professionals with at least five years of experience in their respective banks. Samples covered most of the Islamic banks that provides IB services in Muslim majority locations. These locations include Edinburgh, Birmingham, Manchester, Cardiff, and London in the UK. Bahrain is quite a small place where Manama, the capital, is the heart of the banking industry not only for the banks of Bahrain but also in the wider Gulf Cooperative Council (GCC) locations. The target was also to interview 10-20 per cent of females. Even though it was possible in Bahrain, unfortunately, it was not possible in the UK despite

enormous efforts to include females for more diversity and credibility in the research. Most participants who agreed to participate were also customers of Islamic banking products and had considerable knowledge of the products and services even though it was not the criteria to have this technical knowledge. All the participants agreed to record the interviews. They also agreed to provide demographic information with their consent. In the participants' information sheet, the details were available to ensure that the participant's personal information would not be accessible except to the researcher and the supervisor. The participant's sheet included how the information will be processed and destroyed after completion of the research. Therefore, because of such assurance, most participants were enthusiastic about the interview.

4.6.7 Data Analysis methods (Quantitative)

Appropriate data analysis and interpretation are among the most critical aspects of any research (Saunders et al., 2019). This process starts when the researcher can complete a data collection intended for the study. The data presentation is next in a combination of text, tables, and charts. This research explored participants' events and opinions by using explanatory and descriptive methods for demographic questions. At the same time, correlation analysis was conducted among dependent variables, for instance, products, services, management, staff and marketing and independent variables, such as customer satisfaction. In addition, to compare differences and similarities, various tools such as Chi-Square, and others by using a Statistical Package for Social Science (SPSS) software, Exploratory and Confirmatory Factor Analysis were used using AMOS statistical software. Further, this study undertook regression analysis to see the impact and influence of the research variables. Microsoft Excel and Word has been used to create tables and bar charts, while Photoshop software is used to design various concepts and processes for clear presentation to the audience. The Likert scale measures the consumer's service preference - the thematic analysis for closed-end semi-structured interview findings (Saunders et al., 2019). NVivo software

used to analyse data by coding and developing themes and sub-themes before analysing them and presenting results.

4.6.7.1 Data Cleaning

Data cleaning is the process of fixing or removing incorrect and corrupted, incorrectly formatted, duplicate, or incomplete data within a dataset. The missing values were not ignored because many algorithms will not accept as Confirmatory Factor Analysis (CFA) to identify the modification indices. There is couple of ways to solve this issue. Neither is optimal, but both can be considered in this step. Using frequencies procedure has solved missing data in the database. This step were needed to determine the validity of that number where an outlier proves to be irrelative for analysis or is a mistake, and considered to remove where the descriptive statistics procedure to identify outliers in the database, we removed that responds that including the missing values and outliers. The check for duplicate records made by selecting cases to identify any duplicate records in database, this step has done without any duplicate responses over the whole items of the questionnaire. After the data cleaning, the final number of valid data considered is 351 from Bahrain and the UK.

4.6.7.2 Data Analysis

The data was collected by questionnaire in the Likert scale considered quantitative data where descriptive and inferential statistical analysis techniques were employed to determine the distribution of responses across variables and to examine relationships between variables. The structure of the questionnaire instrument and the response were designed to provide the basis for statistical analysis and offer a clear and unambiguous representation of the data (Saunders et al., 2019). To analyse the data from the questionnaire, two software packages were employed: Statistical Package for the Social Sciences (SPSS 26) and Analysis of a Moment Structures (AMOS 25). Analysis proceeded through four key phases. The first phase summarized the data gathered, resulting in descriptive statistics such as percentages, frequencies, mean, median and cross tabulation.

The factor analysis investigates convergent validity among the items used to measure each construct. Construct validity is stated to refer to the extent to which the scale utilized is representative of the concept to be generalized (Field, 2018). Hair et al. (2014) emphasize that factor analysis is useful for identifying whether items used to measure a construct are convergent on the same construct. A confirmatory study is to verify item one-dimensionality and their underlying constructs. It is acknowledged that traditional tests such as Correlated Item Total Correlation (CITC) and Exploratory Factor Analysis (EFA) provide a preliminary analysis, particularly where a sufficient theoretical base is unavailable, and as such, are inadequate for testing one-dimensionality. Therefore, exploratory tests are useful for the progression of hypothesized measurement models, which can then be tested using Confirmatory Factor Analysis (CFA) (Field, 2018). The basic test for convergent validity is calculating the Average Variance Extracted (AVE) (Hair et al. 2014). Field (2018) asserts that convergent validity exists when the AVE values of each construct are ≥ 0.5 . Discriminant validity is assessed by comparison of the AVE with the squared correlation existing between constructs where AVE values should be greater than the squared correlation of any of the constructs in the model (Lucianetti et al., 2019).

4.6.8 Data Analysis Methods (Qualitative)

The interview data was considered as qualitative data, in which the transcripts were coded according to the proposed study constructs. This enabled data to be compared and contrasted and linked to the constructs. The process was facilitated by NVivo 12 software, supporting the organization, classification and allocation of the data through the utilization of features such as codes and nodes. Saunders et al. (2019) emphasize that data categorization depends on category development and linking categories to meaningful pieces of data.

4.6.8.1 Thematic Analysis and Approaches:

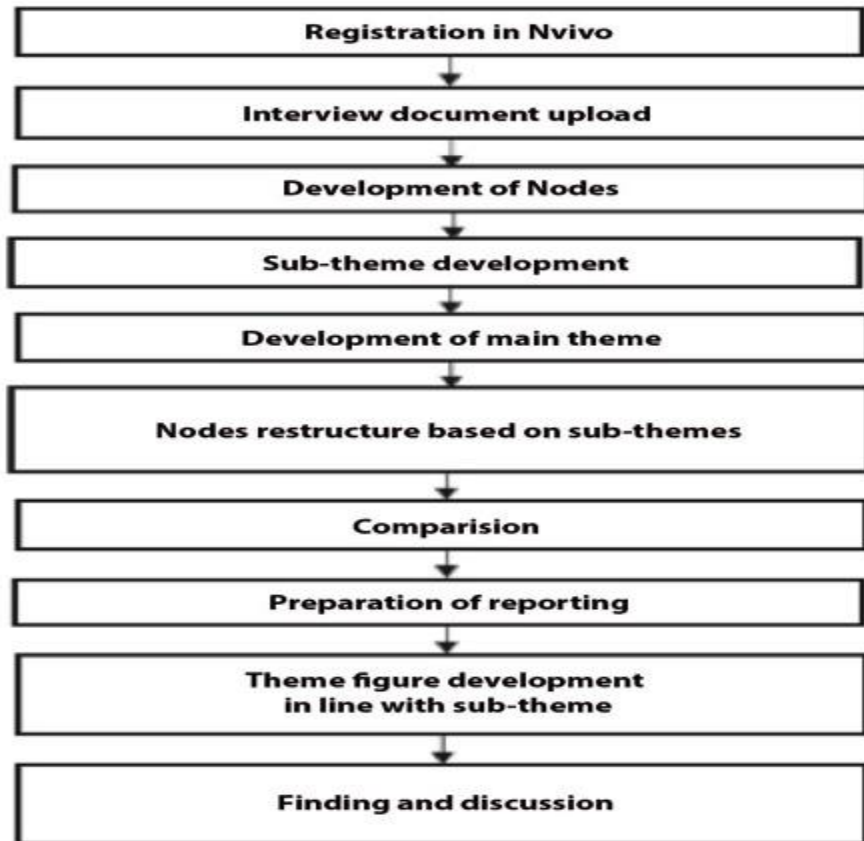
Out of a number of ways of doing qualitative data analysis, thematic analysis was chosen using NVivo software. Thematic analysis is one of the best ways to analyse

interview data. It helps researchers to organise information quickly and more conveniently and save time. Thematic analysis is most helpful because after gathering data, it allows coding and making themes and creating the structure of the collected data or phenomenon, enabling researchers to find out the research outcome easily (Bryman and Bell, 2018).

4.6.8.2 NVivo methods and analysis process

Initially, the registration process starts with a project name in NVivo software. To process the data, the interview transcripts were fed into NVivo. Top frequently used words are produced after running the query. Subsequently, nodes are created based on the research questions requirements in which all similar areas of research data are separated into nodes, and then sub themes are created leading to the main themes. The information is then structured based on the research requirements and analysed. Finally, a report is prepared and discusses the finding before concluding the chapter. A data analysis flow chart is presented below to reflect the methods and analysis process of NVivo for qualitative data analysis.

Figure 4.6 Methods and thematic analysis process of NVivo



Source: Step-by-step process of thematic analysis (Created by the author)

4.6.8.3 Fifty Most frequently used words (UK and Bahrain)

The analysis of the participant's demographic information started with the beginning. The subsequent sections are a step-by-step process of thematic analysis using the NVivo software, version 12. The transcripts of interviews are fed and coded, and developed themes are analysed and reported before concluding the chapter. The NVivo word cloud enabled the creation of fifty words that appeared during the interviews frequently. The query selection with a length of 3 alphabets enables the creation of the word cloud (Figure 4.7). These words are most used during the conversation with the interviewees, which are relevant to the main research questions of this research.

Figure 4.7 Fifty most used words in interviews



Source: Word tree created by the author using Nvivo to identify key words used in interviews.

Following figure 4.8 (Using Nvivo world cloud) shows 100 most frequent words used during the interviews separately for the UK and Bahrain.

Figure 4.8: Hundred most frequent words



Bahrain

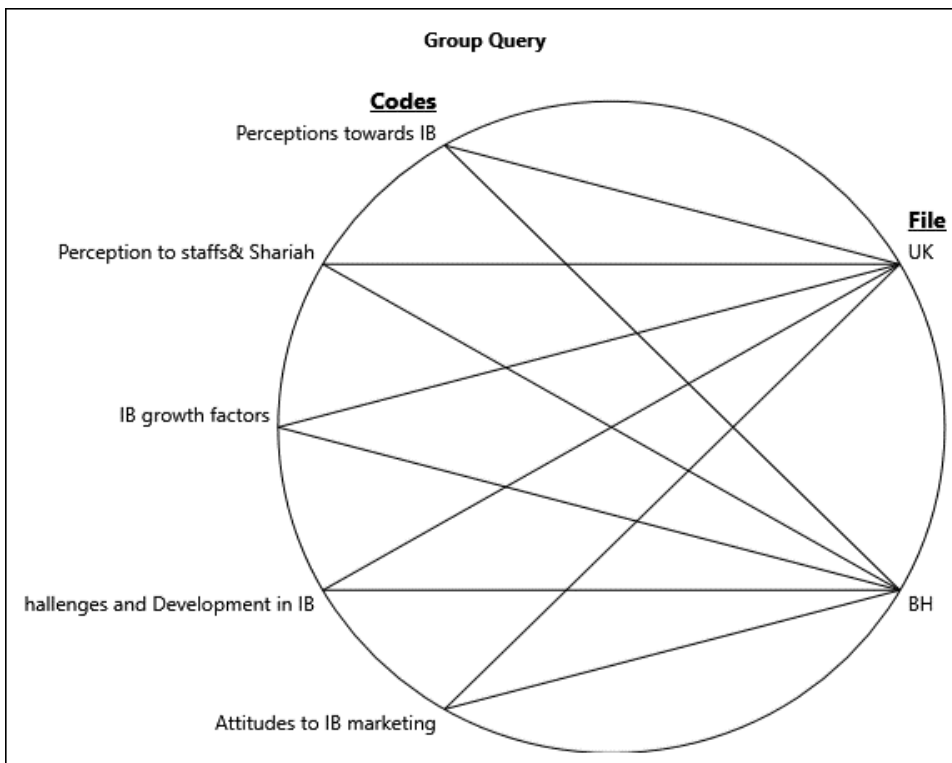


UK

Source: Word tree created by the author using NVivo software to identify key words used in interviews in case countries.

4.6.8.4 Query Group Banks in UK and Bahraini

Figure 4.9 Query group in the UK and Bahrain by NVivo



Source: Created by the author using NVivo software

The Figure (4.9) shows the both groups of Bahraini and British mentioned and cover the codes of themes in interview as five nodes.

4.6.8.5 Data coding in NVivo software for thematic analysis

After word tree formation, the keywords are selected and found most discussed areas of the research, which were considered as sub-categories, and were created based on the main question. All the similar coded items are combined under six main questions. For example, when asked about perceptions of Islamic banking with sub-questions such as if they knew the objectives of Islamic banking and difference between the Islamic banking and conventional banking. All participants' answers to the main question and sub-questions were gathered under question 1. Similarly, other main and sub-questions were gathered under key theme two. Once all the sub-questions were reviewed, the main themes were immersed and then it related to literature and CRM frameworks described in Chapters 2 and 3, respectively. The following figure reflects the coding and main theme development process.

Figure 4.10 Themes and Nodes developed in NVivo software

Nodes

Name	Files	References
1. Perceptions towards Islamic banking		0
IB practice and objectives		10
Quality products & services		5
Shariah compliance of IB		8
Social Justice		7
2. Perception to staffs & Shariah scholars		0
Qualified Shariah consultants		2
Role of Shariah scholars		4
Shariah info thru social media		7
Staff and leadership		4
3. Attitudes to IB marketing & compliance		0
Authentic & Shariah compliant marketing		12
Community based marketing		2
Customer relationship management (CRM)		5
Digital marketing		3
4. Challenges and Development in IB		0
Challenges		0
General challenges		4
IB use CB product design		6
Marketing strategies		9
Retail banking & services		5
Shareholder attitudes		3
Development		0
Competitive prices		2
Interest free		2
Internet banking		2
New customers & markets		7
5. IB growth factors		0
Dev. of IB financial market		8
Growth perceptions		2
Key factors for growth		10
Quality services		6

Source: Coding and themes created by the author using NVivo software

4.7 Validity and Reliability

The important validity of any research is one of the critical criteria. According to Bryman and Bell (2018), there must be integrity in the research results. Different types of validity discuss in the literature; these are:

- a) Construct validity: The validity confirms the achievement of the intended research aim.
- b) Internal validity: This confirms the validity of the research contents, its consistency and accuracy, neutrality and if the phenomena observation and interpretation are accurate (Bell et al., 2022).
- c) External validity: This is also research finding, and if the result can be generalised with another research (Saunders et al., 2019).

According to Cohen et al. (2013), a complete and successful validity is not possible by any single type of research. However, this could be improved significantly if correctly followed the research design. It is vital for data collection and understanding. It is crucial because it gives validity and reliability to data (Bell et al., 2022). Kotler and Armstrong (2016) argued that all data related to marketing research should involve primary data collection methods, and comparative studies ideally undertake two cases to find similarities and differences in issues.

The current research runs as accurately as possible, utilising available theories and literature and considering patterns of previous successful studies. In an Interpretivist position, the research will run mixed methods tools to maximise the validity in both angles of research design. This research will also aim to use theories and, at the same time, explain which components of Consumer Relationship Management (CRM) are applicable and attempt to answer the research questions.

4.7.1 Reliability of questionnaires

According to Saunders et al. (2019), the standard size of the sample should be 30 to 500. Therefore, the current study distributes online using online platforms among more than 500 respondents. Collected 374 respondents; however, the total excluded 23 questionnaires due to error and insignificance issues. Therefore, 351 questionnaires were considered valid and processed for analysis. The first part was to review the reliability of the questionnaire's instruments. Bell et al. (2022)

states that a reliability instrument is interpreted consistently in all situations and produces the same results. Bell et al. (2022) emphasizes that research questionnaires must be reliable to validate the instrument. Cronbach's alpha is one of the widely used reliability coefficients to measure that indicates the items are correlated positively (Saunders et al., 2019). The Cronbach's alpha is considered from 0 to 1 scale and usually considered .7 values are acceptable. However, more than .7 is an indicator of higher reliability. The following table shows Cronbach's alpha value, which is 0.813 that indicates the current questionnaire instrument is significant and very good.

Table 4.4 Component wise reliability of the questionnaire

Components	Mean	Std. Deviation	Cronbach's Alpha
Preference of Main Banking Services	3.27	0.892	0.809
Satisfaction on Counter Services	3.61	.801	0.810
Recommending Bank Switching Bank	3.81	0.668	0.816
Perception of IB Provider	2.61	0.896	0.813
Reasons for IB attraction	3.51	0.750	0.807
Familiarity with IB terms	3.49	0.941	0.808
IB Marketing Challenges	3.38	0.948	0.806
Preference for Shariah Products	3.67	0.805	0.808
Overall, Cronbach's Alpha	4.00	0.651	0.811
Overall Mean	4.10	0.643	0.811
		0.813	
		3.347	

Table 4.5 Scale wise reliability

Cronbach's Alpha	Cronbach's Alpha Based on Standardised Items	N of Items	Mean
.813	.855	82	3.347

4.7.2 Triangulation

To achieve effective research results, researchers (Bryman and Bell, 2018, Saunders, 2022) argued that for different methods in human behaviour for research, triangulation helps to gain an enhanced understanding of the researcher. Many authors such as Creswell (2018) stated that triangulation is a process in which researchers combine data and information from multiple sources to frame it in a theme to validate the process. While Bryman and Bell, (2018) explains and highlights that triangulation helps researchers who aim to employ multiple perspectives such as methods, theories, and perspectives to achieve objectives better. To perform a triangulation, the following vital elements stated, which are also followed by the current research, are mentioned below:

- i) Data triangulation: within this form, necessary data to be collected from various points of sources includes survey and interviews (using closed end online survey and semi-structured interview questionnaires). The current research used an explanatory mixed method process in which both processes are employed.
- ii) Investigator triangulation: the researcher undertook this research with the help of two supervisors' guidance from the University of Bolton. In addition, other tutorial supports enabled the author to complete the research.
- iii) Theory triangulation: other researchers proving validity in various contexts of similar research used the theories used in this research

previously. This theory-related information is referred to in chapters two and chapter three, respectively.

- iv) Methodological triangulation: this research combines mixed-methods data collection methods, which justify triangulation.

4.7.3 Research Ethics

This study completed the research ethics approval during the University of Bolton R1 process (year one) that examine if the project is viable and all rules and regulations are complied prior to get an approval to start data collection. Therefore, research ethics are pre-approved unless significant research methodology and methods shifts exist. However, it is to reiterate that researchers tried the best to ensure that all the participant's information is kept with utmost care. The researcher informed all the participants that this is academic research in which the participants are free to cancel filling out the questionnaire or reject any interview at any point of the study. They can even withdraw their response two days after the submission. All participants have given information that the researcher will delete the collected data after completing the analysis.

4.7.4 Research limitations

Considering the current Covid-19 pandemic, the researcher couldn't travel to the target locations specified in the methods. In addition, many employees were working from home and were not provide appointments during official hours. One of the limitations was if the participants could fully understand the questionnaire. To minimize the risk, the researcher developed a forwarding note and even contact information if the participants need any clarification, especially during the online survey of the research. On another note, due to the nature of the study, some participants may not provide honest answers considering several reasons, for instance, religious fear.

4.8 Demographic profile of the participants (Quantitative Data)

The previous section has focused on the step-by-step processes and design of the current research, including this study's reliability, validity, and limitations. This section will focus on the characteristics of the respondents.

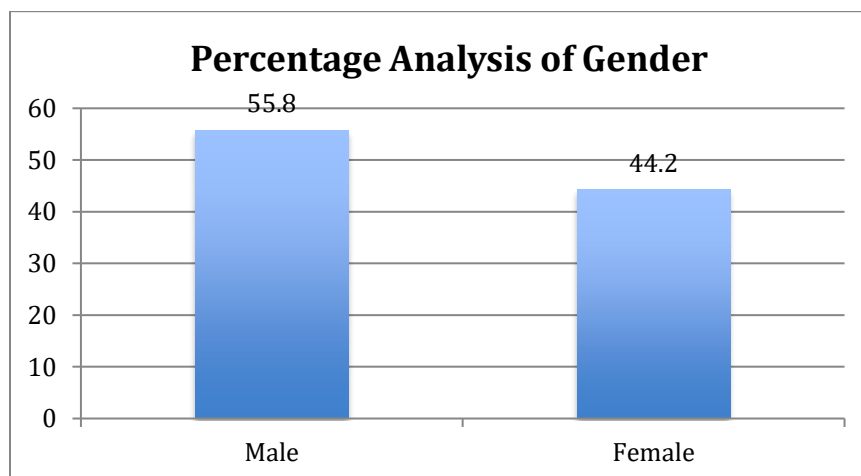
4.8.1 Frequency and percentage Analysis of Gender

Table 4.6 Frequency and percentage of gender

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Male	196	55.8	55.8	55.8
Female	155	44.2	44.2	100.0
Total	351	100.0	100.0	

Three hundred and fifty-one people participated in this study from both Bahrain and the UK. Among these 351 participants 55.8% (n=196) were male and 44.2% (n=155) were female. The male was the highest percentage, 55.8% (Mean=1.44).

Figure 4.11 Percentage analysis of gender



4.8.2 Frequency and percentage Analysis of Marital Status

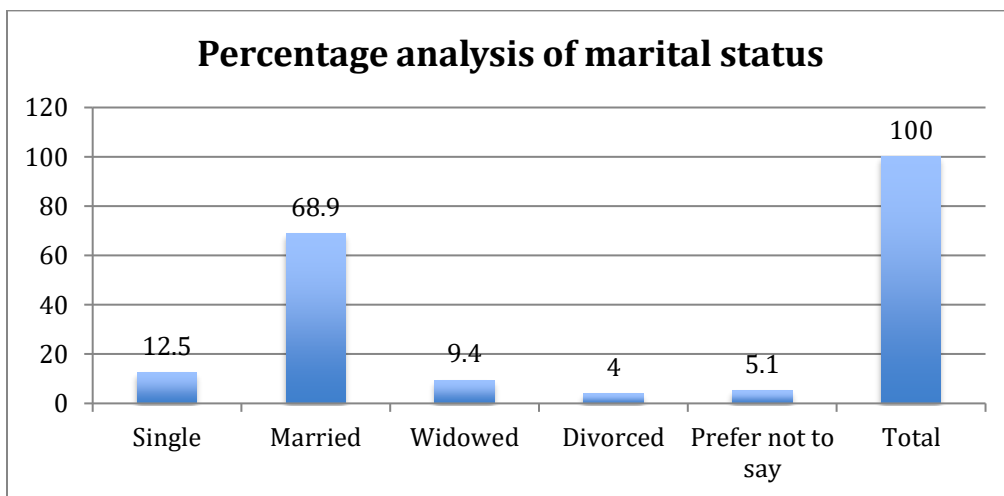
Table 4.7 Frequency and percentage of marital status

Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	44	12.5	12.5	12.5
	Married	242	68.9	68.9	81.5
	Widowed	33	9.4	9.4	90.9
	Divorced	14	4.0	4.0	94.9
	I prefer not to say	18	5.1	5.1	100.0
	Total	351	100.0	100.0	

Of these 351 participants 12.5% (n=44) were single, 68.9% (n=242) were married, 9.4% (n=33) were widowed, 4.0% (n=14) divorced, 5.1% (n=18) were people who did not want to say their marital status. Married participants were the highest (242), mean of 2.20. The following bar chart shows to reflect the marital status findings.

Figure 4.12 Percentage analysis marital status



4.8.3 Frequency and percentage Analysis of Age

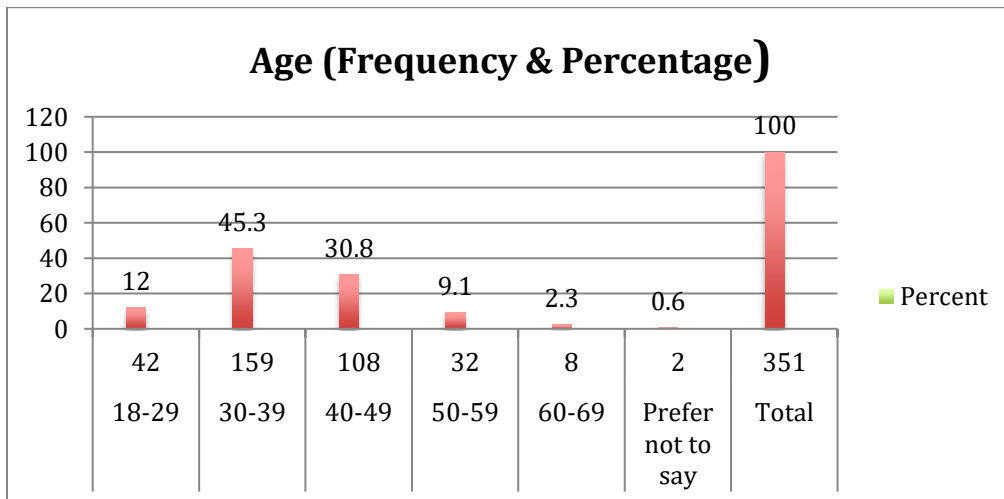
Table 4.8 Frequency and percentage of age

Age

	Frequency	Per cent	Valid Percent	Cumulative Percent
Valid 18-29	42	12.0	12.0	12.0
30-39	159	45.3	45.3	57.3
40-49	108	30.8	30.8	88.0
50-59	32	9.1	9.1	97.2
60-69	8	2.3	2.3	99.4
I prefer not to say	2	.6	.6	100.0
Total	351	100.0	100.0	

The age group 18-29 (n=42) total participated 12.0%, the total participants for 30-39 age group (n=159) participated (45.3%), the 40-49 age group (n=108) 30.8%, the age group 50-59, (n=32) participated (9.1%). In the age group 60-69, the total participants (n=8) participated 2.3%) and prefer not to say only 2 participated (n=2), which is .6%. The highest age group participating in the survey were (30-39: mean=2.44).

Figure 4.13 Frequency and percentage of age



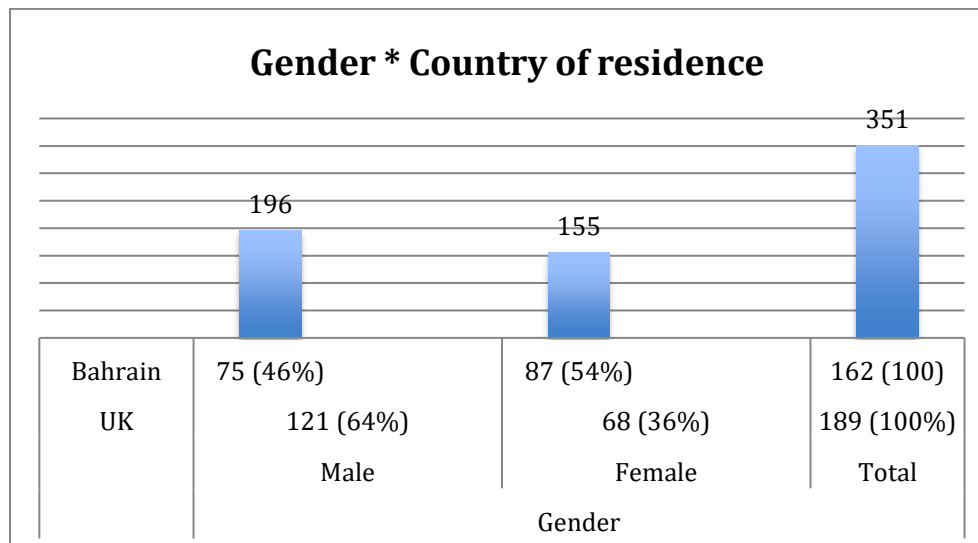
4.8.4 Frequency and percentage Analysis: Gender and Country residence

Table 4.9 Gender and country of residence

		Country of residence		Total
		UK	Bahrain	
Gender	Male	121 (64%)	75 (46%)	196 (55.8%)
	Female	68 (36%)	87 (54%)	155 (44.2%)
Total		189 (100%)	162 (100)	351

Total males participated in the UK (n=121) out of 189, which is 64%, whereas, in Bahrain, the total male (n=75) is 46%. Among females, a total of (n=68), (36%) participated in the UK and (n=87), which is 54% among 155 females, participated in both countries. The following bar chart shows to reflect the statistics. The majority of respondents are from the UK for male (64%: mean=1.44).

Figure 4.14 Frequency and percentage of gender



4.8.5 Frequency and percentage Analysis between Country and Age

Table 4.10 Age and country of residence

Country of residence * Age Cross tabulation

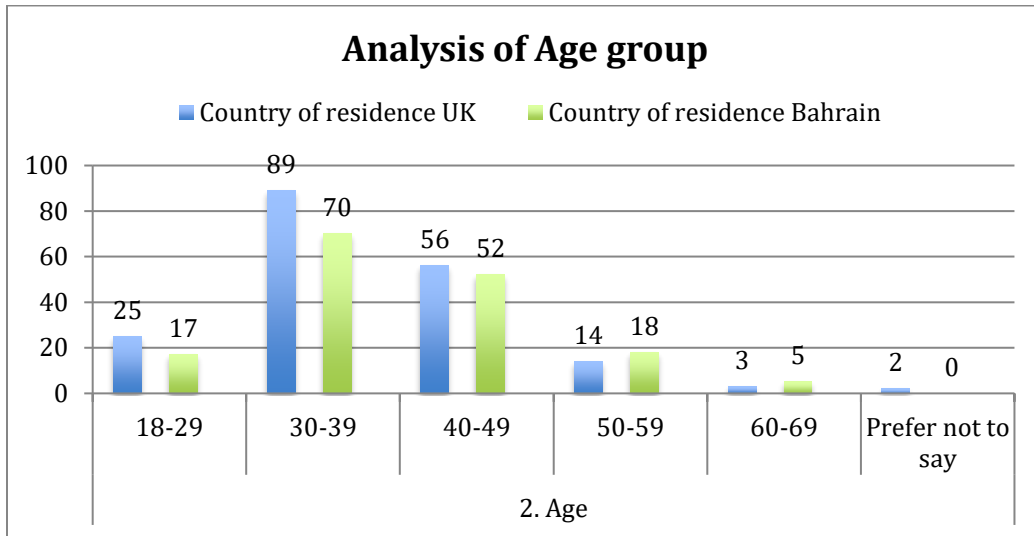
		2. Age					Prefer not to say	Total
		18-29	30-39	40-49	50-59	60-69		
Country of UK residence	25	89	56	14	3	2	189	
	13.23 %	47.09%	29.63%	7.41%	1.59%	1.06%	100%	
Bahra in	17	70	52	18	5	0	162	
	10.49 %	43.21%	32.10%	11.11%	3.09%	0.00%	100%	
Total		42	159	108	32	8	351	

Age group found from the UK 18-29 (n=25), which is 13.23%, 30-39 (n=89), 47.09%, 40-49 (n=56), 29.63%, 50-59 (n=14), 7.41%, 60-69 (n=3), 1.59% and participants who did not wanted to say about their age (n=2), 1.06%. The highest age group that participated in this study were the 30-39 (47.09%) age group, followed by the 40-49 age group, while the lowest was participants who did not want to be identified by age (1.6%).

Age group found from Bahrain 18-29 (n=17), which is 10.49%, 30-39 (n=70), 43.21%, 40-49 (n=52), 32.10%, 50-59 (n=18), 11.11%, 60-69 (n=5), 3.09% and there was none for the categories of prefer not to say. The highest age group participated in this study were the 30-39 (43.21%) age group, followed by the 40-49 age group, while the lowest was participants 60-69 (3.09%). The majority of responses from the UK were from those aged 30-39 (47.09%: mean=2.44).

The following bar chart highlights the statistics.

Figure 4.15 Age group analysis



A total of 189 participants were from the UK. Among those who did not agree to participate in the interview (n=178), 94.2% agreed (n=11), 5.8%. Therefore, most participants were not interested in getting involved further. On the other hand, a total of 162 participants were from Bahrain. Among them, not agreed to interview (n=154), which is 95.1%, and agreed (n=8), which is 4.9%. Participants from the UK were slightly higher in agreeing to interviews.

4.8.6 Frequency and percentage Analysis of Education Level

Table 4.11 Education level

Education Level	Frequency	Percent	Valid	Cumulative
			Percent	Percent
Higher secondary school or below	24	6.8	6.8	6.8
Bachelors or equivalent	119	33.9	33.9	40.8
Diploma or equivalent	53	15.1	15.1	55.8
Masters	104	29.6	29.6	85.6
Professional Degree	10	2.8	2.8	88.4
PhD	41	11.7	11.7	100.0
Total	351	100.0	100.0	

The above table and figure show the frequency and percentage of Education. Higher secondary school or below (n= 24, 6.8%), bachelor or equivalent (n= 119, 33.9%), Diploma or equivalent (n= 53, 15.1%), Masters (n= 104, 29.6%), Professional degree (n= 10, 2.8%) and PhD (n= 41, 11.7%) participated in the study.

4.8.7 Frequency and percentage Analysis of Profession

Table 4.12 Frequency and percentage of profession

Profession	Frequency	Percent	Valid Percent	Cumulative Percent
Student	37	10.5	10.5	10.5
Self-employed	59	16.7	16.7	27.5
Bank professional	40	11.3	11.3	38.8
Management consultant	64	18.2	18.2	57.0
Professor/Teacher	44	12.5	12.5	69.7
Logistics	3	.8	.8	70.5
Doctor/Engineer	21	5.9	5.9	76.5
Government Employee	35	9.9	9.9	86.4
IT Professional	34	9.6	9.6	96.0
Health care	4	1.1	1.1	97.2
Retails	1	.3	.3	97.5
Stay at home	9	2.5	2.5	100.0
Total	351	100.0	100.0	

Interpretation

The above table and figure show the frequency and percentage of Profession. Student (n= 37, 10.5%), self-employed (n= 59, 16.7%), bank professional (n=40, 11.3%), Management consultant (n= 64, 18.2%), Professor/teacher (n= 44, 12.5%), logistic (n= 3.8%), Doctor or engineer (n= 21, 5.9%), Government

employed (n= 35, 9.9%), IT professional (n= 34, 9.6%), Health cares (n= 4, 1.1%), Retails (n= 1, .3%) and stay at home (n= 9, 2.5%) participated in the study.

4.8.8 Frequency and percentage Analysis of Religion

Table 4.13 Frequency and percentage of religion

Religion	Frequency	Percent	Valid Percent	Cumulative Percent
Muslim	319	90.9	90.9	90.9
Non-Muslim	32	9.1	9.1	100.0
Total	351	100.0	100.0	

The above table and figure show the frequency and percentage of Religion. Muslim (n= 319, 90.9%) and non-Muslim (n= 32, 9.1%) participated in the study.

4.8.9 Frequency and percentage Analysis of Ethnicity and Nationality

Table 4.14 Frequency and percentage of ethnicity and nationality

Ethnicity and Nationality	Frequency	Percent	Valid Percent	Cumulative Percent
Bangladesh British	44	12.5	12.5	12.5
Bahraini	98	27.9	27.9	40.5
Indian	43	12.2	12.2	53.0
Pakistani	29	8.2	8.2	61.2
Arabian British	41	11.6	11.6	72.8
Pakistani British	19	5.4	5.4	78.2
Indian British	35	9.9	9.9	88.1
Bangladeshi	13	3.7	3.7	91.8
African	4	1.1	1.1	92.9
American	25	7.1	7.1	100.0
Total	351	100.0	100.0	

The above table and figure show the frequency and percentage of Ethnicity and nationality. Bangladesh British (n= 44, 12.5%), Bahraini (n= 98, 27.9%), Indian (n= 43, 12.2%), Pakistani (n= 39, 8.2%), Arabian British (n= 41, 11.6%), Pakistani British (n= 19,5.4%), Indian British (n= 35, 9.9%), Bangladeshi (n= 13, 3.7%), African (n= 4, 1.1%) and American (n= 25, 7.1%) participated in the study.

4.8.10 Frequency Analysis of Type of Bank

Table 4.15 Frequency and percentage of bank types

Type of Bank	Frequency	Percent	Valid Percent	Cumulative Percent
Islamic Bank	108	30.8	30.8	30.8
Conventional Bank	208	59.3	59.3	90.0
Local Bank	12	3.4	3.4	93.4
Conventional Bank with IB Branch Window	23	6.6	6.6	100.0
Total	351	100.0	100.0	

The above table and figure show the frequency and percentage of the bank you use. Islamic bank (n= 108, 30.8%), conventional bank (n= 208, 59.2%), Local bank (n= 12, 3.4%) and conventional bank with IB branch window (n= 23, 6.6%) respondent use in the study.

4.8.11 Demographic profile of the participants (Interviews)

The following table provides the participant's demographic information, such as age, occupation, ethnicity, gender, current position in the bank and the education qualification obtained.

Table 4.16 Demographic information: interview, participants, UK

Participant's information (UK)								
Interviewees	Code	Age group	Gender	Ethnicity	Qualification	Occupation	IB customer	Years of experience
Interviewee 1	Resp.1	30-39	Male	Pakistani British	Chartered Accountant	Chief Finance Officer (IB)	Yes	6.5
Interviewee 2	Resp.2	40-39	Male	Pakistani British	Masters	Chief Comm. Officer	Yes	9
Interviewee 3	Resp.3	50-59	Male	Pakistani British	Masters	Investment banker	Yes	20
Interviewee 4	Resp.4	40-49	Male	Arabian British	PhD in Finance	Lecturer & consultant	Yes	15
Interviewee 5	Resp.5	30-39	Male	Pakistani British	Bachelors	Consultant (IB)	Yes	10

Table 4.17 Demographic information: interview participants, Bahrain

Participant's information (Bahrain)								
Interviewees	Code	Age group	Gender	Ethnicity	Qualification	Occupation	IB customer	Years of experience
Interviewee 1	Resp.1	30-39	Male	Bahraini	Bachelors	Sr. Manager (IB)	Yes	15
Interviewee 2	Resp.2	30-39	Male	Bahraini	Bachelors	Bank professional (IB)	Yes	5
Interviewee 3	Resp.3	18-29	Male	Bahraini	Masters	Shariah Advisor (IB)	Yes	3
Interviewee 4	Resp.4	40-49	Female	Indian	Masters	CRM manager (IB)	Yes	19
Interviewee 5	Resp.5	30-39	Female	Bahraini	Bachelors	Bank executive (IB)	Yes	5
Interviewee 6	Resp.6	18-29	Male	Bahraini	Bachelors	Customer Serv. (IB & CB)	Yes	5
Interviewee 7	Resp.7	30-39	Male	Bahraini	Bachelors	Executive (CB)	Yes	5

4.9 Conclusion

Chapter four discussed the research approaches that are most appropriate for the current research in order to achieve aim and objectives of the research. There are two types of classifications developed based on the practical approach which are “Methodology” and “methods”. The methodology focused on to examine customer’s perception towards Islamic banking using CRM. While in the later stage, two types of tools (mixed-methods) such as survey questionnaires and interviews used to collect data to review and determine to the extent customers are satisfied and there is any specific condition that influence or alter customers’ perceptions. The identification and justification of sampling in relation to the population described and step-by-step techniques explain the procedures of data analysis. The reliability test shows the internal consistency of survey outcome using Cronbach’s Alpha followed by outlines of the research validity with reference to previous similar studies. The research ethics and limitation is also focused to fulfil the research obligations.

After the design of the above research methodology, comprehensive views on the current research methods are presented based on how the research project analyses primary and secondary data. Therefore, the tools such as the design of the questionnaire to target recipients, the sampling procedure, questionnaire administration, and the interview process to achieve the research aim and objectives.

The current research design is exploratory since the study will use the strategies in developmental phases such as an online survey, which are later cross examined by semi-structured interviews to bring optimum validity of the research findings. The data is from descriptive statistics fed into the SPSS software to see the statistical significance and the difference between the variables.

In addition, multiple correlation tests as well as exploratory and confirmatory factor tests are used to review the association with the main components. The

methodology is successful because of individually validated research instruments usage, which has been successful in previous similar research in various contexts and as per the guidance of academic research methodology books.

CHAPTER FIVE

SURVEY FINDINGS ON CUSTOMER PERCEPTION & SATISFACTION TOWARDS ISLAMIC BANKS

5.1 Introduction

This chapter presents the findings of the empirical studies and analyses of the data collected via online questionnaire survey, which was distributed among participants in the UK and Bahrain. The key objectives were to obtain the opinions from the participants on their experience, satisfaction and perceptions towards Islamic banking products and services. This finding also reflects fundamentals of Islamic economic importance and shed light on the current state of consumers understanding and wider behaviour regardless of economic situations of individual participants in this study. One of the keys to this study is to see if the customers prefer Shariah compliant products or not, and secondly if not then find the sole reasons of the dissatisfactions and to consider re-engineering the strategies and implement to attract customers of Islamic banks while keeping the objectives of Islamic law that helps to bring social justice in the field of banking, finance and moral economy that initiated 100's of years ago. Previously, in chapter four the structure of the data collection was explained which was designed to achieve the aim and objectives of the research by answering the research questions. In addition, the questionnaire distribution and administration process as well as analysis of demographic information were presented.

This section is an initiation of survey findings in combination of two parts. First part provides the survey data collected from the UK and Bahrain on the perception, attitudes, and satisfaction of customers on IB's products and services. The crossbar tabulation has been created using SPSS software to identify country of residence, and various factors that has profound impact on customers decision-making on IB's products and services. The descriptive data has been presented and interpreted while the second section provides inferential statistics, interpretation and analysis of differences and similarities between country of residence, genders, religion, education, and mean difference. This section is crucial to review and understand the statistical significance among various factors and variables and identify variables that cause positive and or negative perceptions towards Islamic banking.

The total valid sample has been collected from the two case countries are 351 (The UK and Bahrain). Although, the initial expectation was over 500, the total acceptable and valid data is equivalent to 70% of the expected data. The main advantage was the use of Google free version survey form, which enabled me to distribute to the wider audiences across the banking, and financial sectors in target case countries. In addition, various social media through online platforms and digital tools such as the email and WhatsApp application, various forums and community platforms were chosen to distribute the survey link so participants can complete it online. The next step was to review the data and edit by removing incomplete data, also inappropriate information with the data were excluded in addition to the data with considerable mistakes were eliminated. The data were furnished as per the research plan. All necessary variables and sub variables were separated before entering the data into SPSS using version 26. To insert the data into the SPSS, the data were labeled to obtain the results. All variables were identified using numerical values for SPSS use. First the descriptive statistics were applied. These results were interpreted, analysed, and presented. To understand the interpretation clearly, a bar chart was created wherever necessary and applicable to compliment the data interpreted, presented, and analysed. The following are the interpretation of the key empirical data presented followed by a bar chart for audience's convenience to understand clearly. The questionnaires section 3 and 4 starting from question number 10 to 26 were used for presentation.

1. Main banking satisfaction among participants
2. Preference of various services in main bank (Counter service, ATM, Phone banking and online banking).
3. Loyalty and recommendations
4. Reasons for changing banks
5. Recommendation of main banks
6. Factors for switching the bank
7. Understanding IB
8. Perception of IB providers including staffs and Shariah advisors

9. Key factors that attract IB customers
10. Familiarity of IB terms
11. Important factors for marketing
12. Great challenges of IB expansion

Descriptive Statistics

5.1.1 – Participant’s bank

A total of 20 banking customers from the UK and 14 banks participants from Bahrain participated in the survey.

Table 5.1 Participants bank analysts

Participant’s Bank

UK (20) Banks	BAHRAIN (14) Banks
Al Rayan Bank	Ahli United bank
Abu Dhabi Islamic Bank	Al Salam bank
Barclays bank	Al Baraka bank
Royal bank of Scotland	Bahrain Islamic bank (BisB)
Bank of London & Middle East	Bank of Bahrain and Kuwait (BBK)
BNP Paribas	City bank
Chase bank	HSBC
Deutsche bank	Ithmaar bank
Gatehouse Bank	Ila bank
Habib bank ltd	Kuwait finance house (KFH)
Halifax	National Bank of Bahrain (NBB)
HSBC	Standard Chartered
Lloyds	State bank of India
Metro bank	Sonali bank
NatWest	
Nationwide	
Qatar Islamic Bank	
Santander	
Tide	
Union Bank of Switzerland (UBS)	

5.1.2 – Types of banks

As per the questionnaires, customers were asked about their current banking activities both in the UK and Bahrain. There were various types of banks option were given. Majority of banking customers and respondents were from conventional banking (Table 5.2).

Table 5.2 Analysis: Type of bank

		What are the types of banks you use?					
		Conventi onal bank	Islamic Bank	Conventional bank with IB branch window	Internation al Islamic bank	Local bank	Total
Country of residence	UK	120 (63.5%)	42 (22.2%)	9 (4.8%)	12 (6.3%)	6 (3.2%)	189 (100%)
	Bahrain	76 (46.9%)	66 (40.7%)	12 (7.4%)	2 (1.2%)	6 (3.7%)	162 (100%)
Total		196	108	21	14	12	351

Total participants were 189 from the UK. Among them, conventional bank user (n=120) participated from the UK, which is (63.5%), Islamic bank users (n=42), which is 22.2%. Conventional bank with IB branch window user (n=9), which is 4.8%, International Islamic bank users (n=12), which is 6.3%, and local bank user (n=6), which is 3.2% and overall participants from the UK 53.8%. On the other hand, total participants in Bahrain were 162. Among them, conventional bank user (n=76), which is (46.9%), Islamic bank users (n=66), which is (40.7%).

Conventional bank with IB branch window users (n=12), which is (7.4%).

International Islamic bank users (n=2) which is 1.2%), local bank users (n=6) which is (3.7%) and overall participants from Bahrain (46.2%). The following chart is presented to reflect the users of various banking in the UK and Bahrain. The majority of responses recorded from the UK for conventional bank user (63.5%: mean=1.68).

5.1.3 – Participant’s bank accounts type (e.g., Saving/Current account)

As per the questionnaires, customers were asked about their current banking activities both in the UK and Bahrain. There were various types of banks option were given. Majority of banking customers and respondents were from conventional banking (Table 5.3)

Table 5.3 Analysis: Product use

		Q12 - What type of product you use? (For example, savings/current account or Lease, or insurance products etc.)				Total
		Saving Account	Current Account	Cash Account	Business Account	
Country	UK	82	98	8	1	189
of		(43.4%)	(51.9%)	(4.2%)	(0.5%)	(100%)
residence	Bahrain	61	100	1	0	162
		(37.7%)	(61.7%)	(0.6%)	Nil	(100%)
Total		143	198	9	1	351

Total participants were 189 from the UK. Among them, saving account user (n=82) participated from the UK, which is 43.3%, current account users (n=98), which is 51.9%. Cash account user (n=8), which is 4.2%, and business account users (n=1), which is 0.5% and overall participants from the UK 53.8%. On the other hand, total participants in Bahrain were 162. Among them, saving account user (n=61) participated from Bahrain, which is 37.7%, current account users (n=100), which is 61.7%. Cash account user (n=1), which is 0.6% and no business account user in Bahrain and overall participants from Bahrain 46.2%. The majority responses from Bahrain for current account user (61.7%: mean=1.63).

5.2 – Overall satisfaction with main banks

When asked customers about their current banking overall satisfaction both in the UK and Bahrain? Majority of banking customers and respondents were found satisfied with their main banking services. Following table reflected the findings.

Table 5.4 Analysis: Level of satisfaction for main bank

		Q13 - Please rate the level of satisfaction with your main bank (1-Very dissatisfied, 2-desatisfied, 3-neutral, 4- satisfied and 5-very satisfied)				Total
		Dissatisfied	Neutral	Satisfied	Very Satisfied	
Country of residence	UK	4 (2.1%)	20 (10.6%)	131 (69.3%)	34 (18%)	189 (100%)
	Bahrain	3 (1.8%)	21 (13%)	114 (70.4%)	24 (14.8%)	162 (100%)
Total		7	41	245	58	351

The level of satisfaction is substantial despite criticism of various products and services. For instance, the products and prices, which found expensive than conventional banks whereas the processing time is longer than the conventional banks (Rasool, 2018). As literature suggests that the religious belief could play a part leaning towards more ethical finance than conventional banks. Total participants were 189 from the UK. Among them, dissatisfied (n=4) participated from the UK, which is (2.1%), neutral (n=20) which is 10.6%, satisfied (n=131) which is 69.3% and very satisfied (n=34) which is (18%) level of satisfaction with their main bank. Majority of the participant satisfied with their bank. In contrast, total participants in Bahrain were 162. Among them, dissatisfied (n=3) participated from the Bahrain which is (1.8%), neutral (n=21) which is 13%, satisfied (n=114) which is 70.4% and very satisfied (n=24) which is (14.8%) level of satisfaction with their main bank. Majority of the participant satisfied with their bank in Bahrain (70.4%: mean=4.1).

5.3 Preference of main banking services

This question consists of 4 sub questions, including counter services, ATM machine: phone banking and online banking satisfaction and experience.

5.3.1 Counter services

Table 5.5 Analysis: Main Banking-Counter services

		Q.14 - Preference of main banking services					
		[a. Counter services]				Total	
		No Preference	Somewhat Preferred	Neutral	Preferred	Highly Preferred	
Country of residence	UK	7 (3.7%)	34 (18%)	66 (34.9%)	72 (38.1%)	10 (5.3%)	189 (100%)
	Bahrain	2 (1.23%)	26 (16.05%)	60 (37.04)	67 (41.36%)	7 (4.32%)	162 (100%)
Total		9	60	126	139	17	351

Total participants were 189 from the UK. Among them, no preference (n=7) participated from the UK, which is (3.7%), somewhat preferred (n=34) which is 18%, neutral (n=66) which is 34.9%, preferred (n=72) which is (38.1%) and highly preferred (n=10) which is (5.3%) level of satisfaction with their main bank counter service. Where the total participants in Bahrain were 162. Among them, no preference (n=2) participated from Bahrain, which is (1.23%), somewhat preferred (n=26) which is 16.05%, neutral (n=60) which is 37.04%, preferred (n=67) which is (41.36%) and highly preferred (n=7) which is (4.32%) level of satisfaction with their main bank counter service. The highest percentage of counter service satisfaction was in Bahrain (41.36%: mean=3.27). As we have seen the level of satisfaction is substantially high, the counter service statistics looks directly not satisfactory enough. The percentages of neutral responses are as many as the preferable responses. This could be due to the reason that customers were not served in a satisfactory level or delay in serving customers, which could play a part of the neutrality responses.

5.3.2 ATM Machine

ATM is one of the major contact points of customers. Many customers use ATM for various services which generally quickly accessible. However, not all banks provide ATM across the areas where a customer wants.

Table 5.6 Analysis: Main banking-ATM machine

		Q.14 - Preference of main banking services [b. ATM machine]					Total
		No preference	Somewhat preferred	Neutral	Preferred	Highly preferred	
Country of residence	UK	2 (1.06%)	22 (11.64%)	57 (30.16%)	84 (44.44%)	24 (12.7%)	189 (100%)
	Bahrain	1 (0.62%)	24 (14.81%)	42 (25.93)	79 (48.77%)	16 (9.88%)	162 (100%)
Total		3	46	99	163	40	351

The use of Automated Teller Machine (ATM) was considerably in a preferred position (Mahmud et al., 2015) despite not having any bank staff present there. This could be translated that satisfaction occurred when quick services received and have little impact of human interferences as it operates under an automated system and their accessibility and availability even after the banking hours. The total participants were 189 from the UK. Among them, no preference (n=2) participated from the UK, which is (1.06%), somewhat preferred (n=22) which is 11.64%, neutral (n=57) which is 30.16%, preferred (n=84) which is (44.44%) and highly preferred (n=24) which is (12.7%) level of satisfaction with their main bank ATM machine.

In contrast, total participants in Bahrain were 162. Among them, no preference (n=1) participated from Bahrain, which is (0.62%), somewhat preferred (n=24)

which is 14.81%, neutral (n=42) which is 25.93%, preferred (n=79) which is (48.77%) and highly preferred (n=16) which is (9.88%) level of satisfaction with their main bank ATM machine. The highest level of satisfaction was in Bahrain (48.77%: mean=3.54).

5.3.3 Phone banking

When asked what the preferences among main banking services (Phone banking) are, following responses were recorded, please see table 5.5.

Table 5.7 Analysis: Main Banking-Phone banking

Q.14 - Preference of main banking services						
	[c. Phone banking]					Total
	No preference	Somewhat preferred	Neutral	Preferred	Highly preferred	
Country of UK residence	5 (2.65%)	61 (32.28%)	66 (34.92%)	49 (25.93%)	8 (4.23%)	189 (100%)
Bahrain	8 (4.94%)	46 (28.4%)	55 (33.95%)	47 (29.01%)	6 (3.7%)	162 (100%)
Total	13	107	121	96	14	351

The phone banking services are also found less preferable as per the above table. The technology could be highly blessing for customers but also it could be complex due to the long waiting time as mentioned in literature in addition to potential trap of fraud (Sayers et al., 2018). In addition, many customers may not able to communicate bank, for example some customers are not so fluent in English or not comfortable banking transaction online and at the same time age factor could impact negatively while doing a banking transaction. Total participants were 189 from the UK. Among them, no preference (n=5) participated from the UK, which is (2.65%), somewhat preferred (n=61) which is 32.28%, neutral (n=66) which is 34.92%, preferred (n=49) which is (25.93%) and highly preferred (n=8) which is (4.23%) level of satisfaction with their main bank Phone banking service. In contrast, the total participants in Bahrain were 162. Among them, no preference

(n=8) participated from Bahrain, which is (4.94%), somewhat preferred (n=46) which is 28.4%, neutral (n=55) which is 33.95%, preferred (n=47) which is (29.01%) and highly preferred (n=6) which is (3.7%) level of satisfaction with their main bank phone banking service. The highest percentage was in the UK who was neutral (34.92%: mean=2.97).

5.3.4 Online banking

The highest frequency and percentage of online bank users were among Bahraini participants. Most banks provide online which is quick and without visiting the bank and are mostly available 24/7 which are found one of the most preferred ways of banking in both case countries (Table. 5.8).

Table 5.8 Analysis: Preference of Online banking

		Q.14 - Preference of main banking services					Total
		[d. Online banking]					
		No preference	Somewhat preferred	Neutral	Preferred	Highly preferred	
Country of residence	UK	3 (1.59%)	3 (1.59%)	17 (8.99%)	107 (56.61%)	59 (31.22%)	189 (100%)
	Bahrain	1 (0.62%)	7 (4.32%)	15 (9.26%)	97 (59.88%)	42 (25.93%)	162 (100%)
Total		4	10	32	204	101	351

One of the high positive responses to this question received as per the above table. This could explain that the online banking services can be done without the involvement of banking staff and peace in mind anytime of the day or night unlike phone/ATM services (Sayers et al., 2018). Most banks provide 24/7 online services except small number of banks. Total participants were 189 from the UK. Among them, no preference (n=3) participated from the UK, which is (1.59%), somewhat preferred (n=3) which is 1.59%, neutral (n=17) which is 8.99%, preferred (n=107) which is (56.61%) and highly preferred (n=59) which is (31.22%) level of

satisfaction with their main bank online banking service. Majority of the participant in UK preferred with their main bank online banking service. On the other hand, total participants in Bahrain were 162. Among them, no preference (n=1) participated from Bahrain, which is (0.62%), somewhat preferred (n=7) which is 4.32%, neutral (n=15) which is 9.26%, preferred (n=97) which is (59.88%) and highly preferred (n=42) which is (25.93%) level of satisfaction with their main bank online banking service. Majority of the participant in Bahrain preferred with their main bank online banking service (59.88%: mean=4.11).

5.3.5 Efficient and quick on inquiries

This question presented with 3 sub questions to understand clearly from various points of view, i.e., how efficient the counter service to a customer’s enquiry. Most customers were found it to be positive when they inquire for any products and services (Table. 5.9).

Table 5.9 Analysis: Counter service Satisfaction-Efficient and quick inquiries.

		Q.15 -Counter service satisfaction					
		[a. Efficient and quick on inquiries]					
		Strongly disagrees	Disagrees	Neutral	Agree	Strongly Agree	Total
Country	UK	6	5	62	105	11	189
of		(3.2%)	(2.6%)	(32.8%)	(55.6%)	(5.6%)	53.8%
residence	Bahrain	4	9	42	92	15	162
		(2.5%)	(5.6%)	(25.9%)	(56.8%)	(9.3%)	(46.2%)
Total		10	14	104	197	26	351

Even though the positive satisfaction found among the participants, the neutral responses are either pose negativity or unable to determine whether their questions were addressed in an appropriate professional means. Total participants were 189 from the UK. Among them, strongly disagree (n=6), which is (3.2%), disagrees (n=5) which is 2.6%, neutral (n=62) which is 32.8%, agree (n=105) which is (55.6%) and strongly agree (n=11) which is (5.8%). Majority participants

agreed that their bank was efficient and quick on customer's inquiries. On the other hand, total participants in Bahrain were 162. Among them, strongly disagree (n=4) participated from Bahrain, which is (2.6%), disagrees (n=9) which is 5.6%, neutral (n=42) which is 25.9%, agree (n=92) which is 56.8%, and strongly agree (n=15), which is 9.3%. Majority of the participants too agreed that their bank response of customer's queries was quick and efficient in Bahrain (56.8%: mean=3.61).

5.3.6 Always on queue

Customer always prefers not to wait for a long time in bank due to various other commitments. The responses shows that the customers are not happy about it since most banking customers in the case countries found that a long queue exists when they went to banking services (Table. 5.10).

Table 5.10 Analysis: Counter service Satisfaction-Efficient and quick inquiries

		Q.15 - Counter service satisfaction					Total
		[b. Always on long queue]					
		Strongly disagrees	Disagrees	Neutral	Agree	Strongly Agree	
Country of residence	UK	3 (1.6%)	6 (3.2%)	69 (36.5%)	103 (54.5%)	8 4.2%	189 (53.8%)
	Bahrain	2 (1.2%)	4 (2.5%)	46 (28.4%)	84 (51.9%)	26 16.0%	162 (46.2%)
Total		5	10	115	187	34	351

Always on long queue is a possibly a statement that needs banking management and institutions to look into. The overwhelming response shows customers are not satisfied even respondents who intend to be neutrals (Sayers et al., 2018) and possibly translated to be negative response or do not want to mention it which could impact adversely due to the lack of professional services as expected by the customers. Total participants were 189 from the UK. Among them, strongly disagree (n=3), which is 1.6%, disagrees (n=6) which is 3.2%, neutral (n=69) which

is 36.5%, agree (n=103) which is 54.5%, and strongly agree (n=8), which is 4.2%. Majority of the participants indicated that they faced a long queue while visiting main banking services which is 54.5% and fewer stated they did not face long queue with 1.6% of the total participants from the UK. In contrast, total participants in Bahrain were 162. Among them, strongly disagree (n=2), which is 1.2%, disagrees (n=4) which is 2.5%, neutral (n=46) which is 28.4%, agree (n=84) which is 51.9%, and strongly agree (n=26), which is 16.0%. Majority of the participants indicated that they faced a long queue while visiting main banking services which is 51.9% and fewer stated they did not face long queue with 1.2% of the total participants from Bahrain. The highest level of responded agreed in the UK (54.5%: mean=3.67).

5.3.7 Reflective on any mistakes

Banks are always busy in serving customers. These questions were asked to see to the extend banks acknowledge their mistakes and if the customers were taken care. Most customers were not so sure and probably the perceptions are not so good too (Please see table: 5.11).

Table 5.11 Analysis: Counter service Satisfaction-Reflective on any mistakes.

		Q.15 - Counter service satisfaction					Total
		[c. Reflective on any mistakes]					
		Strongly disagrees	Disagrees	Neutral	Agree	Strongly Agree	
Country of residence	UK	6 (3.2%)	14 (7.4%)	92 (48.7%)	73 (38.6%)	4 (2.1%)	189 (53.8%)
	Bahrain	5 (3.1%)	6 (3.7%)	74 (45.7%)	66 (40.7%)	11 (6.8%)	162 (46.2%)
Total		11	20	166	139	15	351

Many participants were agreed that their banks are reflective on their mistakes; however, neutral responses brought down that positivity. Because, it could be due

to the fact that many people either didn't find any such occurrence or probably the customers didn't feel that the bank was reflective on their own mistakes. Total participants were 189 from the UK. Among them, strongly disagree (n=6), which is 3.2%, disagrees (n=14) which is 7.4%, neutral (n=92) which is 48.7%, agree (n=73) which is 38.6%, and strongly agree (n=4), which is 2.1%. Majority of the participants were neutral with 48.7% while 38.6% participants were agreed that banks are reflective in their mistakes or mishandling and lowest 3.2% people were not convinced to say that they were satisfied. However, total participants in Bahrain were 162. Among them, strongly disagree (n=5), which is 3.1%, disagrees (n=6) which is 3.7%, neutral (n=74) which is 45.7%, agree (n=66) which is 40.7%, and strongly agree (n=11), which is 6.8%. Majority of the participants were neutral with 45.7% while 40.7% participants were agreed that banks are reflective in their mistakes or mishandling and lowest 3.1% people were not convinced to say that they were satisfied. The highest percentages of participants were in the UK who was neutral (48.7%: mean=3.36).

5.3.8 Phone banking experience

Phone banking is another important aspect of banking services. However, not always banking staffs are able to provide a quick solution. In order to see their response to their respective bank on how they respond, this question were asked (Please see table: 5.12).

Table 5.12 Analysis: Counter service satisfaction-Efficient/quick on inquiries.

		Q.16. Phone banking experience					
		[a. Efficient and quick on inquiries]					
		Strongly disagrees	Disagrees	Neutral	Agree	Strongly Agree	Total
Country	UK	7	5	63	93	21	189
of		(3.7%)	(2.6%)	(33.3%)	(49.2%)	(11.1%)	(53.8%)

residence	Bahrain	3	4	44	92	19	162
		(1.9%)	(2.5%)	(27.2%)	(56.8%)	(11.7%)	(46.2%)
Total		10	9	107	185	40	351

Many participants were responded positively, however, management and banking leadership needs to bring more technological advancement to improve phone-banking services such as reducing waiting time and support the customers with experienced staffs who could provide information instantly. Total participants were 189 from the UK. Among them, strongly disagree (n=7), which is 3.7%, disagrees (n=5) which is 2.6%, neutral (n=63) which is 33.3%, agree (n=93) which is 49.2%, and strongly agree (n=21), which is 11.1%. Majority of the participants were agreed on phone banking efficiency with 49.2% while 33.4% participants were neutral and lowest 3.7% customers were not convinced to say that they were satisfied. In contrast, total participants in Bahrain were 162. Among them, strongly disagree (n=3), which is 3.7%, disagrees (n=4) which is 2.5%, neutral (n=44) which is 27.2%, agree (n=92) which is 56.8%, and strongly agree (n=19), which is 11.7%. Majority of the participants were agreed with 56.8% while 33.3% participants were neutral that banks are efficient in their phone banking handling and lowest 1.9% people were not convinced to say that they were satisfied. The majority of the participants agreed in Bahrain (56.8%: mean=3.67).

5.3.9 Queue on phone banking

Asked if the customers were happy with their phone banking waiting time. The response was overwhelmed (Table 5.13).

Table 5.13 Analysis: Always on long queue on phone

Q16. Phone banking experience						
[b. Always on long queue on phone]						
Strongly disagrees	Disagrees	Neutral	Agree	Strongly Agree	Total	

Country of residence	UK	5 (2.6%)	6 (3.2%)	54 (28.6%)	106 (56.1%)	18 (9.5%)	189 (53.8%)
	Bahrain	2 (1.2%)	4 (2.5%)	53 (32.7%)	80 (49.4%)	23 (14.2%)	162 (46.2%)
Total		7	10	107	186	41	351

The previous stats on phone banking responses are identical for the current questions due to the long waiting time that majority of customers responded including the potential online fraud activities (Sayers et al., 2018). Total participants were 189 from the UK. Among them, strongly disagree (n=5), which is 2.6%, disagrees (n=6) which is 3.2%, neutral (n=54) which is 28.6%, agree (n=106) which is 56.1%, and strongly agree (n=18), which is 9.5%. Highest percentage of the participants were agreed on phone banking queue with 56.1% while 28.6% participants were neutral and lowest 2.6% customers were not convinced to say that they were satisfied. However, total participants in Bahrain were 162. Among them, strongly disagree (n=2), which is 1.2%, disagrees (n=4) which is 2.5%, neutral (n=53) which is 32.7%, agree (n=80) which is 49.4%, and strongly agree (n=23), which is 14.2%. Highest percentage of participants were agreed 49.4% while 32.7% participants were neutral and lowest 1.2% customers were not convinced to say that they were satisfied. The majority participants were agreed in the UK (56.1%: mean=3.70).

5.3.10 Reason to use (or not use) of Internet banking

Total seven options were presented to select one of them for the reason of using Internet banking and or not using Internet banking.

Q.17 Frequency and percentage Analysis: Country of residence and Counter service Satisfaction

Majority of the percentage of participants (55%) stated they either felt high security or convenient since most banks provide 24 hours online services.

5.4 Recommendation of main banking services

5.4.1 Would you recommend your bank?

The following two questions were asked on recommendation and loyalty on their main banking services.

Table 5.14 Analysis: Recommend family and friends?

		Q18 - Would you recommend your bank? [a. Recommend to family and friends?]				Total
		Probably not	Not sure	Probably	Definitely	
Country of residence	UK	10 (3.5%)	40 (21.2%)	118 (62.4%)	21 (11.1%)	189 (53.8%)
	Bahrain	3 (1.9%)	38 (23.5%)	104 (64.2%)	17 (10.5%)	162 (46.2%)
Total		13	78	222	38	351

The majority of the participants are ready to recommend their bank to their family and friends. But still the statistics of the table shows that banking institutions would need to review the neutral responses to develop strategies for better customer experiences (Kotler, 2016; Wilson, 2019). Total participants were 189 from the UK. Among them, probably not (n=10), which is (5.3%), not sure (n=40) which is 21.2%, probably (n=118) which is 62.4%, and definitely (n=21) which is (11.1%). Majority percentage of customers, 62.4% said they would probably recommend their bank, the lowest percentage of customers said they would not, which is 5.3%. However, total participants in Bahrain were 162. Among them, probably not (n=3), which is (1.9%), not sure (n=38) which is 23.5%, probably (n=104) which is 64.2%, and definitely (n=17) which is (10.5%). Majority percentage of customers said they would probably recommend their bank in Bahrain (64.2%: mean=3.81).

5.4.2 Any plan to change banks?

In line with the previous question, the respondents were asked if they are planning to change their bank? (Please see the response details in table 5.15).

Table 5.15 Analysis: Plan of changing main banking.

		Q18 - Would you recommend your bank?					
		[b. Any planning of changing your bank?]					
		Definitely not	Probably not	Not Sure	Probably	Definitely	Total
Country	UK	10 (5.3%)	69 (36.5%)	85 (45.0%)	18 (9.5%)	7 (3.7%)	189 (53.8%)
of residence	Bahrain	10 (6.2%)	36 (22.2%)	96 (59.3%)	17 (10.5%)	3 (1.9%)	162 (46.2%)
Total		20	105	181	35	10	351

This is one of the important aspects of seeing if the customers are loyal to their bank and to what extent. The respondents of 'not sure' and supported by probably and definitely shows a dissatisfaction level which could be a good reason for

banking managers to think of effective strategies for relationship development to understand the area that needs more attention to get customer satisfaction, which is the main objective of CRM (Rafiki, 2019). Total participants were 189 from the UK. Among them, definitely not (n=10) which is 5.3%, probably not (n=69), which is (36.5%), not sure (n=85) which is 85.0%, probably (n=18) which is 9.5%, and definitely (n=7) which is (3.7%). Majority percentage customers who were not sure (85.0%) and definitely not were lowest percentage (5.3%). In contrast, total participants in Bahrain were 162. Among them, definitely not (n=10) which is 6.2%, probably not (n=36), which is (22.2%), not sure (n=96) which is 59.3%, probably (n=17) which is (10.5%), and definitely (n=3) which is (1.9%). The majority percent of customers were not sure in the UK (85.0%: mean=2.74).

5.5 Key factors that lead customers to switch their banks.

(This question has 9 sub questions as presented below).

5.5.1 Change in location

Table 5.16 Analysis: Factors of changing the bank due to change of location.

Q19 - What are the factors influence you to decide to switch your bank?					
[a. When you change location]					
	Definitely not	Probably not	Not sure	Probably	Total
Country of residence					
UK	23 (12.2%)	63 (33.3%)	70 (37.0%)	33 (17.5%)	189 (53.8%)
Bahrain	16 (9.9%)	53 (32.7%)	67 (41.4%)	26 (16.0%)	162 (46.2%)
Total	39	116	137	59	351

Internet, phone banking and ATM machine could play a part of nearly equal responses than who intends to change their bank if the location changes (Mahmud et al., 2015). The accessibility and availability makes customers not to think to

change bank in this era of Internet. Total participants were 189 from the UK. Among them, definitely not (n=23) which is 12.2%, probably not (n=63), which is (33.3%), not sure (n=70) which is 37.0%, probably (n=33) which is 17.5%. The highest numbers of participants were not sure 37.0%, and definitely not were among lowest percentage 12.2%. However, total participants in Bahrain were 162. Among them, definitely not (n=16) which is 19.9%, probably not (n=53), which is (32.7%), not sure (n=67) which is 41.4%, probably (n=26) which is 16.0%. The highest numbers of participants were not sure in Bahrain (41.4%: mean=2.62).

5.5.2 Value for money factor to switch banks

Table 5.17 Analysis: Factors of changing the bank due to value for money

		Q19. What are the factors influence you to decide to switch your bank?					
		[b. When looking value for money]					
		Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country of residence	UK	4 (2.1%)	43 (22.8%)	60 (31.7%)	75 (39.7%)	7 (3.7%)	189 (53.8%)
	Bahrain	5 (3.1%)	30 (18.5%)	56 (34.6%)	64 (39.5%)	7 (4.3%)	162 (46.2%)
Total		9	73	116	139	14	351

Many customers found looking for saving accounts to be used as value for money with available benefits from banks such as rewards or other benefits for long-term savings. Therefore, the answer could be in terms of expectation of benefits or simply banking with ethical banks makes safer or simply love their bank to continue (Zaki and Elseidi, 2023). Total participants were 189 from the UK. Among them, definitely not (n=4) which is 2.1%, probably not (n=43), which is (22.8%), not sure (n=60) which is 31.7%, probably (n=75) which is 39.7%. On the other hand, total participants in Bahrain were 162. Among them, definitely not (n=5) which is 3.1%, probably not (n=30), which is (18.5%), not sure (n=56) which is 34.6%, probably

(n=64) which is 39.5%. The highest numbers of participants were under probably categories in the UK (39.7%: mean=3.22).

5.5.3 Products are not as per the Shariah

Islamic banking products are based on Shariah principles. If the IB products and services are not in line with Shariah, then the products and services cannot be considered as Islamic. To see the importance of this aspect, participants were asked if they would quit the bank if they find the products are not met with Shariah principles. Please see the response in table. 5.18.

Table 5.18 Analysis: Factors of changing the bank due to Shariah products.

Q19. What are the factors influence you to decide to switch your bank?						
[c. If products are found not based on Shariah law]						
	Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country of UK residence	9 (4.8%)	28 (14.8%)	81 (42.9%)	62 (32.8%)	9 (4.8%)	189 (53.8%)
Bahrain	1 (0.6%)	23 (14.2%)	72 (44.4%)	55 (34.0%)	11 (6.8%)	162 (46.2%)
Total	10	51	153	117	20	351

The result shows that doubt on Shariah compliance in IB's products and services are one of the main reasons to switch their bank (Jackson and Kaleel, 2021). However, not sure responders were the majority, which could be a number of non-Muslim participants, or participants who use only conventional banks. Total participants were 189 from the UK. Among them, definitely not (n=9) which is 4.8%, probably not (n=28), which is 14.8%, not sure (n=70) which is 42.9%, probably (n=33) which is 32.8%, definitely (n=9), 4.8%. In contrast, total participants in Bahrain were 162. Among them, definitely not (n=1) which is .06%, probably not (n=23), which is 14.2%, not sure, (n=72) which is 44.4%, probably,

(n=55) which is 34.0%, definitely (n=11), 6.8%. The highest numbers of participants were not sure in Bahrain (44.4%: mean=3.25).

5.5.4 Poor customer service

Banking services are very important than many other service types due to its economic nature. Customers were asked if they will switch bank if they find the customer services are not as expected? (Table 5.19).

Table 5.19 Analysis: Factors of changing bank due to poor customer service

		Q19. What are the factors influence you to decide to switch your bank?					
		[d. Poor customer service]					
		Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country	UK	5 (2.6%)	15 (7.9%)	50 (26.5%)	95 (50.3%)	24 (12.7%)	189 (53.8%)
of residence	Bahrain	2 (1.2%)	4 (2.5%)	40 (24.7%)	90 (55.6%)	26 (16.0%)	162 (46.2%)
Total		7	19	90	185	50	351

Service gap in products and services for any banks are found to have adverse impact on its reputations (Nomran and Haron, 2020). Islamic banks are not exception. The responses shows majority would switch bank if they find poor and inefficient services from the bank. Total participants were 189 from the UK. Among them, definitely not (n=5) which is 2.6%, probably not (n=15), which is 7.9%, not sure (n=50) which is 26.5%, probably (n=95) which is 50.3%, definitely (n=24), 12.7%. On the other hand, total participants in Bahrain were 162. Among them, definitely not (n=2) which is 1.2 %, probably not (n=4), which is 2.5%, not sure, (n=40) which is 24.7%, probably, (n=90) which is 55.6%, definitely (n=26), 16.0%. The majority of the percentage participants were under probably categories were 55.6%: mean=3.72).

5.5.5 Poor/unauthentic advertising/marketing

Table 5.20 Analysis: Factors changing bank due to unauthentic advertising.

		Q19. What are the factors influence you to decide to switch your bank?					
		[e. Poor & unauthentic advertising/marketing]					
		Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country	UK	7 (3.7%)	17 (9.0%)	92 (48.7%)	62 (32.8%)	11 (5.8%)	189 (53.8%)
of residence	Bahrain	2 (1.2%)	11 (6.8%)	71 (43.8%)	73 (45.1%)	5 (3.1%)	162 (46.2%)
Total		9	28	163	135	16	351

Participants were divided here. Though the positivity side was majority than negativity but the 'not sure' participants were not less where opinion could be either they would switch or they may not be focusing on poor advertising as long as they get reliable services (Elhajjar, 2020). Total participants were 189 from the UK. Among them, definitely not (n=7) which is 3.7%, probably not (n=17), which is 9.0%, not sure (n=92) which is 48.7%, probably (n=62) which is 32.8%, definitely (n=11), 5.8%. On the other hand, total participants in Bahrain were 162. Among them, definitely not (n=2) which is 1.2 %, probably not (n=11), which is 6.8%, not sure, (n=71) which is 43.8%, probably, (n=73) which is 45.1%, definitely (n=5), 3.1%. The highest numbers of participants were under not sure categories in the UK (48.7%: mean=3.34).

5.5.6 No phone/Internet banking facility.

Table 5.21 Analysis: Factors of changing bank due to lack of Internet banking

		Q19. What are the factors influence you to decide to switch your bank?		
		[f. No phone or internet banking facility]		Total

		Definitely not	Probably not	Not sure	Probably	Definitely	
Country of residence	UK	2 (1.1%)	8 (4.2%)	22 (11.6%)	103 (54.5%)	54 (28.6%)	189 (53.8%)
	Bahrain	0 (Nil)	3 (1.9%)	17 (10.5%)	97 (59.9%)	45 (27.8%)	162 (46.2%)
Total		2	11	39	200	99	351

There was absolute majority on this question. The phone or Internet banking is the key feature customers cannot imagine in the current business world which is also supported by literature (Smaranda and Jacob, 2022). Total participants were 189 from the UK. Among them, definitely not (n=2) which is 1.1%, probably not (n=8), which is 4.2%, not sure (n=22) which is 11.6%, probably (n=103) which is 54.5%, definitely (n=54), 28.6%. However, total participants in Bahrain were 162. Among them, definitely not (n=0), probably not (n=3), which is 1.9%, not sure, (n=17) which is 10.5%, probably, (n=97) which is 59.9%, definitely (n=45), 27.8%. The highest numbers of participants were under probably categories in Bahrain (59.9 %: mean=4.09).

5.5.7 Not valuing customer's feedback.

Table 5.22 Analysis: Factors of changing bank-ignoring customers' feedback

Q19. What are the factors influence you to decide to switch your bank?							
[g. When bank ignore customer feedback]							
		Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country of residence	UK	6 (3.2%)	17 (9.0%)	73 (38.6%)	80 (42.3%)	13 (6.9%)	189 (53.8%)
	Bahrain	5 (3.1%)	11 (6.8%)	63 (38.9%)	67 (41.4%)	16 (9.9%)	162 (46.2%)
Total		11	28	136	147	29	351

Customer feedback is one of the important aspects of CRM, but banks may not be able to accommodate individual feedback where banking policy may prohibit any such feedback. However, the responses show the opinion is leaning on the customer's side. Total participants were 189 from the UK. Among them, definitely not (n=6) which is 3.2%, probably not (n=17), which is 9.0%, not sure (n=73) which is 38.6%, probably (n=80) which is 42.3%, definitely (n=13), 6.9%. On the other hand, total participants in Bahrain were 162. Among them, definitely not (n=5), 3.1%, probably not (n=11), which is 6.8%, not sure, (n=63) which is 38.9%, probably, (n=67) which is 41.4%, definitely (n=16), 9.9%. The highest numbers of participants were under probably categories in the UK (42.3%: mean=3.44).

5.5.8 Value for money.

Table 5.23 Analysis: Factors of changing bank due to low profitability

		Q19. What are the factors influence you to decide to switch your bank?					
		[h. Low profitability or low interest rate]					
		Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country	UK	6 (3.2%)	14 (7.4%)	70 (37.0%)	84 (44.4%)	15 (7.9%)	189 (53.8%)
of residence	Bahrain	2 (1.2%)	8 (4.9%)	66 (40.7%)	72 (44.4%)	14 (8.6%)	162 (46.2%)
Total		8	22	136	156	29	351

Profitability is one of the key aspects of customers as many of them aim to generate profits from the banks activities. Low profitability is less attractive for the customers than higher profitability and benefits. The response shows majority participants would switch bank if the profitability were not attractive. However, according to the principles of Islam, consumers must not also fall in the trap of the income that are not generated from real asset base economic activities which doesn't add values of Islamic economy (Sarea, 2020). Total participants were 189

from the UK. Among them, definitely not (n=6) which is 3.2%, probably not (n=14), which is 7.4%, not sure (n=70) which is 37.0%, probably (n=84) which is 44.4%, definitely (n=15), 7.9%. The highest numbers of participants were under probably categories, 44.4%, and definitely not were among lowest percentage 3.2%. However, total participants in Bahrain were 162. Among them, definitely not (n=2), 1.2%, probably not (n=8), which is 4.9%, not sure, (n=66) which is 40.7%, probably, (n=72) which is 40.4%, definitely (n=14), 8.6%. The highest numbers of participants were under probably categories, 44.4 %, and not were the lowest, 1.2%. Both countries of residents are expressed their intentions to change their bank if the profitability is low compared to fewer number of participants who would still stay with the bank despite low profitability (44.4%: 3.50).

5.5.9 Poor reputation of bank

Table 5.24 Analysis: Factors of changing bank due to poor reputation

Q19 - What are the factors influence you to decide to switch your bank?						
[i. Poor reputation or smaller size bank]						
	Definitely not	Probably not	Not sure	Probably	Definitely	Total
Country of UK residence	6 (3.2%)	13 (6.9%)	61 (32.3%)	87 (46.0%)	22 (11.6%)	189 (53.8%)
Bahrain	3 (1.9%)	5 (3.1%)	49 (30.2%)	88 (54.3%)	17 (10.5%)	162 (46.2%)
Total	9	18	110	175	39	351

The participants supported this question considering smaller banks with low reputation are not preferred way to handle customer's money. Therefore, reputation is very crucial for banking management to review not only from customers points of view but also from wider regulatory agencies who are

monitoring banking activities, for instance the UK is one of the largest financial sector in the Europe based on the rigorous regulations (FCA, 2023). Total participants were 189 from the UK. Among them, definitely not (n=6) which is 3.2%, probably not (n=13), which is 6.9%, not sure (n=61) which is 32.3%, probably (n=87) which is 46.0%, definitely (n=22), 11.6%. The highest numbers of participants were under probably categories, 46.0%, and definitely not were among lowest percentage 3.2%. Meanwhile, total participants in Bahrain were 162. Among them, definitely not (n=3), 1.9%, probably not (n=5), which is 3.1%, not sure, (n=49) which is 30.2%, probably, (n=88) which is 54.3%, definitely (n=17), 10.5%. The highest numbers of participants were under probably categories, 54.3 %, and definitely not were the lowest, 1.9%. Both residents are expressed their intentions to change their bank if the profitability is low compared to fewer number of participants who would still stay with the bank despite low profitability, majority was in Bahrain (54.3%: mean=3.62).

5.6 Perception and attitudes towards IB providers:

Under this question, there are 16 sub questions in the form of statement and, which are presented and interpreted.

5.6.1 Customers understanding levels of IB

Table 5.25 Analysis: You have good understanding on IB

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[a. You have good understanding on IB]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	6 (3.2%)	14 (7.4%)	78 (41.3%)	85 (45.0%)	6 (3.2%)	189 (53.8%)
	Bahrain	0 (Nil)	5 (3.1%)	54 (33.3%)	92 (56.8%)	11 (6.8%)	162 (46.2%)
Total		6	19	132	177	17	351

The majority of customers who have a better understanding of Islamic banking as most Muslim population understand at least that Islamic banking's aim is always to adhere to the principles of Shariah. Others provided neutral responses, which could be due to non-Muslim participants or participants who do not deal with Islamic banks. Total 189 participants were from the UK. Among them, strongly disagree (n=6), which is 3.2%, disagrees (n=14) which is 7.4%, neutral (n=78) which is 41.3%, agree (n=85) which is 45.0%, and strongly agree (n=6), which is 3.2%. Highest percentages of the participants were agreed with 45.0% while 41.3% participants were neutral and lowest 3.2%. On the contrary, total 162 participants were from Bahrain. Among them, strongly disagree (n=0), disagrees (n=5) which is 3.1%, neutral (n=54) which is 33.3%, agree (n=92) which is 56.8%, and strongly agree (n=11), which is 6.8%. Highest percentage of participants was agreed in Bahrain (56.8%: mean=3.51) while 33.3% participants were neutral and lowest was nil because no one indicated as strongly disagree. Participants from both countries were agreed though participants from Bahrain were agree more than the participants from the UK because Arabians are more familiar with Arabic terms due to their language.

5.6.2 Customers level of understanding between IB and CB

Table 5.26 Analysis: Understand difference between IB & CB

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[b. Understand difference between IB and CB]					Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country	UK	5 (2.6%)	6 (3.2%)	65 (34.4%)	106 (56.1%)	7 (3.7%)	189 (53.8%)
of residence	Bahrain	0 (0.0%)	1 (0.6%)	40 (24.7%)	111 (68.5%)	10 (6.2%)	162 (46.2%)
Total		5	7	105	217	17	351

Overwhelm positive response recorded for this questions as most participants knows that Islamic banks are more ethical than conventional banks and the aim and objective is to bring social justice in banking and economy which also helps for banking inclusion for disadvantaged population as long as the objectives are followed as per the IE values (Eleyan et al., 2023). Total 189 participants were from the UK. Among them, strongly disagree (n=5), which is 2.6%, disagrees (n=6) which is 3.2%, neutral (n=65) which is 34.4%, agree (n=106) which is 56.1%, and strongly agree (n=7), which is 3.7%. Highest percentages of the participants were agreed with 56.1% while the lowest were strongly disagreeing 2.6%. Contrastingly, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=0), disagrees (n=1) which is 0.6%, neutral (n=40) which is 24.7%, agree (n=111) which is 68.5%, and strongly agree (n=10), which is 6.2%. Highest and majority percentage of participants was agreed in Bahrain (56.8%: mean=3.67) and lowest was nil because no one indicated as strongly disagree. Participants from both countries were agreed though participants from Bahrain were agree more than the participants from the UK because Arabians are more familiar with Arabic terms due to their language.

5.6.3 Statement on Interest

Table 5.27 Analysis: Interest is haram

		Q20. Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					Total
		[c. Interest is haram (prohibited)]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country of residence	UK	2 (1.1%)	1 (0.5%)	31 (16.4%)	119 (63.0%)	36 (19.0%)	189 (53.8%)
	Bahrain	4 (2.5%)	1 (0.6%)	19 (11.7%)	103 (63.6%)	35 (21.6%)	162 (46.2%)
Total		6	2	50	222	71	351

Islamic bank is immersed with a few principles and interest is the main reason that differentiates IB with CB. The response shows it clearly that majority of participants are aware about it except participants are not familiar at all. This could be very new generations of participants or not familiar with Islamic banks at all. Total 189 participants were from the UK. Among them, strongly disagree (n=2), which is 1.1%, disagrees (n=1) which is 0.5%, neutral (n=31) which is 16.4%, agree (n=119) which is 63.0%, and strongly agree (n=36), which is 19.0%. Highest percentages of the participants were agreed with 63.0% while the lowest were strongly disagreeing 1.1%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=4), 2.5% disagrees (n=1) which is 0.6%, neutral (n=19) which is 11.7%, agree (n=103) which is 63.6%, and strongly agree (n=35), which is 21.6%. Highest and majority percentage of participants was agreed in Bahrain (63.6%: mean=4.0), and lowest was 2.5%. Majority participants from both countries were indicated that interest is haram and prohibited by the Islamic law (Shariah law).

5.6.4 Statement on profit versus interest

Table 5.28 Analysis: IB pays interest

		Q20. Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[d. IB pay interest in the name of profit]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	20 (10.6%)	25 (13.2%)	110 (58.2%)	33 (17.5%)	1 (0.5%)	189 (53.8%)
	Bahrain	19 (11.7%)	36 (22.2%)	70 (43.2%)	35 (21.6%)	2 (1.2%)	162 (46.2%)
Total		39	61	180	68	3	351

Literature (Arwa, 2018; Souiden and Rani, 2015) suggest that a products and services will be considered only when they are in compliance with Islamic banking principles. Response from this question reflects confusion. This could be another reason banking management should engage with more relationship marketing and interaction to develop awareness among customers and stakeholders which is one of the reason this study is undertaken. Total 189 participants were from the UK. Among them, strongly disagree (n=20), which is 10.6%, disagrees (n=25) which is 13.2%, neutral (n=110) which is 58.2%, agree (n=33) which is 17.5%, and strongly agree (n=1), which is 0.5%. Highest percentages of the participants were agreed with 58.2% while the lowest were strongly disagreeing 10.6%. In opposition, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=19), 11.7% disagrees (n=36) which is 22.2%, neutral (n=70) which is 43.2%, agree (n=35) which is 21.6%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agree 43.2% and lowest was 11.7%. Majority participants from both countries became neutral but majority of the participants were neutral in the UK (58.2%: mean=2.81). However, the second highest group both indicated that Islamic bank provide interest in the name of profit.

5.6.5 Statement on hidden charges

Table 5.29 Analysis: IB is expensive

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[e. IB is expensive and have hidden charges]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	19 (10.1%)	32 (16.9%)	104 (55.0%)	34 (18.0%)	0 Nil	189 (53.8%)
Residence	Bahrain	17 (10.5%)	32 (19.8%)	81 (50.0%)	30 (18.5%)	2 (1.2%)	162 (46.2%)

Total	36	64	185	64	2	351
-------	----	----	-----	----	---	-----

Literature voiced concerns that due to the deviation from Shariah, certain products and services in addition to lack of competitive prices, many customers are not able to choose Islamic banking products (Nomran and Haron, 2020). The authors suggested that Islamic banks needs to go through rigorous process in order to accept customers applications for various products and services because Islamic bank renown for its profit and loss sharing ideas and policies. Total 189 participants were from the UK. Among them, strongly disagree (n=19), which is 10.1%, disagrees (n=32) which is 16.9%, neutral (n=104) which is 55.0%, agree (n=34) which is 18.0%, and strongly agree (n=0), which is 0.0%. Highest percentages of the participants were agreed with 55.0% while the lowest were strongly agreeing 0.0%. By contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=17), which is 10.5% disagrees (n=32) which is 19.8%, neutral (n=81) which is 50%, agree (n=30) which is 18.5%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 50.0% and lowest was 1.2%. Majority participants from both countries became neutral and participants from both countries indicated that they are strongly agreed to the statement. But majority of the percentage were from the UK (55.0%: mean=2.81).

5.6.6 Statement on usage of IB regardless of cost

Table 5.30 Analysis: Must use IB

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[f. Customer should use IB regardless of cost]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	26	51	94	18	0	189
of		(13.8%)	(27.0%)	(49.7%)	(9.5%)	(0.0%)	(53.8%)

residence Bahrain	25 (15.4%)	50 (30.9%)	73 (45.1%)	12 (7.4)	2 (1.2%)	162 (46.2%)
Total	51	101	167	30	2	351

Majority respondents did not agree as we can see from the table above. Customers do care about their money more than ever before. The financial crises, covid-19 outbreaks have weakened financial position of many ordinary people and this is possibly reflected in the responses. However, the IE philosophy is about economic inclusion among people from all walk of life to eradicate poverty (Elhajjar, 2020). Total 189 participants were from the UK. Among them, strongly disagree (n=26), which is 13.8%, disagrees (n=51) which is 27.0%, neutral (n=94) which is 49.7%, agree (n=18) which is 9.5%, and strongly agree (n=0), which is 0.0%. Highest percentages of the participants were neutral with 49.7% while the lowest were strongly agreeing 0.0%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=25), which is 15.4% disagrees (n=50) which is 30.9%, neutral (n=73) which is 45.1%, agree (n=12) which is 7.4%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 45.1% and lowest was 1.2%. Majority participants from both countries became neutral and participants from both countries indicated that they are among agreed categories to the statement, however, the UK were the highest (49.7%: mean=2.52).

5.6.7 Statement on values of IB versus CB

Table 5.31 Analysis: IB is high value

Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)

[g. IB provides high value than CB]

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total

Country	UK	10	30	106	38	5	189
of		(5.3%)	(15.9%)	(56.1%)	(20.1%)	(2.6%)	(53.8%)
residence	Bahrain	7	26	79	48	2	162
		(4.3%)	(16.0%)	(48.8%)	(29.6%)	(1.2%)	(46.2%)
Total		17	56	185	86	7	351

The responses didn't show a great positivity among participants. The statistics on the above table did not support outright on the statement by the participants. This result indicates even customers undertake IB products; probably they didn't find value over the services. The CRM implementation here is beneficial to understand customer's perception and experience to bring not only positive attitude but also positive experience and satisfaction (Newankwo and Kanyangate, 2023). Total 189 participants were from the UK. Among them, strongly disagree (n=10), which is 5.3%, disagrees (n=30) which is 15.9%, neutral (n=106) which is 56.1%, agree (n=38) which is 20.1%, and strongly agree (n=5), which is 2.6%. Highest percentages of the participants were neutral with 56.1% while the lowest were strongly agreeing 2.6%. On the contrary, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=7), which is 4.3% disagrees (n=26) which is 16.0%, neutral (n=79) which is 29.6%, agree (n=48) which is 29.6%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 48.8% and lowest was 1.2%. Majority participants from both countries became neutral and participants from both countries indicated that they are among agreed categories to the statement. However, the majority was in the UK 56.1%: mean=3.03%).

5.6.8 Statement on IB's objectives

Table 5.32 Analysis: IB objectives

Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)	
[h. Objective of IB is to make profit]	Total

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country of residence	21 (11.1%)	33 (17.5%)	113 (59.8%)	21 (11.1%)	1 (0.5%)	189 (53.8%)
UK	21 (11.1%)	33 (17.5%)	113 (59.8%)	21 (11.1%)	1 (0.5%)	189 (53.8%)
Bahrain	17 (10.5%)	27 (16.7%)	98 (60.5%)	18 (11.1%)	2 (1.2%)	162 (46.2%)
Total	38	60	211	39	3	351

Majority of participants didn't agree with the statement. Literature clearly suggest a products or services cannot be considered an Islamic banking products or services unless it is in compliance of Islamic Shariah principals (Mahmoud et al., 2022). This indicates majority participants aware that profitability is not the main objective of IB, hence the outcome. Total 189 participants were from the UK. Among them, strongly disagree (n=21), which is 11.2%, disagrees (n=33) which is 17.5%, neutral (n=113) which is 59.8%, agree (n=21) which is 11.1%, and strongly agree (n=1), which is 0.5%. Highest percentages of the participants were neutral with 59.8% while the lowest were strongly agreeing 0.5%. Meanwhile, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=17), which is 10.5% disagrees (n=27) which is 16.7%, neutral (n=98) which is 60.5%, agree (n=18) which is 11.1%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 60.5% and lowest was 1.2%. Majority participants from both countries became neutral and participants from both countries indicated that they are among disagreed categories to the statement as second highest opinion to the statement and strongly agreed were lowest in both countries too. Overall highest and majority percentage was from Bahrain (60.5%: mean=2.74).

5.6.9 Statement on compliance of Quran and Sunnah

Table 5.33 Analysis: IB compliance

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB) [i. IB comply Quran & Sunnah in mktg.]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	4 (2.1%)	11 (5.8%)	104 (55.0%)	62 (32.8%)	8 (4.2%)	189 (53.8%)
	Bahrain	6 (3.7%)	5 (3.1%)	88 (54.3%)	58 (35.8%)	5 (3.1%)	162 (46.2%)
Total		10	16	192	120	13	351

Even though the neutral participants responses are majority, the percentage of disagreement are less than people who agreed. This indicates more people are agreed that IB comply Quran and Sunnah in their marketing activities, which is the main source of IE (Farook and Pashayev, 2020). However, there are also possibility that many IB institutions are offering products are not necessarily approved in all countries due to different interpretation and differences in Shariah advisory boards approval process. This could divide the opinion of critiques as well as customers and other stakeholders such as non-Islamic banking customers. Total 189 participants were from the UK. Among them, strongly disagree (n=4), which is 2.1%, disagrees (n=11) which is 5.8%, neutral (n=104) which is 55.0%, agree (n=62) which is 32.8%, and strongly agree (n=8), which is 4.2%. Highest percentages of the participants were neutral with 55.0% while the lowest were strongly disagreeing 2.1%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=6), which is 3.7% disagrees (n=5) which is 3.1%, neutral (n=88) which is 54.3%, agree (n=58) which is 35.8%, and strongly agree (n=5), which is 3.1%. Highest percentage of participants was agreed 54.3% and lowest was 3.1%. Majority participants from both countries became neutral

and participants from both countries indicated that they are among strongly agreed categories to the statement. The majority percentage of people was neutral from the UK (55.0%: mean=3.31).

5.6.10 Statement on qualification of Shariah advisor

Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)

[j. Shariah advisors are qualified]

Table 5.34 Analysis: Qualification of Shariah advisors

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country of residence	UK	3 (1.6%)	9 (4.8%)	109 (57.7%)	62 (32.8%)	6 (3.2%)	189 (53.8%)
	Bahrain	5 (3.1%)	4 (2.5%)	79 (48.8%)	69 (42.6%)	5 (3.1%)	162 (46.2%)
Total		8	13	188	131	11	351

Similar to the previous question, the response of this question had mixed responses due to lack of qualified Shariah scholars and lack of efficient scholars availability (see figure, 6.10), which is less than demand due to the increase in global Islamic banking expansion. Total 189 participants were from the UK. Among them, strongly disagree (n=3), which is 1.6%, disagrees (n=9) which is 4.8%, neutral (n=109) which is 57.7%, agree (n=62) which is 32.8%, and strongly agree (n=6), which is 3.2%. Highest percentages of the participants were neutral with 56.1% followed by agreed, while the lowest were strongly agreeing 1.6%. On the other hand, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=5), which is 3.1% disagrees (n=4) which is 2.5%, neutral (n=79) which is 48.8%, agree (n=69) which is 42.6%, and strongly agree (n=5), which is 3.1%. Highest percentage of participants was agreed 48.8% and lowest was 3.1% for both strongly disagree and strongly agree respectively. Majority participants from both countries became neutral and participants from both countries indicated that

they are among agreed categories to the statement. The majority percentage of people was neutral from the UK (57.7%: mean=3.35).

5.6.11 Statement on needs of more qualified Shariah advisors.

Table 5.35 Analysis: Need more Shariah advisors

Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)						
[k. Need more qualified Shariah advisor]						
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of UK residence	1 (0.5%)	8 (4.2%)	78 (41.3%)	80 (42.3%)	22 (11.6%)	189 (53.8%)
Bahrain	1 (0.6%)	2 (1.2%)	60 (37.0%)	83 (51.2%)	16 (9.9%)	162 (46.2%)
Total	2	10	138	163	38	351

The demand of Shariah scholars is more positively reflected in the participant's response than negatively, therefore, it is important to implement customers feedback which is one of the most important aspects of IB industry, which is also objective of CRM (Lebdaoui and Chetioui, 2020). Total 189 participants were from the UK. Among them, strongly disagree (n=1), which is 0.5%, disagrees (n=8) which is 4.2%, neutral (n=78) which is 41.3%, agree (n=80) which is 42.3%, and strongly agree (n=22), which is 11.6%. Highest percentages of the participants were agreeing with 42.3% while the lowest were strongly disagreeing 0.5%. In reverse, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=1), which is 0.6% disagrees (n=2) which is 1.2%, neutral (n=60) which is 37.0%, agree (n=83) which is 51.2%, and strongly agree (n=16), which is 9.9%. Highest percentage of participants was agreed 51.2% and lowest was 0.6%. Majority participants from both countries agreed followed by neutral and participants of both countries emphasized the needs for more Shariah scholars. The majority percentage of people was agreed from Bahrain (51.2%: mean=3.64).

5.6.12 Statement on banking based on high quality Shariah advisors.

Table 5.36 Analysis: Customers prefers quality Shariah advisors

Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)							
[I. Customer prefer banks based on high quality Sharia board member]							
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	8 (4.2%)	23 (12.2)	108 (57.1%)	43 (22.8%)	7 (3.7%)	189 (53.8%)
	Bahrain	3 (1.9%)	13 (8.0%)	94 (58.0%)	48 (29.6%)	4 (2.5%)	162 (46.2%)
Total		11	36	202	91	11	351

Many banks opt to hire highly qualified and renowned Shariah scholars for showing the standard they hold, which also help to be competitive to the rivals. Many customers may be feeling confident and happy to have high-qualified Shariah scholars in their bank. One the other hand, a number of customers may not be concern about who the Shariah scholars advises them as long as Shariah principles are followed (Nomran and Haron, 2020). Therefore, this question has also a mixed reaction from the participants overall. Total 189 participants were from the UK. Among them, strongly disagree (n=8), which is 4.2%, disagrees (n=23) which is 12.2%, neutral (n=108) which is 57.1%, agree (n=43) which is 22.8%, and strongly agree (n=7), which is 3.7%. Highest percentages of the participants were neutral with 57.1% while the lowest were strongly agreeing 3.7%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=3), which is 1.9% disagrees (n=23) which is 8.0%, neutral (n=94) which is 58.0%, agree (n=48) which is 29.6%, and strongly agree (n=4), which is 2.5%. Highest percentage of participants was neutral 58.0% and lowest was 1.9%. Majority participants from both countries became neutral followed by agreeing

categories in their statement. The highest and majority percentage of people was neutral from Bahrain (58.0%: mean=3.16).

5.6.13 Statement on IB use name of CB products.

Table 5.37 Analysis: IB use Arabic names

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB) [m. IB use Arabic name and use CB products]					Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country of residence	UK	16 (8.5%)	28 (14.8%)	111 (58.7%)	34 (18.0%)	0 Nil	189 (53.8%)
	Bahrain	15 (9.3%)	25 (15.4%)	94 (58.0%)	25 (15.4%)	3 (1.9%)	162 (46.2%)
Total		31	53	205	59	3	351

This result is another mixed responses with having a majority on neutral responses. This perception indicates negativity or lack of knowledge, which should be considered by IB institutions in developing relations and providing education with more frequent reporting by Islamic banking institutions (Wilson, 2019). In addition, more journals and publication could provide up to date information of Islamic banking products and services and how they work. Total 189 participants were from the UK. Among them, strongly disagree (n=16), which is 8.5%, disagrees (n=28) which is 14.8%, neutral (n=111) which is 58.7%, agree (n=34) which is 18.0%, and strongly agree (n=0), which is 0.0%. Highest percentages of the participants were neutral with 56.1% while the lowest were strongly agreeing is nil. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=15), which is 9.3% disagrees (n=25) which is 15.4%, neutral (n=94) which is 58.0%, agree (n=25) which is 15.4%, and strongly agree (n=3), which is 1.9%. Highest percentage of participants was agreed 58.0% and lowest was 1.9%. Majority participants from both countries became neutral followed by agreeing. The

highest and majority percentage of people was neutral from the UK (58.7%: mean=2.86).

5.6.14 Statement on IB staffs is not aware about its products.

Table 5.38 Analysis: IB staff is not aware about its products

Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)							
[n. The staff of IB are not well informed of its products]							
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	13 (6.9%)	23 (12.2%)	118 (62.4)	31 (16.4%)	4 (2.1%)	189 (53.8%)
	Bahrain	4 (2.5%)	15 (9.3%)	104 (64.2%)	37 (22.8%)	2 (1.2%)	162 (46.2%)
Total		17	38	222	68	6	351

This question focused on skills and standard of IB staffs. The neutral responses are majority which could indicate Islamic banking customers are happy but counter services or other service points are not equipped with sufficient skilled staffs due to unavailability of such skilled staffs (Alam and Seifzadeh, 2020). On the other hand, literature (Chapter 2) also suggests that a number of banking staffs are hired from conventional banking staffs that do not have sufficient knowledge of IB. Total 189 participants were from the UK. Among them, strongly disagree (n=13), which is 6.9%, disagrees (n=23) which is 12.2%, neutral (n=118) which is 62.4%, agree (n=31) which is 16.4%, and strongly agree (n=4), which is 2.1%. Highest percentages of the participants were neutral with 62.4% while the lowest were strongly agreeing 2.1%. Just the reverse, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=4), which is 2.5% disagrees (n=15) which is 9.3%, neutral (n=104) which is 64.2%, agree (n=37) which is 22.8%, and

strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 64.2% and lowest was 1.2%. Majority participants from both countries became neutral followed by agreeing to the statement. The highest and majority percentage of people was neutral from Bahrain (64.2%: mean=3.02).

5.6.15 Statement on clear IB marketing

Table 5.39 Analysis: Country of residence-IB marketing

		Q20 - Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[o. Marketing of IB's products is clear?]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	2 (1.1%)	12 (6.3%)	130 (68.8%)	43 (22.8%)	2 (1.1%)	189 (53.8%)
	Bahrain	3 (1.9%)	6 (3.7%)	95 (58.6%)	56 (34.6%)	2 (1.2%)	162 (46.2%)
Total		5	18	225	99	4	351

Majority of participants were neutral; this result could be due to the mixed of conventional and Islamic banking participants or many of them didn't believe it. Despite some of the participants may not intend to say negative words at the same time a number of issues involved in Islamic banking marketing, which is not acceptable for many IB customers or stakeholders. Total 189 participants were from the UK. Among them, strongly disagree (n=2), which is 1.1%, disagrees (n=12) which is 6.3%, neutral (n=130) which is 68.8%, agree (n=43) which is 22.8%, and strongly agree (n=2), which is 1.1%. Highest percentages of the participants were neutral with 68.8% while the lowest were strongly agreeing as well as strongly disagreeing respectively 1.1%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=3), which is

1.9% disagrees (n=6) which is 3.7%, neutral (n=95) which is 58.6%, agree (n=56) which is 34.6%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 68.8% and lowest was 1.2%. Majority participants from both countries became neutral and participants from both countries indicated that they are among agreed categories to the statement. The highest and majority percentage of people was neutral from the UK (68.2%: mean=3.23).

5.6.16 Statement on IB products marketing authenticity

Table 5.40 Analysis: Online marketing of IB is not authentic

		Please state your position on the below questions (Islamic banking-IB and conventional banking-CB)					
		[p. Online mktg. of IB is not authentic]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	4 (2.1%)	23 (12.2%)	130 (68.8%)	32 (16.9%)	0 Nil	189 (53.8%)
	Bahrain	1 (0.6%)	13 (8.0%)	107 (66.0%)	39 (24.1%)	2 (1.2%)	162 (46.2%)
Total		5	36	237	71	2	351

This question has nearly similar responses of the previous question. However, participants from Bahrain raised more concern than the UK. Marketing in Bahrain is intensive and issues such as high rewards, or involving women without hijab can be seen negatively (Salokhe et al., 2023). Literature also suggests that only mentioning that the products and services are Islamic is not enough to convince religious people to bring them in Islamic banking. CRM's objective is to provide details of services without hiding any information or facts to bring trust among the customers. Total 189 participants were from the UK. Among them, strongly disagree (n=4), which is 2.1%, disagrees (n=23) which is 12.2%, neutral (n=130) which is 68.8%, agree (n=32) which is 16.9%, and strongly agree (n=0), which is

0.0%. Highest percentages of the participants were neutral with 68.8% while the lowest were strongly agreeing 0%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=1), which is 0.6% disagrees (n=13) which is 8.0%, neutral (n=107) which is 66.0%, agree (n=39) which is 24.1%, and strongly agree (n=2), which is 1.2%. Highest percentage of participants was agreed 66.0% and lowest was 1.2%. Majority participants from both countries became neutral and participants from both countries indicated that they are among agreed categories to the statement. The highest and majority percentage of people was neutral from the UK (68.8%: mean=3.08).

5.7 Reason of attraction in IB products and service

Under this question has seven-sub question to mark strongly disagreed=1 to strongly agreed=5 Likert scale categories.

5.7.1 Avoid sin and get favour of Allah

Table 5.41 Analysis: Reasons for attraction-avoid sins

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[a. To avoid sin and get favour of Allah]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	10 (5.3%)	8 (4.2%)	79 (41.8%)	69 (36.5%)	23 (12.2%)	189 (53.8%)
	Bahrain	8 (4.9%)	5 (3.1%)	62 (38.3%)	66 (40.7%)	21 (13.0%)	162 (46.2%)
Total		18	13	141	135	44	351

One of the crucial questions that many literature (El-Hajjar, 2020) suggests that Islamic banking customers are attracted due to the religiosity. This could be right if the customers think so. However, there are around 10% participants were not agree in addition to average 40% of participants from both countries were neutral

which could be interesting to see if there are any mixed elements in their thoughts. Total 189 participants were from the UK. Among them, strongly disagree (n=10), which is 5.3%, disagrees (n=8) which is 4.2%, neutral (n=79) which is 41.8%, agree (n=69) which is 36.5%, and strongly agree (n=23), which is 12.2%. Highest percentages of the participants were neutral with 41.8% while the lowest were strongly agreeing 5.3%. On the other hand, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=8), which is 4.9% disagrees (n=5) which is 3.1%, neutral (n=62) which is 38.3%, agree (n=66) which is 40.7%, and strongly agree (n=21), which is 13.0%. Highest percentage of participants was agreeing 40.7% and lowest was disagree which is 3.1%. The highest participant from the UK were neutral but in Bahrain highest was on agreeing side. The highest and majority percentage of people was neutral from the UK (41.8%: mean=3.50).

5.7.2 Attractive if the products are with more Shariah compliant.

Table 5.42 Analysis: Reasons of attraction-compliance of Shariah info.

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[b. Products with more info on Shariah compliance]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	6 (3.2%)	8 (4.26%)	71 (37.6%)	89 (47.1%)	15 (7.9%)	189 (53.8%)
	Bahrain	3 (1.9%)	2 (1.2%)	39 (24.1%)	104 (64.2%)	14 (8.6%)	162 (46.2%)
Total		9	10	110	193	29	351

Majority of the participants agreed that Shariah compliance is one of the main reasons for customers are coming for Islamic banks that represent values of Islamic economy (Mukhlisin et al., 2022). Neutrals and others are not significant

compare to the agreed number of participants which could be a clear indication and message to Islamic banking management to ensure customers feedback of upholding the principles of Shariah compliance in their products and services and no other good thing cannot work for IB unless it is Shariah compliant. Total 189 participants were from the UK. Among them, strongly disagree (n=6), which is 3.2%, disagrees (n=8) which is 4.26%, neutral (n=71) which is 47.1%, agree (n=89) which is 47.1%, and strongly agree (n=15), which is 7.9%. Highest percentages of the participants were agreeing the statement with 47.1% while the lowest were strongly agreeing 3.2%. Meanwhile, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=3), which is 1.9% disagrees (n=2) which is 1.2%, neutral (n=39) which is 24.1%, agree (n=104) which is 64.2%, and strongly agree (n=14), which is 8.6%. Highest percentage of participants was agreed 64.2% and lowest was 1.2%. Majority participants from both countries were agreeing to the statement followed by neutral. The highest and majority percentage of people was agreed from Bahrain (64.2.0%: mean=3.64).

5.7.3 Attractive if halal and ethical investment

Table 5.43 Analysis: Reasons for attraction-Halal/ethical investment

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[c. Halal and ethical investment]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	4 (2.1%)	1 (0.5%)	32 (16.9%)	123 (65.1%)	29 (15.3%)	189 (53.8%)
	Bahrain	2 (1.2%)	0 (0.0%)	16 (9.9%)	120 (74.1%)	24 (14.8%)	162 (46.2%)
Total		6	1	48	243	53	351

The objective and key principles of IB is to bring interest free products and services, risk free return for the investors and avoid uncertainty in banking and finance (Abdurakhmonovich, 2023). According to literature many customers across the continents believe that Islamic banking products and services are halal and ethical (Rafiki, 2021). The overwhelm response of attraction of IB is reflected. Total 189 participants were from the UK. Among them, strongly disagree (n=4), which is 2.1%, disagrees (n=1) which is 0.5%, neutral (n=32) which is 16.9%, agree (n=123) which is 65.1%, and strongly agree (n=29), which is 15.3%. Highest percentages of the participants were agreeing to the statement with 65.1% while the lowest were disagreeing 0.5%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=2), which is 1.2% disagrees (n=0) which is 0.0%, neutral (n=16) which is 9.9%, agree (n=120) which is 74.1%, and strongly agree (n=24), which is 14.8%. Highest percentage of participants was agreed 74.1% and lowest was 1.2%. Majority participants from both countries were agreed to the statement. The highest and majority percentage of people was agreed from Bahrain (74.1%: mean=3.96).

5.7.4 Attractive because of Zakat administration

Table 5.44 Analysis: Reasons for attraction-Zakat administration

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[d. Zakat administration]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	4 (2.1%)	5 (2.6%)	66 (34.9%)	95 (50.9%)	19 (10.1%)	189 (53.8%)
	Bahrain	1 (0.6%)	2 (1.2%)	42 (25.9%)	101 (62.3%)	16 (9.9%)	162 (46.2%)
Total		5	7	108	196	35	351

Despite a majority of the responses recorded positive towards this question, there are still a good number of neutral responses, which could be due to many of them are not Muslim customers and many people are not involved in Zakat processing through banking channel. Total 189 participants were from the UK. Among them, strongly disagree (n=4), which is 2.1%, disagrees (n=5) which is 2.6%, neutral (n=66) which is 34.9%, agree (n=95) which is 50.9%, and strongly agree (n=19), which is 10.1%. Highest percentages of the participants were agreeing to the statement with 50.9% while the lowest were strongly agreeing 2.1%. But a total of 162 participants were from Bahrain. Among them, strongly disagree (n=1), which is 0.6% disagrees (n=2) which is 1.2%, neutral (n=42) which is 25.9%, agree (n=101) which is 62.3%, and strongly agree (n=16), which is 9.9%. Highest percentage of participants was agreed 62.3% and lowest was 0.6%. Majority participants from both countries were agreeing to the statement. The highest and majority percentage of people was agreed from Bahrain (62.30%: mean=3.71).

5.7.5 Attractive because family/friends use IB

Table 5.45 Analysis: Use IB because of family/friends

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[e. Because family/friends use IB]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	10	14	102	56	7	189
of		(5.3%)	(7.4%)	(54.0%)	(29.6%)	(3.7%)	(53.8%)
residence	Bahrain	5	13	65	70	9	162
		(3.1%)	(8.0%)	(40.1%)	(43.2%)	(5.6%)	(46.2%)
Total		15	27	167	126	16	351

When religion has influence among Muslims, it plays fundamental roles for most people in the community to be aligned with the trend not because it's a trend but

beliefs (Ahmad et al, 2020). This makes customers to follow their belief and consider following their elders, family and friends. However, the literature suggests a massive number of non-Muslims are attracted to Islamic banking, which could prove it to be false assumption that only belief attracts IB. Instead it could be an indicator that ethical banking is preferable from most banking customers who think to avoid uncertainty in their money and investments. The most recent financial crises involving Silicon Valley Bank in USA is one of the few to mention. A total of 189 participants were from the UK. Among them, strongly disagree (n=10), which is 5.3%, disagree (n=14) which is 7.4%, neutral (n=102) which is 54.0%, agree (n=56) which is 29.6%, and strongly agree (n=7), which is 3.7%. Highest percentages of the participants were neutral with 54.0% while the lowest were strongly agreeing 3.7%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=5), which is 3.1% disagree (n=13) which is 8.0%, neutral (n=65) which is 40.1%, agree (n=70) which is 43.2%, and strongly agree (n=9), which is 5.6%. Majority from the UK were neutral to the statement while highest number of participants were indicated agreed to the statement. The highest and majority percentage of people was neutral from the UK (54.0%: mean=3.29).

5.7.6 Attractive because CB branch of IB offer is attractive.

Table 5.46 Analysis: CB branch of IB offer is attractive

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[f. CB branch of IB offer is attractive]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	11 (5.8%)	21 (11.1%)	118 (62.4%)	31 (16.4%)	8 (4.2%)	189 (53.8%)
	Bahrain	4 (2.5%)	20 (12.3%)	84 (51.9%)	47 (29.0%)	7 (4.3%)	162 (46.2%)

Total	15	41	202	78	15	351
-------	----	----	-----	----	----	-----

A majority of neutral responses indicates that either the conventional banking not attractive or not have enough positive side in it. Similarly, there are over 16% and 29% participants were fully convinced that the CB branch are not attractive, which could be due to the involvement of IB products and service distribution by a non-Islamic bank. This result is also indicates that many Muslim customers are reluctant to consider banks that may not provide services that are truly Islamic (Mukhlisin et al., 2022). Total 189 participants were from the UK. Among them, strongly disagree (n=11), which is 5.8%, disagrees (n=21) which is 11.1%, neutral (n=118) which is 62.4%, agree (n=31) which is 16.4%, and strongly agree (n=8), which is 4.2%. Highest percentages of the participants were neutral with 62.4% while the lowest were strongly agreeing 4.2%. On the contrary, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=4), which is 2.5% disagrees (n=20) which is 12.3%, neutral (n=84) which is 51.9%, agree (n=47) which is 29.0%, and strongly agree (n=7), which is 4.3%. Highest percentages of participants were neutral with 51.9% and lowest was 2.5%. Majority participants from both countries became neutral followed by agreed to the statement. The highest and majority percentage of people was neutral from the UK (62.4%: mean=3.11).

5.7.7 Attractive, because full-fledged IB provides efficient services

Table 5.47 Analysis: Reasons for attraction-Full-fledged IB

		Q21 - What are the following reasons that attract you to Islamic banking?					
		[g. Full-fledged IB is attractive]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	7	10	92	61	19	189
of		(3.7%)	(5.3%)	(48.7%)	(32.3%)	(10.1%)	(53.8%)

residence Bahrain	5 (3.1%)	5 (3.1%)	59 (36.4%)	80 (49.4%)	13 (8.0%)	162 (46.2%)
Total	12	15	151	141	32	351

Compare to the previous questions, which focused on branch, only has similarity with the current question. Despite a good number of customers think the full-fledge IB is attractive, there are over 50% customers were not feeling the same, which could be the reason that they could not find the difference between the branches and the main banking services. On the other hand, many customers may not experience it due to lack of accessibility of main banks (Wilson, 2019). For instance, some banking parent companies in the UK are operating from overseas. Total 189 participants were from the UK. Among them, strongly disagree (n=7), which is 3.7%, disagrees (n=10) which is 5.3%, neutral (n=92) which is 48.7%, agree (n=61) which is 32.3%, and strongly agree (n=19), which is 10.1%. Highest percentages of the participants were neutral with 48.7% while the lowest were strongly disagreeing 3.7%. Contrastingly, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=5), which is 3.1% disagrees (n=5) which is 3.1%, neutral (n=59) which is 36.4%, agree (n=80) which is 49.4%, and strongly agree (n=13), which is 8.0%. Highest percentages of participants were agreeing with 49.4% and lowest was 3.1% in both strongly agreed and strongly disagreeing. It is found that full fledged Islamic banks are attractive in Bahrain while in the UK participants were agreed but followed by its majority of neutral opinions. The highest percentage of people was agreed from Bahrain (49.4%: mean=3.47).

5.8 Familiarity of the terms

5.8.1 Murabaha

This question was asked to all participants to see how the customers of Islamic and conventional banks are familiar with Islamic banking terms. Total of seven terms were used to this question.

Table 5.48 Analysis: Familiarity of IB - Murabaha

		Q22 - The familiarity with IB's terms					
		[a. Murabaha]					
		Never heard	Not familiar	Neutral	Familiar	Very familiar	Total
Country of residence	UK	16 (8.5%)	24 (12.7%)	66 (34.9%)	76 (40.2%)	7 (3.7%)	189 (53.8%)
	Bahrain	3 (1.9%)	12 (7.4%)	43 (26.5%)	89 (54.9%)	15 (9.3%)	162 (46.2%)
Total		19	36	109	165	22	351

Arabic terms of Islamic banking products may not be so familiar with many customers in the current generations. However, literature suggest, this doesn't have much influence of not getting customers in Islamic banking, but familiarity among Arab customers is naturally common. Total 189 participants were from the UK. Among them, never heard (n=16), which is 8.5%, not familiar (n=24), which is 12.7%, neutral (n=66), which is 34.9%, familiar (n=76), which is 40.2%, and very familiar (n=7), which is 3.7%. Highest percentages of the participants were familiar with 40.2% while the lowest were very familiar, 3.7%. Meanwhile, a total of 162 participants were from Bahrain. Among them, never heard (n=3), which is 1.9%, not familiar (n=12), which is 7.4%, neutral (n=43), which is 26.5%, familiar (n=89), which is 54.9%, and very familiar (n=15), which is 9.3%. Highest percentages of the participants were familiar with 54.9% while the lowest were never heard 1.9%. It is found that product Murabaha was mostly familiar among majority of the participants and followed by neutral that did not elaborate whether they knew about it. The highest and majority percentage of people was familiar from Bahrain (54.9%: mean=3.38).

5.8.2 Familiarity of the term Mudarabah

Table 5.49 Analysis: Familiarity of IB-Mudarabah

		Q22 - The familiarity with IB's terms					
		[b. Mudarabah]					
		Never	Not			Very	
		heard	familiar	Neutral	Familiar	familiar	Total
Country	UK	21	31	60	68	9	189
of		(11.1%)	(16.4%)	(31.7%)	(36.0%)	(4.8%)	(53.8%)
residence	Bahrain	7	20	49	72	14	162
		(4.3%)	(12.3%)	(30.2%)	(44.4%)	(8.6%)	(46.2%)
Total		28	51	109	140	23	351

Even though familiarity of IB products and services are not widely common among diverse customers. By bringing proper education and spread awareness using relationship management could enhance IB products and services credibility (Kotler, 2016), leading to the competitive advantages even increase in customers' number. Total 189 participants were from the UK. Among them, never heard (n=21), which is 11.1%, not familiar (n=31), which is 16.4%, neutral (n=60), which is 31.7%, familiar (n=68), which is 36.0%, and very familiar (n=9), which is 4.8%. Highest percentages of the participants were familiar with 36.0% while the lowest were very familiar, 4.8%. In reverse, a total of 162 participants were from Bahrain. Among them, never heard (n=7), which is 4.3%, not familiar (n=20), which is 12.3%, neutral (n=49), which is 30.2%, familiar (n=72), which is 44.4%, and very familiar (n=14), which is 8.6%. Highest percentages of the participants were familiar with 44.4% while the lowest were never heard 4.3%. It is found that product Mudarabah was mostly familiar among majority of the participants and followed by neutral that did not elaborate whether they knew about it. The highest percentage of people was familiar from Bahrain (44.4%: mean=3.23).

5.8.3 Familiarity of the term Musharakah

Table 5.50 Analysis: Familiarity of IB-Musharakah

		Q22 - The familiarity with IB's terms					
		[c. Musharakah]					Total
		Never heard	Not familiar	Neutral	Familiar	Very familiar	
Country of residence	UK	21 (11.1%)	21 (11.1%)	46 (24.3%)	90 (47.6%)	11 (5.8%)	189 (53.8%)
	Bahrain	5 (3.1%)	16 (9.9%)	33 (20.4%)	89 (54.9%)	19 (11.7%)	162 (46.2%)
Total		26	37	79	179	30	351

Musharakah is probably one of the terms that many people are familiar. The response statistics shows over 50% participants knew about it possibly due to the nature of the activities involved. Total 189 participants were from the UK. Among them, never heard (n=21), which is 11.1%, not familiar (n=21), which is 11.1%, neutral (n=46), which is 24.3%, familiar (n=90), which is 47.6%, and very familiar (n=11), which is 5.8%. Highest percentages of the participants were familiar with 47.6% while the lowest were very familiar, 5.8%. However, a total of 162 participants were from Bahrain. Among them, never heard (n=5), which is 3.1%, not familiar (n=16), which is 9.9%, neutral (n=46), which is 24.3%, familiar (n=90), which is 47.6%, and very familiar (n=11), which is 5.8%. Highest percentages of the participants were familiar with 54.9% while the lowest were never heard 3.1%. It is found that product Mudarabah was mostly familiar among majority of the participants and followed by neutral that did not elaborate whether they knew about it. The highest and majority percentage of people was familiar from Bahrain (54.9%: mean=3.43).

5.8.4 Familiarity of the term Wadiah

Table 5.51 Analysis: Familiarity of IB-Wadiah

		Q22 - The familiarity with IB's terms [d. Wadiah]					Total
		Never heard	Not familiar	Neutral	Familiar	Very familiar	
Country of residence	UK	32 (16.9%)	34 (18.0%)	65 (34.4%)	49 (25.9%)	9 (4.8%)	189 (53.8%)
	Bahrain	10 (6.2%)	21 (13.0%)	59 (36.4%)	62 (38.3%)	10 (6.2%)	162 (46.2%)
Total		42	55	124	111	19	351

Wadiah was one of the least familiar terms among the UK participants and many didn't know about it due to possibly not involving in it or not interested to it. Total 189 participants were from the UK. Among them, never heard (n=32), which is 16.9%, not familiar (n=34), which is 18.0%, neutral (n=65), which is 34.4%, familiar (n=49), which is 25.9%, and very familiar (n=9), which is 4.8%. Highest percentages of the participants were familiar with 34.4% while the lowest were very familiar, 4.8%. On the other hand, a total of 162 participants were from Bahrain. Among them, never heard (n=10), which is 6.2%, not familiar (n=21), which is 13.0%, neutral (n=59), which is 36.4%, familiar (n=62), which is 38.3%, and very familiar (n=10), which is 6.2%. Highest percentages of the participants were familiar with 38.3% while the lowest were never heard 6.2% both for very familiar and never heard. It is found that product Wadiah was familiar with more Bahraini customers than the UK customers. The highest and majority percentage of people was familiar from Bahrain (38.3%: mean=3.03).

5.8.5 Familiarity of the term Ijarah

Table 5.52 Analysis: Familiarity of IB-Ijarah

		Q22 - The familiarity with IB's terms [e. Ijarah]					
		Never heard	Not familiar	Neutral	Familiar	Very familiar	Total
Country of residence	UK	18 (9.5%)	9 (4.8%)	46 (24.3%)	89 (47.1%)	27 (14.1%)	189 (53.8%)
	Bahrain	2 (1.2%)	8 (4.9%)	19 (11.7%)	99 (61.1%)	34 (21.0%)	162 (46.2%)
Total		20	17	65	188	61	351

Ijarah is one of the widely used common terms that many Muslim and Non-Muslim customers including those in new generations, due to the nature of the contract that most customers experience in different situation in banking and finance. Total 189 participants were from the UK. Among them, never heard (n=18), which is 9.5%, not familiar (n=9), which is 4.8%, neutral (n=46), which is 24.3%, familiar (n=89), which is 47.1%, and very familiar (n=27), which is 14.1%. Highest percentages of the participants were familiar with 47.1% while the lowest were not familiar, 4.8%. In contrast, a total of 162 participants were from Bahrain. Among them, never heard (n=2), which is 1.2%, not familiar (n=8), which is 4.9%, neutral (n=19), which is 11.7%, familiar (n=99), which is 61.1%, and very familiar (n=34), which is 21.0%. Highest percentages of the participants were familiar with 61.1% while the lowest were never heard 1.2% never heard. It is found that product Ijarah was familiar with more Bahraini customers than the UK customers, however, overall, they are familiar with customers of both countries. The highest and majority percentage of people was neutral from Bahrain (61.1%: mean=3.72).

5.8.6 Familiarity of the term Istisna

Table 5.53 Analysis: Familiarity of IB-Istisna

		Q22 - The familiarity with IB's terms [f. Istisna]					Total
--	--	--	--	--	--	--	-------

		Never heard	Not familiar	Neutral	Familiar	Very familiar	
Country of residence	UK	28 (14.8%)	26 (13.8%)	66 (34.9%)	56 (29.6%)	13 (6.9%)	189 (53.8%)
	Bahrain	10 (6.2%)	11 (6.8%)	51 (31.5%)	75 (46.3%)	15 (9.3%)	162 (46.2%)
Total		38	37	117	131	28	351

Another least familiar term reflected in the statistics as shown on the table above. However, in Bahrain, it's not so unfamiliar as most of them speak Arabic as their mother tongue. In addition many foreigners also fluent in Arabic due to be residing with Arab communities for a long time for work and other reasons (Wilson, 2019). Total 189 participants were from the UK. Among them, never heard (n=28), which is 14.8%, not familiar (n=26), which is 13.8%, neutral (n=66), which is 29.6%, familiar (n=56), which is 29.6%, and very familiar (n=13), which is 6.9%. Highest percentages of the participants were neutral with 34.9% while the lowest were very familiar, 6.9%. By contrast, a total of 162 participants were from Bahrain. Among them, never heard (n=10), which is 6.2%, not familiar (n=11), which is 6.8%, neutral (n=51), which is 31.5%, familiar (n=75), which is 46.3%, and very familiar (n=15), which is 9.3%. Highest percentages of the participants were familiar with 46.3% while the lowest were never heard 6.2% never heard. It is found that product Istisna was familiar with more Bahraini customers than the UK customers. The highest percentage of people was familiar from Bahrain (46.3%: mean=3.21).

5.8.7 Familiarity of the term Tawarruq

Table 5.54 Analysis: Familiarity of IB-Tawarruq

Q22 - The familiarity with IB's terms [g. Tawarruq]						
Never heard	Not familiar	Neutral	Familiar	Very familiar	Total	

Country	UK	20	8	45	95	21	189
of		(10.6%)	(4.2%)	(23.8%)	(50.3%)	(11.1%)	(53.8%)
residence	Bahrain	3	5	27	99	28	162
		(1.9%)	(3.1%)	(16.7%)	(61.1%)	(17.3%)	(46.2%)
Total		23	13	72	194	49	351

This question represents one of the most familiar terms in IB known to most customers. This is due to wide usage of such activities in addition to many critiques talked about it due to the nature of activities, which many thinks it's controversial. Total 189 participants were from the UK. Among them, never heard (n=20), which is 10.6%, not familiar (n=8), which is 4.2%, neutral (n=45), which is 23.8%, familiar (n=95), which is 50.3%, and very familiar (n=21), which is 11.1%. Highest percentages of the participants were neutral with 50.3% while the lowest were not familiar, 4.2%. However, a total of 162 participants were from Bahrain. Among them, never heard (n=3), which is 1.9%, not familiar (n=5), which is 3.1%, neutral (n=27), which is 16.7%, familiar (n=99), which is 61.1%, and very familiar (n=28), which is 17.3%. Highest percentages of the participants were familiar with 61.1% while the lowest were never heard 1.9% never heard. It is found that product Tawarruq was familiar with customers of both countries, however, the familiarity among Bahraini customers are more than the UK customers. The highest and majority percentage of people was familiar from Bahrain (61.1%: mean=3.66).

5.9 Most important factors for IB marketing.

This question was asked to all participants to find out most important factors for IB marketing. This question has 6 sub questions.

5.9.1 Compliance of Shariah law

Table 5.55 Analysis: Most important factors-Shariah law

Q23 - Please could you indicate the most important factors of IB marketing?

		[a. IB's marketing in compliance with Shariah law]					Total
		Not at all important	Not very important	Somewhat important	Very important	Extremely important	
Country	UK	2 (1.1%)	8 (4.2%)	38 (20.1%)	108 (57.1%)	33 (17.5%)	189 (53.8%)
of residence	Bahrain	1 (0.6%)	3 (1.9%)	30 (18.5%)	97 (59.9%)	31 (19.1%)	162 (46.2%)
Total		3	11	68	205	64	351

Indeed the responses of this question were one of the most positive from the customers agreeing on it. Without Shariah compliance, no bank can claim a product or services as Islamic banking products or services (Nomran and Haron, 2020). Therefore, this statement is one of the easiest to come to a conclusion for any Muslims who opting to consider Islamic banking as much literature suggests (Arwa, 2018). Similarly, even though having no connection with religion, many non-Muslim customers consider Islamic banks due to the ethical nature of the products and services. Total 189 participants were from the UK. Among them, not at all important (n=2), which is 1.1%, not very important (n=8), which is 4.2%, somewhat important (n=38), which is 20.1%, very important (n=108), which is 57.1%, and extremely important (n=33), which is 17.5%. Highest percentages of the participants were very important with 57.1% while the lowest were not at all important, 1.1%. However, a total of 162 participants were from Bahrain. Among them, not at all important (n=1), which is 0.6%, not very important (n=3), which is 1.9%, somewhat important (n=30), which is 18.5%, very important (n=97), which is 59.9%, and extremely important (n=31), which is 19.1%. Highest percentages of the participants were very important with 59.9% while the lowest were not at all important, 0.6%. It is found that this aspect of Islamic banking marketing is most important among customers of both case countries. The highest and majority percentage of people mentioned very important from Bahrain (59.9%: mean=3.90).

5.9.2 Most important factors – Online/offline marketing are authentic

Table 5.56 Analysis: Most important factors-Ethical adverts

		Q23 - Please could you indicate the most important factors of IB marketing?					
		[b. All online/offline adverts are ethical/Islamic]					
		Not at all important	Not very important	Somewhat important	Very important	Extremely important	Total
Country	UK	5 (2.6%)	14 (7.4%)	53 (28.0%)	98 (51.9%)	19 (10.1%)	189 (53.8%)
of residence	Bahrain	2 (1.2%)	3 (1.9%)	42 (25.9%)	97 (59.9%)	18 (11.1%)	162 (46.2%)
Total		7	17	95	195	37	351

Most customers emphasised that online and offline advertisement should be ethical that are in compliance with Islamic law or the principle of Shariah law, this notion is also reflected in literature (Housby, 2013). Total 189 participants were from the UK. Among them, not at all important (n=5), which is 2.6%, not very important (n=14), which is 7.4%, somewhat important (n=53), which is 28.0%, very important (n=98), which is 51.9%, and extremely important (n=19), which is 10.1%. Highest percentages of the participants were very important with 51.9% while the lowest were not at all important, 2.6%.

Contrastingly, a total of 162 participants were from Bahrain. Among them, not at all important (n=2), which is 1.2%, not very important (n=3), which is 1.9%, somewhat important (n=42), which is 25.9%, very important (n=97), which is 59.9%, and extremely important (n=18), which is 11.1%. Highest percentages of the participants were very important with 59.9% while the lowest were not at all important, 1.2%. It is found that this aspect of Islamic banking marketing is one of the most important among customers of both case countries. The highest and

majority percentage of people mentioned as very important from Bahrain (59.9%: mean=3.68).

5.9.3 Unique slogan in marketing

Table 5.57 Analysis: Most important factors-Unique slogan

		Q23 - Please could you indicate the most important factors of IB marketing?					
		[c. Bank's unique slogan]					
		Not at all important	Not very important	Somewhat important	Very important	Extremely important	Total
Country of residence	UK	5 (2.6%)	37 (19.6%)	63 (33.3%)	78 (41.3%)	6 (3.2%)	189 (53.8%)
	Bahrain	3 (1.9%)	28 (17.3%)	60 (37.0%)	65 (40.1%)	6 (3.7%)	162 (46.2%)
Total		8	65	123	143	12	351

Even though banking slogan is one of the important factors, many participant didn't think it is, which is reflected in the survey table. This could be due to customers are more focused on quality and competitive of products and services instead of the slogan. According to the CRM objectives, this could help customers to think positively, therefore, IB should also bring innovative slogan for their banks (Migdadi, 2020). Total 189 participants were from the UK. Among them, not at all important (n=5), which is 2.6%, not very important (n=37), which is 19.6%, somewhat important (n=63), which is 33.3%, very important (n=78), which is 41.3%, and extremely important (n=6), which is 3.2%. Highest percentages of the participants were very important with 41.3% while the lowest were not at all important, 1.9%. However, a total of 162 participants were from Bahrain. Among them, not at all important (n=3), which is 1.9%, not very important (n=28), which is 17.3%, somewhat important (n=60), which is 37.0%, very important (n=65), which is 40.1%, and extremely important (n=6), which is 3.7%. Highest percentages of

the participants were very important with 40.1% while the lowest were not at all important, 1.9%. It is found that this aspect of Islamic banking marketing is one of the most important among customers of both case countries, however, the customers are emphasized on this more than Bahraini customers. The highest percentage of people said very important from Bahrain (40.1%: mean=3.25).

5.9.4 Authentic website

Table 5.58 Analysis: Shariah compliance-authentic web design/color

		Q23 - Please could you indicate the most important factors of IB marketing?					
		[d. Authentic color, design and structure of website]					
		Not at all important	Not very important	Somewhat important	Very important	Extremely important	Total
Country of residence	UK	5 (2.6%)	39 (20.6%)	74 (39.6%)	65 (34.4%)	6 (3.2%)	189 (53.8%)
	Bahrain	4 (2.5%)	25 (15.4%)	69 (42.6%)	59 (36.4%)	5 (3.1%)	162 (46.2%)
Total		9	64	143	124	11	351

This question is also found less importance as discussed for previous questions that this is due to be the reason of wanting more competitive and innovative products instead of decorative features. However, the importance remains valid for IB to improve its website pages due to customers probably start with website to review the banking activities. Total 189 participants were from the UK. Among them, not at all important (n=5), which is 2.6%, not very important (n=39), which is 20.6%, somewhat important (n=74), which is 39.6%, very important (n=65), which is 34.4%, and extremely important (n=6), which is 3.2%. Highest percentages of the participants were somewhat important with 39.6% while the lowest were not at all important, 2.6%. In contrast, a total of 162 participants were from Bahrain. Among them, not at all important (n=4), which is 2.5%, not very important (n=25),

which is 15.4%, somewhat important (n=69), which is 42.6%, very important (n=59), which is 36.4%, and extremely important (n=5), which is 3.1%. Highest percentages of the participants were somewhat important with 42.6% while the lowest were not at all important, 2.5%. It is found that this aspect of Islamic banking marketing is somewhat important among customers of both case countries. The highest percentage of people said very important from Bahrain (42.6%: mean=3.18).

5.9.5 Social justice in mission statement

Table 5.59 Analysis: Most important factors-reflection on social justice

		Q23 - Please could you indicate the most important factors of IB marketing?					
		[e. Reflection of social justice in banking in bank's mission]					
		Not at all important	Not very important	Somewhat important	Very important	Extremely important	Total
Country of residence	UK	4 (2.1%)	24 (12.7%)	57 (30.2%)	84 (44.4%)	20 (10.6%)	189 (53.8%)
	Bahrain	3 (1.9%)	13 (8.0%)	45 (27.8%)	80 (49.4%)	21 (13.0%)	162 (46.2%)
Total		7	37	102	164	41	351

Majority of customers emphasised to have reflection on social justice in banks mission statement. However, many customers do not think it has that much importance, probably due to the fact that customers may not see it makes any major differences and as long as the bank follow the Islamic principles in economic activities (Janah et al., 2020). Total 189 participants were from the UK. Among them, not at all important (n=4), which is 2.1%, not very important (n=24), which is 12.7%, somewhat important (n=57), which is 30.2%, very important (n=84), which is 44.4%, and extremely important (n=20), which is 10.6%. Highest percentages of

the participants were very important with 44.4% while the lowest were not at all important, 1.9%. Meanwhile, a total of 162 participants were from Bahrain. Among them, not at all important (n=3), which is 1.9%, not very important (n=13), which is 8.0%, somewhat important (n=45), which is 27.8%, very important (n=80), which is 49.4%, and extremely important (n=21), which is 13.0%. Highest percentages of the participants were very important with 49.4% while the lowest were not at all important, 1.9%. It is found that this aspect of Islamic banking marketing is somewhat important among customers of both case countries. However, the highest percentage of people said very important from Bahrain (49.4%: mean=3.56).

5.9.6 Regular website update

Table 5.60 Analysis: Most important factors-website update

		Q23 - Please could you indicate the most important factors of IB marketing?					
		[f. Regular update with products on website]					
		Not at all important	Not very important	Somewhat important	Very important	Extremely important	Total
Country of residence	UK	2 (1.1%)	2 (1.1%)	52 (27.5%)	102 (54.0%)	31 (16.4%)	189 (53.8%)
	Bahrain	0 (0.0%)	0 (0.0%)	34 (21.0%)	88 (54.3%)	40 (24.7%)	162 (46.2%)
Total		2	2	86	190	71	351

Most responses found it is indeed very important for customers to see the products and services are updated on regular basis and both the UK and Bahraini participants are unanimously agreed except few of them who didn't emphasise it. Others divided who mention 'somewhat important'. Total 189 participants were from the UK. Among them, not at all important (n=2), which is 1.1%, not very important (n=2), which is 1.1%, somewhat important (n=52), which is 27.5%, very

important (n=102), which is 54.0%, and extremely important (n=31), which is 16.4%. Highest percentages of the participants were very important with 54.0% while the lowest were not at all important, 1.1% in both not at all important and not very important respectively. However, a total of 162 participants were from Bahrain. Among them, not at all important (n=0), which is 0.0%, not very important (n=0), which is 0.0%, somewhat important (n=34), which is 21.0%, very important (n=88), which is 54.3%, and extremely important (n=40), which is 24.7%. Highest percentages of the participants were very important with 54.3% while the lowest were not at all important and not very important, 0.0% and 0.0% respectively. It is found that this aspect of Islamic banking marketing is very highly important among customers of both case countries. However, the highest and majority percentage of people said very important from the UK (54.0%: mean=3.93).

5.10 Obtaining information on Shariah compliant products

Total of eight options were given to all participants.

5.10.1 Source of obtaining Shariah compliant products and services.

Table 5.61 Analysis: Shariah compliance information

How you get info on Shariah advises on banking products and services (Please tick as many options as appropriate). Country of residence Cross tabulation

			9. Country of residence		
			UK	Bahrain	Total
How you	Family and relatives/	Count	38	36	74
get info on	Friend/colleague	Country of residence	20.1%	22.2%	21.1%
Shariah					
advises on	Newspaper/magazin	Count	49	40	89

banking products and services (Please tick as many options as appropriate)	e/ TV/Radio/social media/ Billboard's/ Brochure/ Bank media	Country of residence	25.9%	24.7%	25.4%
	(Website/social media)/ Banking staff	Count	88	82	170
	Both	Country of residence	46.6%	50.6%	48.4%
		Count	14	4	18
	None of above	Country of residence	7.4%	2.5%	5.1%
		Count	189	162	351
Total		Country of residence	100.0%	100.0%	100.0%
		Count	189	162	351

Majority of participants found Shariah advises from online and offline marketing and activities and banking websites (Rasool, 2018). In Bahrain, it is over 50% while in the UK, over 46%. The second most important source was family and friends. This makes IB institution to think to ensure proper information to keep available online for customer's convenience while bank can attract customers with available vital information instantly.

5.11 The great challenges of IB expansion.

5.11.1 Lack of awareness

Table 5.62 Analysis: Challenges: Lack of awareness

Q25 - In which aspect do you think great challenge for IB's expansion?

[a. Lack of awareness on IB's products & services]

							Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country of residence	UK	0 (0.0%)	1 (0.5%)	34 (18.0%)	112 (59.3%)	42 (22.2%)	189 (53.8%)
	Bahrain	1 (0.6%)	0 (0.0%)	17 (10.5%)	112 (69.1%)	32 (19.8%)	162 (46.2%)
	Total	1	1	51	224	74	351

Over 80% in the UK and over 90% in Bahrain think lack of awareness is one of the biggest issues in Islamic banking which is also reflected in numerous previous studies across many parts of the world (Rafiki, 2021; Arwa, 2018). The lack of awareness is also a fundamental problem for marketing management. CRM implementation must include effective awareness and educational activities while doing marketing campaigns (Nomran and Haron, 2020). Total 189 participants were from the UK. Among them, strongly disagree (n=0), which is 0.0%, disagree (n=1) which is 0.5%, neutral (n=34) which is 18.0%, agree (n=112) which is 59.3%, and strongly agree (n=42), which is 22.2%. Highest percentages of the participants were agreeing to the statement with 59.3% while the lowest were strongly disagreeing 0.0%. Contrariwise, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=1), which is 0.6%, disagree (n=0) which is 0.0%, neutral (n=17) which is 10.5%, agree (n=112) which is 69.1%, and strongly agree (n=32), which is 19.8%. Highest percentages of participants were agreeing with 69.1% and lowest was 0.0% in strongly disagreeing. It is found that this question was overwhelming in response participants from both the UK and Bahrain, which is translated over 90% in combination of agreeing and strongly agree

respectively. However, the highest and majority percentage of people was overwhelmed in agreeing from Bahrain (69.1%: mean=4.01).

5.11.2 Standardization of Shariah ruling

Table 5.63 Analysis: Challenges: Standardisation

		Q25 - In which aspect do you think great challenge for IB's expansion?				
		[b. Standardisation of Shariah ruling]				
		Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	2 (1.1%)	40 (21.2%)	109 (57.7%)	38 (20.1%)	189 (53.8%)
of residence	Bahrain	0 (0.0)	27 (16.7%)	99 (61.1%)	36 (22.2%)	162 (46.2%)
Total		2	67	208	74	351

Literature suggests central Shariah ruling is important to develop credibility of Islamic banking and finance. The responses reflect the same confirming the existing literature (Mukhlisin et al., 2022) and highlight the importance for IB industry. Total 189 participants were from the UK. Among them, strongly disagree (n=0), which is 0.0%, because no one indicated this option, disagrees (n=2) which is 1.1%, neutral (n=40) which is 21.2%, agree (n=109) which is 57.2%, and strongly agree (n=38), which is 20.1%. Highest percentages of the participants were agreeing to the statement with 57.7% while the lowest were strongly disagreeing 0.0%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=0), as the participants did not take part in this option, disagrees (n=0) which is 0.0%, no participants take part while neutral (n=27) which is 16.7%, agree (n=99) which is 61.1%, and strongly agree (n=36), which is 22.2%. Highest percentages of participants were agreeing with 61.1% and lowest was

0.0% in strongly disagreeing and disagreeing respectively. It is found that this question was overwhelm in response participants from both the UK and Bahrain which is translated around 80% in combination of agreeing and strongly agree respectively which indicate that a centralize Shariah is needed. However, the highest and majority percentage of people was agreed from Bahrain (61.1%: mean=4.01).

5.11.3 Lack of branch network

Table 5.64 Analysis: Challenges - lack of branches

		Q25 - In which aspect do you think great challenge for IB's expansion?					
		[c. Lack of branch networks expansion]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	0 (0.0%)	5 (2.6%)	48 (25.4%)	109 (57.7%)	27 (14.3%)	189 (53.8%)
of residence	Bahrain	1 (0.6%)	6 (3.7%)	35 (21.6%)	94 (58.0%)	26 (16.0%)	162 (46.2%)
Total		1	11	83	203	53	351

The objectives of IB are to promote banking, finance to bring social justice in moral economy (Arwa, 2018). Branch banking is one of the most important for supporting banking needs for local consumers. Literature suggests branches of IB are limited in the UK, for instance; the biggest bank Al-Rayan has only two branches in the city of London where thousands of Muslims lives and work and in 2022 one of them closed down (Al-Rayan bank website, 2022). In Bahrain, many banks are centered in the capital Manama only. This response is confirming the existing literature (Souiden and Rani, 2015), which is a drawback of IB perceptions among ordinary customers and helps to bring negativity only. The investment of this sector is essential to promote with effective strategies and planning after surveying

customers' needs. Total 189 participants were from the UK. Among them, strongly disagree (n=0), which is 0.0%, because no one indicated this option, disagrees (n=5) which is 2.6%, neutral (n=48) which is 25.4%, agree (n=109) which is 57.2%, and strongly agree (n=27), which is 14.3%. Highest percentages of the participants were agreeing to the statement with 57.7% while the lowest were strongly disagreeing 0.0%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=1), which is 0.6%, disagrees (n=6) which is 3.7%, neutral (n=35) which is 21.6%, agree (n=94) which is 58.0%, and strongly agree (n=26), which is 16.0%. Highest percentages of participants were agreeing with 58.0% and lowest was 1.0% in strongly disagreeing respectively. It is found that this question was overwhelm in response participants from both the UK and Bahrain which is translated around 70% in combination of agreeing and strongly agree respectively, which indicate that customers expect IB's network lacking seriousness in serving clients from various regions instead on focusing fewer or centralized branches. However, the highest and majority percentage of people was agreed from Bahrain (58.0%: mean=3.84).

5.11.4 Differentiation from CB products

Table 5.65 Analysis: Challenges-lack of differentiation from CB products

		Q25 - In which aspect do you think great challenge for IB's expansion?					Total
		[d. Lack differentiation from CB products]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country	UK	1 (0.5%)	10 (5.3%)	49 (25.9%)	110 (58.2%)	19 (10.2%)	189 (53.8%)
of residence	Bahrain	1 (0.6%)	6 (3.7%)	46 (28.4%)	90 (55.6%)	19 (11.1%)	162 (46.2%)
Total		2	16	95	200	38	351

Critiques (Housby, 2013; El Hajjar, 2020) suggest Islamic banking products and services are nearly similar to that of conventional banks. There are many arguments available in literature against and for this statement (Eleyan et al., 2023). The responses to this question shows customers perception remain the same as literature suggests (Rafiki, 2021). Customers think clear differentiation is needed to avoid IB for being replica of conventional bank. Fewer responses are disagreed with this statement, which also confirm that Islamic banks might have to consider more ethical products and services and awareness development activities to show the differences between the IB and traditional banks. Total 189 participants were from the UK. Among them, strongly disagree (n=1), which is 0.5%, disagrees (n=10) which is 5.3%, neutral (n=49) which is 25.9%, agree (n=110) which is 58.2%, and strongly agree (n=19), which is 10.2%. Highest percentages of the participants were agreeing to the statement with 58.2% while the lowest were strongly disagreeing 0.5%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=1), which is 0.6%, disagrees (n=6) which is 3.7%, neutral (n=45) which is 28.4%, agree (n=90) which is 55.6%, and strongly agree (n=19), which is 11.1%. Highest percentages of participants were agreeing with 55.6% and lowest was 0.6% in strongly disagreeing. It is found that this question was overwhelm in response participants from both the UK and Bahrain, which is translated around 70% in combination of agreeing, and strongly agree respectively, which indicate that customers expect IB's products and services are similar. However, the highest and majority percentage of people was agreed from Bahrain (58.2%: mean=3.73).

5.11.5 Lack of products innovation

Table 5.66 Analysis: Challenges-lack of innovation

Q25 - In which aspect do you think great challenge for IB's expansion?	
[e. Lack of innovation in products & services]	Total

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country of residence	UK	1 (0.5%)	4 (2.1%)	58 (30.7%)	102 (54.0%)	24 (12.7%)	189 (53.8%)
	Bahrain	0 (0.0%)	9 (5.6%)	44 (27.2%)	89 (54.9%)	20 (12.3%)	162 (46.2%)
Total		1	13	102	191	44	351

Due to the lack of innovation, many critiques opined that IB has become other side of the coin of traditional banks (Ayyadi, 2018). Innovation keeps industry to grow and become competitive. The responses of the above table suggest, it is probably a must tasks for IB to consider this issue seriously, therefore, CRM remain one of the tools to implement and bring back the confidence of customers (Migdadi, 2020). Total 189 participants were from the UK. Among them, strongly disagree (n=1), which is 0.5%, disagrees (n=4) which is 2.1%, neutral (n=58) which is 30.7%, agree (n=102) which is 54.0%, and strongly agree (n=24), which is 12.7%. Highest percentages of the participants were agreeing to the statement with 54.9% while the lowest were strongly disagreeing 0.0%. Meanwhile, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=0), which is 0.0%, disagrees (n=9) which is 5.6%, neutral (n=44) which is 27.2%, agree (n=89) which is 54.9%, and strongly agree (n=20), which is 12.3%. Highest percentages of participants were agreeing with 54.9% and lowest was 0.0% in strongly disagreeing. It is found that majority of the participants from both the UK and Bahrain near to 70% in combination of agreeing and strongly agree respectively, which indicate that customers expect more innovation in IB's products and services. However, the highest and majority percentage of people was agreed from Bahrain (54.9%: mean=3.75).

5.11.6 Lack of staff training

Table 5.67 Analysis: Challenges-ineffective training

Q25 - In which aspect do you think great challenge
for IB's expansion?

**[f. Effective training to staffs to understand true
ethical values]**

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	5 (2.6%)	10 (5.3%)	62 (32.8%)	93 (49.2%)	19 (10.1%)	189 (53.8%)
	Bahrain	0 (0.0%)	7 (4.3%)	50 (30.9%)	83 (51.2%)	22 (13.6%)	162 (46.2%)
Total		5	17	112	176	41	351

The responses suggest another single most issues (Lack of qualified staffs), which is also key components of CRM (Rafiki, 2021) that Islamic banking industry facing in the current market. The Islamic banking institutions are growing. However, this is still limited in numbers. The responses shows in the table reflect more qualified staffs needed to fulfill the current needs of Islamic banking customers. Total 189 participants were from the UK. Among them, strongly disagree (n=5), which is 2.6%, disagrees (n=10) which is 5.3%, neutral (n=62) which is 32.8%, agree (n=93) which is 49.2%, and strongly agree (n=19), which is 10.1%. Highest percentages of the participants were agreeing to the statement with 49.2% while the lowest were strongly disagreeing 2.6%. Contrastingly, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=0), which is 0.0%, disagrees (n=7) which is 4.3%, neutral (n=50) which is 30.9%, agree (n=83) which is 51.2%, and strongly agree (n=22), which is 13.6%. Highest percentages of participants were agreeing with 51.2% and lowest was 0.0% in strongly disagreeing. It is found that majority of the participants from both the UK and Bahrain near to 60% in combination of agreeing and strongly agree respectively in their opinion. However, the highest and majority percentage of people was agreed from Bahrain (51.2%: mean=3.66).

5.11.7 Harmonizing mission and vision with Zakat and Riba

Table 5.68 Analysis: Challenges: Harmonizing mission/vision with Zakat/Riba

		Q25 - In which aspect do you think great challenge for IB's expansion? [g. Harmonizing mission & vision with Zakat & Riba]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	8 (4.2%)	13 (6.9%)	71 (37.6%)	82 (43.4%)	15 (7.9%)	189 (53.8%)
of residence	Bahrain	3 (1.9%)	12 (7.4%)	48 (29.6%)	81 (50.0%)	18 (11.1%)	162 (46.2%)
Total		11	25	119	163	33	351

Islamic banking issues related to lack of promoting awareness could be one of the main reasons that responses are agreeing to the statement. Another aspects could be due to the intense competition facing most Islamic banks and some times the bank's attempt to get competitive advantages, by using promotional or marketing techniques that may not be taken positively by the customers, for instance, high rewards for opening accounts or expensive products, which are out of reach of many customers (Sarea, 2020). Total 189 participants were from the UK. Among them, strongly disagree (n=8), which is 4.2%, disagrees (n=13) which is 6.9%, neutral (n=71) which is 37.6%, agree (n=82) which is 43.4%, and strongly agree (n=15), which is 7.9%. Highest percentages of the participants were agreeing to the statement with 43.4% while the lowest were strongly disagreeing 4.2%.

Contrariwise, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=3), which is 1.9%, disagrees (n=12) which is 7.4%, neutral (n=48) which is 29.6%, agree (n=81) which is 50.0%, and strongly agree (n=18), which is 11.1%. Highest percentages of participants were agreeing with 50.0% and lowest was 1.9% in strongly disagreeing. It is found that majority of the participants from

both the UK and Bahrain agreed to the statement. However, the highest and majority percentage of people was agreed from Bahrain (50.0%: mean=3.52).

5.11.8 Harmonizing mission and vision with Zakat and Riba (Profitability)

Table 5.69 Analysis: Challenges-focusing on profit

		Q25 - In which aspect do you think great challenge for IB's expansion?					Total
		[h. Focusing on profit & reducing operation cost]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Country	UK	8 (4.2%)	16 (8.5%)	93 (49.2%)	61 (32.3%)	11 (5.8%)	189 (53.8%)
of residence	Bahrain	4 (2.5%)	14 (8.6%)	65 (40.1%)	66 (40.7%)	13 (8.0%)	162 (46.2%)
Total		12	30	158	127	24	351

The response suggests the statement was agreed by a significant number of participants and disagreed by a few only. This indicates that Islamic banking customers may not happy with the current services as expected despite being growing customers and expansion of the industry, for instance; one of the two available braches of Al Rayan bank (the biggest Islamic banks in the UK) has been closed in London where majority of Muslim populations lives (Al-Rayan bank website, 2022). Total 189 participants were from the UK. Among them, strongly disagree (n=8), which is 4.2%, disagrees (n=16) which is 8.5%, neutral (n=93) which is 49.2%, agree (n=61) which is 32.3%, and strongly agree (n=11), which is 5.8%. Highest percentages of the participants were neutral to the statement with 49.2% while the lowest were strongly disagreeing 4.2%. Meanwhile, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=4), which is 2.5%, disagrees (n=14) which is 8.6%, neutral (n=65) which is 40.1%, agree

(n=66) which is 40.7%, and strongly agree (n=13), which is 8.0%. Highest percentages of participants were agreeing with 40.7% and lowest was 2.5% in strongly disagreeing. It is found that majority of the participants from both the UK and Bahrain was neutral to the statement followed by agreeing. However, the highest percentage of people was agreed from the UK (49.2%: mean=3.34).

5.11.9 Harmonizing mission and vision with Zakat and Riba (Loyalty)

Table 5.70 Analysis: Challenges-unable to maintain loyal customers

		Q25 - In which aspect do you think great challenge for IB's expansion?					
		[i. Unable to maintain loyal customers or bring new customers]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	9 (4.8%)	13 (6.9%)	91 (48.1%)	66 (34.9%)	10 (5.3%)	189 (53.8%)
of residence	Bahrain	4 (2.5%)	7 (4.3%)	70 (43.2%)	68 (42.0%)	13 (8.0%)	162 (46.2%)
Total		13	20	161	134	23	351

The literature suggests that IB industry potential asset could be over 9 Trillion but only marked 3 Trillion as of 2022 (S&P Global Ratings, 2023). The response suggests, Islamic banking losing customers as an opportunity cost, which could be minimized by considering effective strategic steps. Total 189 participants were from the UK. Among them, strongly disagree (n=9), which is 4.8%, disagrees (n=13) which is 6.9%, neutral (n=91) which is 48.1%, agree (n=66) which is 34.9%, and strongly agree (n=10), which is 5.3%. Highest percentages of the participants were neutral to the statement with 48.1% while the lowest were strongly disagreeing 4.8%. On the other hand, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=4), which is 2.5%, disagrees (n=7)

which is 4.3%, neutral (n=70) which is 43.2%, agree (n=68) which is 42.0%, and strongly agree (n=13), which is 8.0%. Highest percentages of participants were agreeing with 43.2% and lowest was 2.5% in strongly disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was neutral to the statement followed by agreeing. However, the highest percentage of people was neutral from the UK (48.1%: mean=3.38).

5.11.10 Unable to bring new customers

Table 5.71 Analysis: Challenges-unable to create unique brand

		Q25 - In which aspect do you think great challenge for IB's expansion?					
		[j. Unable to create unique brand]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	7 (3.7%)	12 (6.3%)	86 (45.5%)	72 (38.1%)	12 (6.3%)	189 (53.8%)
of residence	Bahrain	6 (3.7%)	7 (4.3%)	57 (35.2%)	74 (45.7%)	18 (11.1%)	162 (46.2%)
Total		13	19	143	146	30	351

The above statement also supported by the responses as it shows in the above table. This could be because Islamic banks are comparatively new to the market compare to the traditional banking system. In addition, while growing in banking sectors, still IB lacks quick improvement in marketing and relationship management, which is considered key to address customers concern by reviewing the feedback (Rafiki, 2021). Total 189 participants were from the UK. Among them, strongly disagree (n=7), which is 3.7%, disagrees (n=12) which is 6.3%, neutral (n=86) which is 45.5%, agree (n=72) which is 38.1%, and strongly agree (n=12), which is 6.3%. Highest percentages of the participants were neutral to the statement with 45.5% while the lowest were strongly disagreeing 3.7%. However, a

total of 162 participants were from Bahrain. Among them, strongly disagree (n=6), which is 3.7%, disagrees (n=7) which is 4.3%, neutral (n=57) which is 35.2%, agree (n=74) which is 45.7%, and strongly agree (n=18), which is 11.1%. Highest percentages of participants were agreeing with 45.7% and lowest was 3.7% in strongly disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was neutral to the statement followed by agreeing. However, the highest percentage of people was agreed from Bahrain (45.7%: mean=3.46).

5.11.11 Lack of Shariah products marketing

Table 5.72 Analysis: Challenges-Shariah product marketing

		Q25. In which aspect do you think great challenge for IB's expansion?					
		[k. Lack of marketing on Shariah products]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	2 (1.1%)	6 (3.2%)	50 (26.5%)	108 (57.1%)	23 (12.2%)	189 (53.8%)
	Bahrain	2 (1.2%)	7 (4.3%)	47 (29.0%)	82 (50.6%)	24 (14.8%)	162 (46.2%)
Total		4	13	97	190	47	351

One of the problems literature suggests (Buttle and Maklan, 2019) that Islamic banking activities lacks effective marketing and awareness development activities, which is key component of CRM. The statement supports this too in this study as the above table suggests. Total 189 participants were from the UK. Among them, strongly disagree (n=2), which is 1.1%, disagrees (n=6) which is 3.2%, neutral (n=50) which is 26.5%, agree (n=108) which is 57.1%, and strongly agree (n=23), which is 12.2%. Highest percentages of the participants were neutral to the statement with 26.5% while the lowest were strongly disagreeing 1.1%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree

(n=2), which is 1.2%, disagrees (n=7) which is 4.3%, neutral (n=47) which is 29.0%, agree (n=82) which is 50.6%, and strongly agree (n=24), which is 14.8%. Highest percentages of participants were agreeing with 50.6% and lowest was 1.2% in strongly disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was agreeing to the statement followed by neutral. However, the highest and majority percentage of people was agreed from the UK (57.1%: mean=3.75).

5.12 Preference of more Shariah based products

5.12.1 Interest free student loans

This question was aimed to know if customers are interested to see more Shariah based products or they are happy with the existing products and services. Total of four options were given to all participants.

Table 5.73 Analysis: Preference of interest free student loan

		Q26 - Would you prefer to see more Shariah-based products as mentioned below?				
		[a. Interest free student loans]				
		Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	1	30	109	49	189
of		(0.5%)	(15.9%)	(57.9%)	(25.9%)	(53.8%)
residence	Bahrain	0	20	102	40	162
			(12.3%)	(63.0%)	(24.7%)	(46.2%)
Total		1	50	211	89	351

This question was one of the most sought products from the IB banking customers, which is interest free student loan. The responses confirm the demand overwhelms and this could indicate that IB should consider it and find an innovative way to get

a solution while keeping the products Shariah compliant. Total 189 participants were from the UK. Among them, strongly disagree (n=0), which is 0.0% because no one ticked on this option, disagrees (n=1) which is 0.5%, neutral (n=30) which is 15.9%, agree (n=109) which is 57.9%, and strongly agree (n=49), which is 25.9%. Highest percentages of the participants were neutral to the statement with 15.9%, which is also a majority percentage while the lowest were strongly disagreeing 0.5%. Meanwhile, a total of 162 participants were from Bahrain. Among them, strongly disagree and disagree (n=0), which is 0.0%, neutral (n=20), which is 12.3%, agree (n=102) which is 63.0%, and strongly agree (n=40), which is 24.7%. Highest percentages of participants were agreeing with 63.0% and lowest was 0.0% in strongly disagreeing and disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was agreeing to the statement followed by agreeing too. However, the highest and majority percentage of people was agreed from Bahrain (63.0%: mean=4.10).

5.12.2 Interest free micro credit for poor families

Table 5.74 Analysis: Preference of Shariah based interest free products

		Q26 - Would you prefer to see more Shariah-based products as mentioned below?					
		[b. Interest free micro credit for poor families]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country of residence	UK	1 (0.5%)	6 (3.2%)	29 (15.3%)	108 (57.1%)	45 (23.8%)	189 (53.8%)
	Bahrain	0	3 (1.9%)	31 (19.1%)	89 (54.9%)	39 (24.1%)	162 (46.2%)
Total		1	9	60	197	84	351

In a number of countries introduced micro-credit for poorer community. In Bahrain there is a product called 'Qard Al Hassan' a loan to the poor or disadvantaged

population. However, more innovative products that could help uplift poorer population in business and other aspects of life by providing non-interest bearing micro credit. This kind of credit could develop good relationship and awareness of IB products and services, which is also objective of CRM (Rafiki, 2021). Total 189 participants were from the UK. Among them, strongly disagree (n=1), which is 0.5%, disagrees (n=6) which is 3.2%, neutral (n=29) which is 15.3%, agree (n=108) which is 57.1%, and strongly agree (n=45), which is 23.8%. Highest percentages of the participants were neutral to the statement with 57.1%, which is also a majority percentage while the lowest were strongly disagreeing 0.5%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=0), and disagree (n=3), which is 1.9%, neutral (n=31), which is 19.1%, agree (n=89) which is 54.9%, and strongly agree (n=39), which is 24.1%. Highest percentages of participants were agreeing with 54.9% and lowest was 0.0% in strongly disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was agreeing to the statement followed by strongly agreeing too. However, the highest and majority percentage of people was agreed from the UK (57.1%: mean=4.01).

5.12.3 Products for disabled people

Table 5.75 Analysis: Preference of Shariah products for disabled people

		Q26 - Would you prefer to see more Shariah-based products as mentioned below.					
		[c. Products and services for disabled people]					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Country	UK	1 (0.5%)	6 (3.2%)	29 (15.3%)	108 (57.1%)	45 (23.8%)	189
of residence	Bahrain	0	3 (1.9%)	31 (19.1%)	89 (54.9%)	39 (24.1%)	162

Total	1	16	97	170	67	351
-------	---	----	----	-----	----	-----

This part of the last question shows highly positive responses as per the above table. It probably shows Islamic banking customers' expectation remains consistent on certain areas where people in need couldn't able to access, which is contrary to Islamic principles (Mukhlisin et al., 2022). This is highly expected that IB strategist look into such expectations from the customers and capitalize the benefits through satisfaction of increasing customers base globally. Total 189 participants were from the UK. Among them, strongly disagree (n=1), which is 0.5%, disagrees (n=6) which is 3.2%, neutral (n=54) which is 28.6%, agree (n=88) which is 46.6%, and strongly agree (n=40), which is 21.2%. Highest percentages of the participants were neutral to the statement with 46.6%, which is also a majority percentage while the lowest were strongly disagreeing 0.5%. In contrast, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=0), and disagree (n=10), which is 6.2%, neutral (n=43), which is 26.5%, agree (n=82) which is 50.6%, and strongly agree (n=27), which is 16.7%. Highest percentages of participants were agreeing with 50.6% and lowest was 0.0% in strongly disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was agreeing to the statement followed by neutral. However, the highest and majority percentage of people was agreed from Bahrain (50.6%: mean=3.81).

5.12.4 Products (Others)

Table 5.76 Analysis: Preference of Shariah products for others

Q26 - Would you prefer to see more Shariah-based products as mentioned below?					
[d. Others, not mentioned above]					
Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total

Country of residence	UK	1 (0.5%)	5 (2.6%)	83 (43.9%)	65 (34.4%)	35 (18.5%)	189 (53.8%)
	Bahrain	3 (1.9%)	7 (4.3%)	69 (42.6%)	53 (32.7%)	30 (18.5%)	162 (46.2%)
Total		4	12	152	118	65	351

This question doesn't see any specific products or services but aimed to know to the extent IB fell short of products and services, which is clearly understood from the above table. This is also confirming the literature that Islamic banks lack innovative and ethical products that could differentiate their products and services from the conventional banks (Sarea, 2020). Total 189 participants were from the UK. Among them, strongly disagree (n=1), which is 0.5%, disagrees (n=5) which is 2.6%, neutral (n=83) which is 43.9%, agree (n=65) which is 34.4%, and strongly agree (n=35), which is 18.5%. Highest percentages of the participants were neutral to the statement with 43.9%, while the lowest were strongly disagreeing 0.5%. However, a total of 162 participants were from Bahrain. Among them, strongly disagree (n=3) which is 1.9%, and disagree (n=7), which is 4.3%, neutral (n=69), which is 42.6%, agree (n=53) which is 32.7%, and strongly agree (n=30), which is 18.5%. Highest percentages of participants were agreeing with 42.6% and lowest was 1.9% in strongly disagreeing. It is found that highest opinion from the participants from both the UK and Bahrain was neutral to the statement followed by agreeing and strongly agreeing. However, the highest percentage of people was neutral from the UK (58.2%: mean=3.65).

5.13 Summary of (section one) chapter five

The purpose of the research is to find the perception of Bahrain and UK residents about Islamic Banking, and the other factor is, what type of bank they used (Islamic and conventional) and how much they know about Islamic and conventional banking. This finding is also a reflection on customers knowledge in Islamic values that derived from early economic thoughts discussed in chapter 3 as part of the discussion on 'Islamic economics are the main driving force of today's Islamic

banking products and services' that are considered economy on real and asset base financial transactions involving skills and labour to bring social justice in banking, finance and in moral economy globally.

In addition, how much the participants satisfied with their banking services, age group, marital status, yearly income, and gender. This is important because the older age group's interest, approaches and expectation are not same as comparatively junior age groups. Similarly, the difference between the married and unmarried couples expectation are different. However, in this research participants from both UK and Bahrain understand about Islamic and conventional banks but Bahrain was more knowledgeable about IB. Participants from both countries agreed that interest is Haram, but they need more qualified Shariah advisors. This indicates that customers with more knowledge with Islamic economy and its values are better aligned with Islamic banks and the overall result reflects on the same as in many aspects of the findings shows Bahraini participants were comparatively happier and advanced than their UK counterpart. One of the reasons are that awareness among Muslim participants lesser than from participants from Bahrain, this could be due to most of the UK participants are non-Arab and therefore hold less knowledge that Arabs are able to acquire from their previous generations who are more knowledgeable on Islamic economics and values that they are belong being a Muslim. The reason that they attract to the IB is Halal and ethical investment, zakat administration and they are also familiar with the IB terms. The very important factor of IB marketing is its compliance with Shariah law and great challenge is lack of marketing on Shariah products. They are satisfied with their main banking services and agreed their bank provide good counter services. The customers used their Internet banking because it's convenient as it processes payment quickly. Online services are available also they recommended their bank to friends and family but probably they switch their bank when they provide poor customer service also if they didn't provide phone and internet banking service and they give low profit or low interest rate.

5.14 Exploring Customers' Perceptions in the UK and Bahrain: An Inferential Analysis

5.14.1 Introduction

Under this section of chapter five, further analysis provides on customers' perception, expectation and satisfaction in the UK and Bahrain. Based on the descriptive statistics, this study found ten important factors that have direct and indirect impact on customers perception among both case countries, which has also been used for questionnaire reliability test in methodology section (Table 4.1). Therefore, opinions of the most impactful components will be analysed to review the statistical significance in our study. Secondly, this study would also analyse the effects of most important demographic variables between the two case countries to see the significance of similarities and differences.

The following section is continuation of the chapter five to explore and analyse customer perceptions on Islamic banking by inferential statistical data analysis including to review relationships, associations and comparisons between our study variables with the country of residence.

- i) Spearman's Correlation coefficient tests – These tests conducts to find out the relationship between factors (Osborne and Water, 2018).
- ii) Chi-Square Tests – These tests utilises to determine relationship between identified variables (Osborne and Water, 2018)
- iii) Kruskal Wallis Test: This test is to compare between two or more groups identified in the current study (Curwin and Slater, 2013).
- iv) Linear regression analysis: This test is to determine value of dependent variables (Osborne and Water, 2018).
- v) Exploratory Factor Analysis (EFA)
 - KMO test
 - Bartlett's test
 - Principal Component Analysis

- Rotation Method: Promax with Kaiser Normalization
- vi) Confirmatory Factor Analysis (CFA)

5.14.2 Spearman's Correlation coefficient

To find the relationship between the factors Spearman's correlation and coefficient test were conducted. Following table shows the test result followed by interpretation.

Table 5.77 Spearman's Correlation coefficient

	1	2	3	4	5	6	7	8	9	10
PMBS	-									
SCS	.220**	-								
RB	.174**	.373**	-							
SB	.058	.081	-	-						
PIBP	.195**	.098	.066	.050	-					
RIBA	.026	.038	.030	.029	.211**	-				
FIBI	.131*	.068	.012	.155**	.531**	.257**	-			
IBM	.092	.111*	.074	.005	.221**	.307**	.257**	-		
CIB	-.005	.053	.075	-.014	.144**	.059	-.008	.142**	-	
PSP	-.078	.056	.022	-.099	-.005	.112*	-.016	.097	.207**	-

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Above table shows the relationship among the study variables Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. Spearman's correlation coefficient was applied to check the relationship among the variables. Preference of Main Banking Services shows significant positive

relationship with Satisfaction on Counter Services. Following factors indicated high statistical significance among the factors:

1. There is very low correlation between Preference of Main Banking Services with Satisfaction on Counter Services, Recommending Bank and Perception on IB Provider, which indicates high statistical significance relationship with $p < 0.01$.
2. There is very low correlation between Satisfaction on Counter Services with Recommending Bank and IB Marketing which indicate statistically significant relationship with $p < 0.01$ and $p < 0.05$.
3. There is very low correlation between Switching Bank with Familiarity with IB terms, which indicate highly statistical significant relationship with $p < 0.01$.
4. There is very low correlation between Perception on IB Provider with Reasons of IB attraction, Familiarity with IB terms, IB Marketing and Challenges for IB which indicate highly statistically significant relationship with $p < 0.01$
5. There is very low correlation between Reasons of IB attraction with Familiarity with IB terms and IB Marketing which indicate highly statistically significant relationship with $p < 0.01$
6. There is very low correlation between Familiarity with IB terms and IB Marketing which indicate highly statistically significant relationship with $p < 0.01$
7. There is very low correlation between IB Marketing and Challenges for IB which indicate highly statistically significant relationship with $p < 0.01$
8. There is very low correlation between Challenges for IB and Preference of Shariah Products which indicate highly statistically significant relationship with $p < 0.01$

5.14.3 Chi-Square Test Analysis

The following inferential analysis to review and analyse the association with the key components (dependent variables) with independent variables, which are case countries in order to see if there is any association among them. According to Pearson's Chi-Square, if the values found less than .5 then it can be assumed that there is statistical significance associated between the components and case countries, which are the UK and Bahrain. This association and comparison could be conducted using number of methods, since the research uses Likert scale questionnaires, the most appropriate tests is to use Chi-Square to compare by reviewing whether there is any significant association with the components under studies and the case countries. Therefore, the following tables will present the findings using Chi-Square test followed by interpretation if there is any statistical significance exists.

Table 5.78 Country of residence differences on study variables.

	Country of residence	N	χ^2	P
Preference Of Main Banking Services	UK	189	2.779	0.595
	Bahrain	162		
Satisfaction On Counter Services	UK	189	14.670	0.005
	Bahrain	162		
Recommending Bank	UK	162	10.655	0.031
	Bahrain	189		
Switching Bank	UK	162	7.885	0.096
	Bahrain	189		
Perception On IB Provider	UK	162	14.382	0.006
	Bahrain	189		
Reasons of IB attraction	UK	162	13.110	0.011
	Bahrain	189		
Familiarity with IB terms	UK	162	19.721	0.001

	Bahrain	189		
IB Marketing	UK	162	2.136	0.711
	Bahrain	189		
Challenges for IB	UK	162	6.982	0.137
	Bahrain	189		
Preference of Shariah Products	UK	162	2.078	0.556
	Bahrain	189		

Above table shows the Country of residence association with Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. A Chi-Square Test was conducted to compare UK and Bahrain on study variables. Findings show the significant differences between UK and Bahrain on Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. The following factors indicates significant statistical association between the variables and the country of residence:

1. There is no statistically significance association between country of residence with Main banking counter service, IB Marketing, Challenges for IB and Preference of Shariah Products that is, both UK and Bahrain satisfied their main banking counter service, IB Marketing, Challenges for IB and Preference of Shariah Products. ($\chi^2=2.779$, $p> 0.05$), ($\chi^2=2.136$, $p> 0.05$) ($\chi^2=6.982$, $p> 0.05$) and ($\chi^2=2.078$, $p> 0.05$).
2. There is highly statistically significance association between country of residence and Counter service Satisfaction (Always on long queue) that is, both UK and Bahrain is not satisfied their Counter service (always on long queue) ($\chi^2=14.670$, $p< 0.01$).

3. There is statistically significance association between country of residence and Perception On IB Provider (Understanding on IB) both UK and Bahrain are not same Perception On IB Provider (Understanding on IB) ($\chi^2 = 1.4.382, p < 0.01$).
4. There is statistically significance association between country of residence and Familiarity with IB terms (Murabaha); both UK and Bahrain are not Familiarity with IB terms (Murabaha) ($\chi^2(4) = 19.721, p < 0.01$).

5.14.4 Study variables based on religion: Chi-Square Test

Table 5.79 Religious differences on study variables.

	Religion	N	χ^2	p
Preference Of Main Banking Services	Muslim	319	21.094	0.007
	Non-Muslim	32		
Satisfaction On Counter Services	Muslim	319	4.024	0.855
	Non-Muslim	32		
Recommending Bank	Muslim	319	5.051	0.537
	Non-Muslim	32		
Switching Bank	Muslim	319	9.138	0.166
	Non-Muslim	32		
Perception On IB Provider	Muslim	319	76.595	0.000
	Non-Muslim	32		
Reasons of IB attraction	Muslim	319	55.222	0.000
	Non-Muslim	32		
Familiarity with IB terms	Muslim	319	87.650	0.000
	Non-Muslim	32		
IB Marketing	Muslim	319	55.614	0.000
	Non-Muslim	32		
Challenges for IB	Muslim	319	20.036	0.010

	Non-Muslim	32		
Preference of Shariah Products	Muslim	319	18.243	0.006
	Non-Muslim	32		

Above table shows the religion association with Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. Chi-Square Test was conducted to compare Muslim and Non-Muslim on study variables. Findings show the significant association between Muslim and Non-Muslim on Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. However, Perception on IB Provider, Reasons of IB attraction, and Familiarity with IB terms, IB Marketing has highly statistical significance based on religious differences. ($P < 0.01$).

5.14.5 Study variables-based gender differences: Chi-Square Test

Table 5.80 Gender differences on study variables

	Gender	N	Mean	SD	p
Preference Of Main Banking Services	Male	197	4.01	.623	.954
	Female	156	4.01	.574	
Satisfaction On Counter Services	Male	197	3.27	.906	.998
	Female	156	3.27	.868	
Recommending Bank	Male	197	3.75	.703	.050
	Female	156	3.89	.607	
Switching Bank	Male	197	2.69	.876	.082
	Female	156	2.52	.905	
Perception On IB Provider	Male	197	3.47	.818	.330
	Female	156	3.55	.675	

Reasons of IB attraction	Male	197	3.41	1.014	.089
	Female	156	3.58	.842	
Familiarity with IB terms	Male	197	3.37	.963	.755
	Female	156	3.40	.941	
IB Marketing	Male	197	3.88	.779	.579
	Female	156	3.92	.723	
Challenges	Male	197	4.06	.620	.811
	Female	156	4.04	.636	
Preference of Shariah Products	Male	197	4.06	.632	.107
	Female	156	4.17	.651	

Above table shows the gender association on Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. Chi-Square Test was conducted to compare male and female on study variables. Findings show the gender has not statistically significance on Preference of Main Banking Services, Satisfaction on Counter Services, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products with p value >0.05.

5.14.6 Study variables based on marital statutes: Kruskal Wallis Test

Kruskal Wallis test is used to find the difference between more than two groups. Since the involvement marital statutes are more than four groups, a Kruskal Wallis test has been considered.

Table 5.81 Marital statutes differences on study variables

		Mean Rank	χ^2	p
Preference of Main Banking Services	Single	188.83	4.540	0.338
	Married	177.24		

	Widowed	144.62		
	Divorced	185.46		
	Prefer not to say	178.08		
Satisfaction on Counter Services	Single	169.81	2.632	0.621
	Married	178.86		
	Widowed	184.58		
	Divorced	155.50		
	Prefer not to say	152.89		
Recommending Bank	Single	180.20	3.015	0.555
	Married	175.00		
	Widowed	166.11		
	Divorced	164.25		
	Prefer not to say	206.39		
Switching Bank	Single	181.91	5.118	0.275
	Married	173.01		
	Widowed	180.24		
	Divorced	146.18		
	Prefer not to say	217.22		
Perception on IB Provider	Single	161.81	3.650	0.456
	Married	177.02		
	Widowed	170.65		
	Divorced	214.43		
	Prefer not to say	176.83		
Reasons of IB attraction	Single	150.58	9.038	0.060
	Married	177.95		

	Widowed	211.52		
	Divorced	168.43		
	Prefer not to say	152.72		
Familiarity with IB terms	Single	155.83	8.176	0.085
	Married	178.23		
	Widowed	205.24		
	Divorced	180.00		
	Prefer not to say	138.56		
IB Marketing	Single	159.01	5.468	0.243
	Married	180.80		
	Widowed	184.76		
	Divorced	172.14		
	Prefer not to say	140.00		
Challenges	Single	170.98	2.507	0.643
	Married	179.64		
	Widowed	155.09		
	Divorced	177.79		
	Prefer not to say	176.33		
Preference of Shariah Products	Single	182.64	10.804	0.029
	Married	173.89		
	Widowed	213.32		
	Divorced	131.82		
	Prefer not to say	154.08		

Above table shows the association between marital statuses on Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank,

Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. Kruskal Wallis test was conducted to compare marital status on study variables. Findings shows the Marital status has not statistically significance on Preference of Main Banking Services, Satisfaction on Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity of IB terms, IB Marketing and Challenges for IB and statistically significance on Marital status between Preference of Shariah products, $\chi^2=10.804$, $p=0.029$, with a mean rank marital status of 182.64 for single, 173.89 for married, 213.32 for widowed, 131.82 for divorced and 154.08 for prefer not to say.

5.14.7 Customer expectation and IB Products: A Regression Analysis

Table 5.82 Regression coefficients of Customer expectations of IB

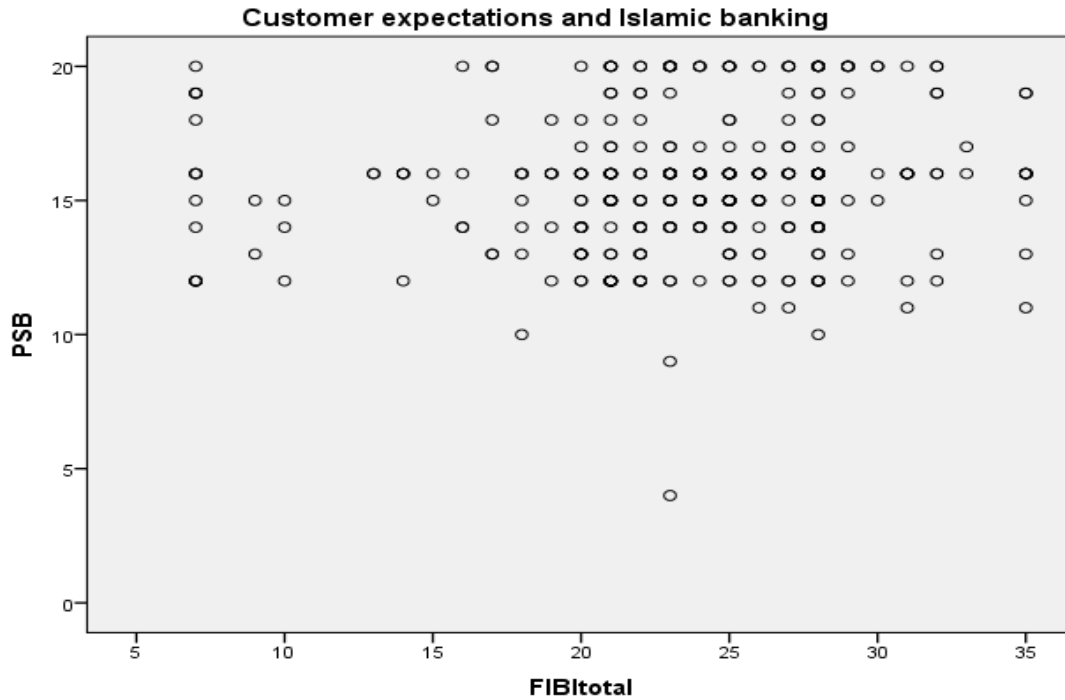
Variables	B	β	SE
Constant	13.699		.622
Customer expectations	.110	.23	.025
R ²	.05		

Note N=351

*** $P < .001$

A regression analysis was conducted to reveal the customer expectation from the Islamic banks whereas the dependent variable is Islamic bank and values of independent variable, which is a customer expectation. The R² value of .05 revealed that the predicted variable explained 5% variance in the outcome variable with $F(1,350) = 18.745$, $P < .001$. The findings revealed that Customer expectations positively predicted Islamic banking. ($\beta = .23$, $P < .001$), which is reflected in a scatter plot below.

Figure 5.1 Customer expectation of IB.



To review the relationship between the variables, scatter plot used which help to determine the level of relationship between the variables, i.e., if the relationship is positive or negative, and weak, moderate, and the level of how strong the relations between the variables. The above figure indicates that there is a strong and positive relationship between the relationship and customer expectation and Islamic banking exists.

5.14.8 Customer expectation and IB Quality: A Regression Analysis

Table 5.83 Regression coefficients of Perception of Service Quality and IB

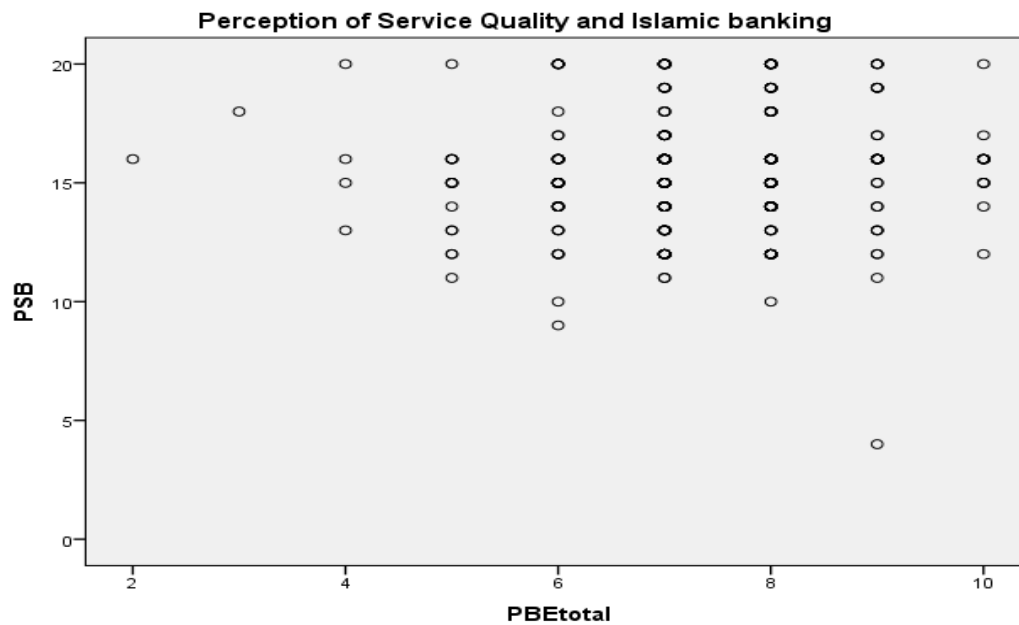
Variables	B	β	SE
Constant	11.864		.827
Perception of Service Quality	.590	.28	.108
R ²	.08		

Note N=351

*** $P < .001$

On the other hand the above Linear regression analysis suggest the impact of customers' perception towards Islamic banking. Here the test was applied to predict the value of dependent variable "Islamic banking" based on the value of independent variable "Perception of Service Quality". The R^2 value of .08 revealed that the predicted variable explained 8% variance in the outcome variable with $F(1,350) = 29.882, P < .001$. The findings revealed that Perception of Service Quality positively predicted Islamic banking. ($\beta = .28, P < .001$).

Figure 5.2 Perception of service quality and IB.



The above scatter plot indicates that there is moderate positive relationship between Perception of Service Quality and Islamic banking.

5.15 Exploratory Factor Analysis (EFA)

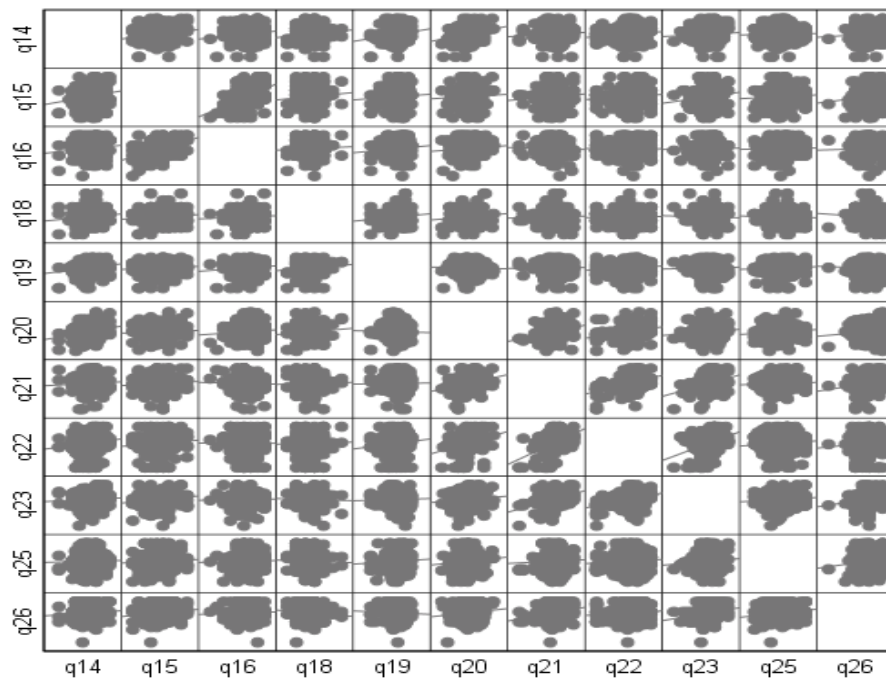
5.15.1 Presumption of Factor Analysis

In this part, the sufficient conditions for performing an exploratory factor analysis are examined to explore the importance factor.

- a) Commonly used in PCA include a wide range of Likert scales (e.g., a 5-point scale). Here, the collected data satisfied this assumption regarding ordinal scale.
- b) There needs to be a linear relationship between all variables. The reason for this assumption is that a PCA is based on Pearson correlation coefficients. So, there are needs to be a linear relationship between the variables. In practice, this assumption is relaxed (even if it shouldn't be) with the use of ordinal data for variables. Based on Figure (5.3), the linearity between all variables exists. So, this assumption was satisfied.

Matrix Scatter Plot

Figure 5.3: Matrix Scatter Plot



- c) The data should be suitable for data reduction. Effectively, we need to have adequate correlations between the variables in order for variables to be reduced to a smaller number of components. The method used by SPSS Statistics to detect this is Bartlett's test of Sphericity. Interpretation of this

test is provided as part of our enhanced PCA.

The results in Table (5.84) regards to Bartlett's test support the assumption; Brattle's test of Sphericity (chi square = 12063.809, $p < 0.000$) indicated that item correlations were sufficiently large for factor analysis (Field, 2018). Where Brattles test for the correlation matrix of each section is not the identity matrix. Factor analysis is the analysis of correlation, - what's its use when all or almost all correlations are weak; the answer will be of no use. However, a "reasonably high correlation" depends on the field of study. There is also an interesting and varied question of whether very high correlations should be accepted (their effect on PCA, for example). The test statistically if the data are not uncorrelated Bartlett's test of Sphericity, the results support no high correlation.

- d) Which simply means that for PCA to produce a reliable result, large enough sample sizes are required. Many different rules-of-thumb have been proposed. These mainly differ depending on whether an absolute sample size is proposed or if a multiple of the number of variables in the study sample are used. There are a few methods to detect sampling adequacy: the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy for the overall data set (KMO =0 .790) (Field, 2018), well above the recommended value of .50 (Field, 2018).
- e) The matrix of correlation of items is statistically significant at the level of 5%. The range of correlation of items of factors correlation matrix is between – 0.363 and 0.797, and the range of correlation of component correlation matrix is between –0.064 and 0.454 as shown in Table (5.85). There is no multicollinearity based on the determinant of the matrix of correlation.

5.15.2 KMO and Bartlett's Test

Table 5.84: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.790
Bartlett's Test of Sphericity	Approx. Chi-Square	12063.809
	df	2556
	Sig.	0.000

Component Correlation Matrix

Table 5.85: Component Correlation Matrix

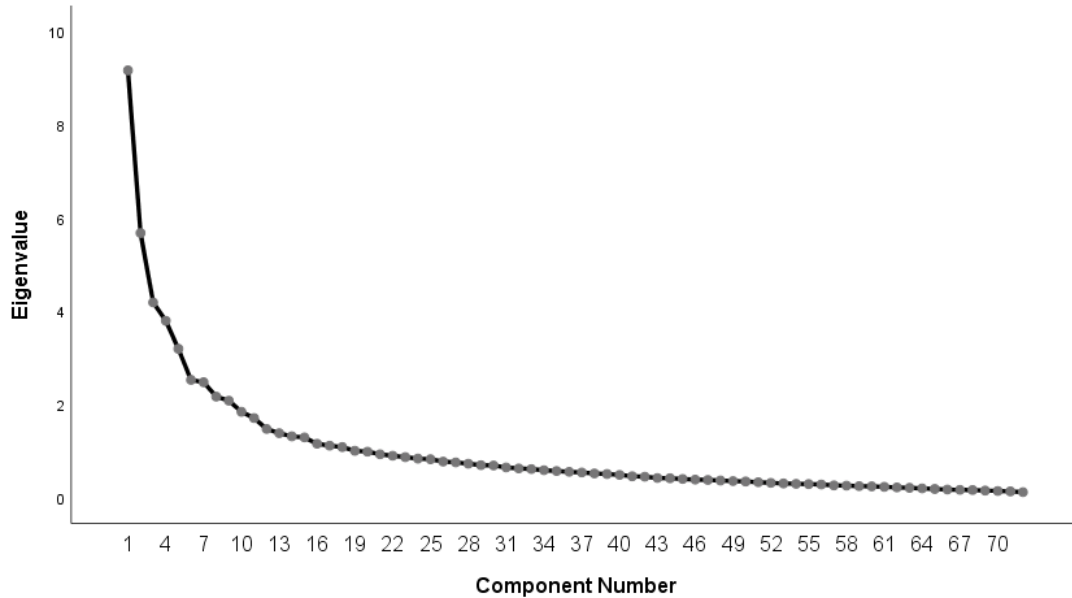
Component	Component									
	1	2	3	4	5	6	7	8	9	10
1	1									
2	0.014	1								
3	0.144	0.026	1							
4	0.454	0.028	0.028	1						
5	0.117	-0.055	0.175	0.175	1					
6	0.329	0.062	0.062	0.334	0.069	1				
7	-0.035	0.037	0.072	-0.029	0.154	0.021	1			
8	0.006	0.148	-0.064	0.116	0.077	0.08	0.066	1		
9	0.115	0.01	0.091	0.109	0.118	0.007	-0.038	0.086	1	
10										1

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

Component Number Vs. EigenValue

Figure 5.4: Component Number Versus Eigen Value



The results in Figure (5.4) show that there are four factors where the eigenvalue of factors is higher than 1, Final factor analysis: Given the agreement by rotation with Promax rotation was run with extraction settings limited to four factors, Items were considered loaded onto a factor if values exceeded 0.30 (Field, 2018).

Table 5.86 Structure Matrix to Extracted Factors

Items	Component (Factors)									
	1	2	3	4	5	6	7	8	10	
q14_1										0.528
q14_2										0.788
q14_3										0.616
q14_4										0.313
q15_1							0.658			
q15_2							0.313			
q15_3							0.56			
q16_1							0.686			
q16_2							0.38			
q17							0.448			
q18_1							0.651			

q19_1			0.343					
q19_2			0.534					
q19_3			0.419					
q19_4			0.677					
q19_5			0.739					
q19_6			0.609					
q19_7			0.752					
q19_8			0.712					
q19_9			0.766					
q20_4					0.41			
q20_5					0.368			
q20_6					0.476			
q20_7					0.491			
q20_8					0.62			
q20_9					0.529			
q20_10					0.514			
q20_11					0.42			
q20_12					0.596			
q20_13					0.568			
q20_14					0.415			
q20_15					0.51			
q20_16					0.48			
q21_1				0.668				
q21_2				0.68				
q21_3				0.642				
q21_4				0.728				
q21_5				0.705				
q21_6				0.72				
q21_7				0.79				
q22_1	0.81							
q22_2	0.788							
q22_3	0.782							
q22_4	0.784							
q22_5	0.736							
q22_6	0.735							
q22_7	0.728							
q23_1						0.584		
q23_2						0.625		
q23_3						0.726		
q23_4						0.792		
q23_5						0.777		

q23_6						0.44			
q25_1		0.506							
q25_2		0.557							
q25_3		0.617							
q25_4		0.681							
q25_5		0.706							
q25_6		0.776							
q25_7		0.718							
q25_8		0.793							
q25_9		0.817							
q25_10		0.782							
q25_11		0.597							
q26_1								0.782	
q26_2								0.832	
q26_3								0.867	
q26_4								0.743	

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

Structure Matrix to Extracted Factors Total Variance Explained

Table 5.87: Structure Matrix

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% Of Variance	Cumulative %	Total	% Of Variance	Cumulative %	Total
Familiarity with IB terms	9.165	12.73	12.73	9.165	12.73	12.73	7.258
Challenges	5.675	7.882	20.612	5.675	7.882	20.612	5.662
Switching Bank	4.185	5.813	26.425	4.185	5.813	26.425	4.154
Reasons for IB attraction	3.793	5.267	31.692	3.793	5.267	31.692	5.998
Perception of IB Provider	3.191	4.431	36.123	3.191	4.431	36.123	3.9
IB Marketing	2.523	3.505	39.628	2.523	3.505	39.628	4.536

Satisfaction on Counter Services	2.473	3.435	43.063	2.473	3.435	43.063	2.966
Preference for Shariah Products	2.166	3.008	46.071	2.166	3.008	46.071	3.269
Preference of Main Banking Services	1.839	2.554	48.958	2.079	2.887	48.958	2.69

Through the performance of the exploratory factor analysis to extract the important affected factors with their items in each factor, obtaining the main nine factors as:

The first factor is Familiarity with IB terms with Eigenvalue 9.165, where this factor is explained 12.73% of the total variance. The second factor is the Challenges with Eigenvalue 5.675, where this factor is explained as 7.882% of the total variance. The third factor is the Switching Bank with Eigenvalue 4.185 where this factor is defined as 5.813% of the total variance. The fourth factor is Reasons for IB attraction with Eigenvalue 3.793, where this factor is explained by 5.267% of the total variance. The fifth factor is the Perception of the IB Provider with Eigenvalue of 3.191, where this factor is explained as 4.431% of the total variance. The sixth factor is IB Marketing with Eigen value 2.523, where this factor is defined as 3.505% of the total variance. The seventh factor is Satisfaction on Counter Services with Eigenvalue 2.473 where this factor is defined as 3.435% of the total variance. The eighth factor is Preference for Shariah Products with Eigenvalue 2.166, where this factor is explained as 3.008% of the total variance. The ninth factor is the Preference for Main Banking Services with an Eigenvalue of 1.839, where this factor is explained by 2.554% of the total variance.

5.15.3 Confirmatory Factor Analysis (CFA)

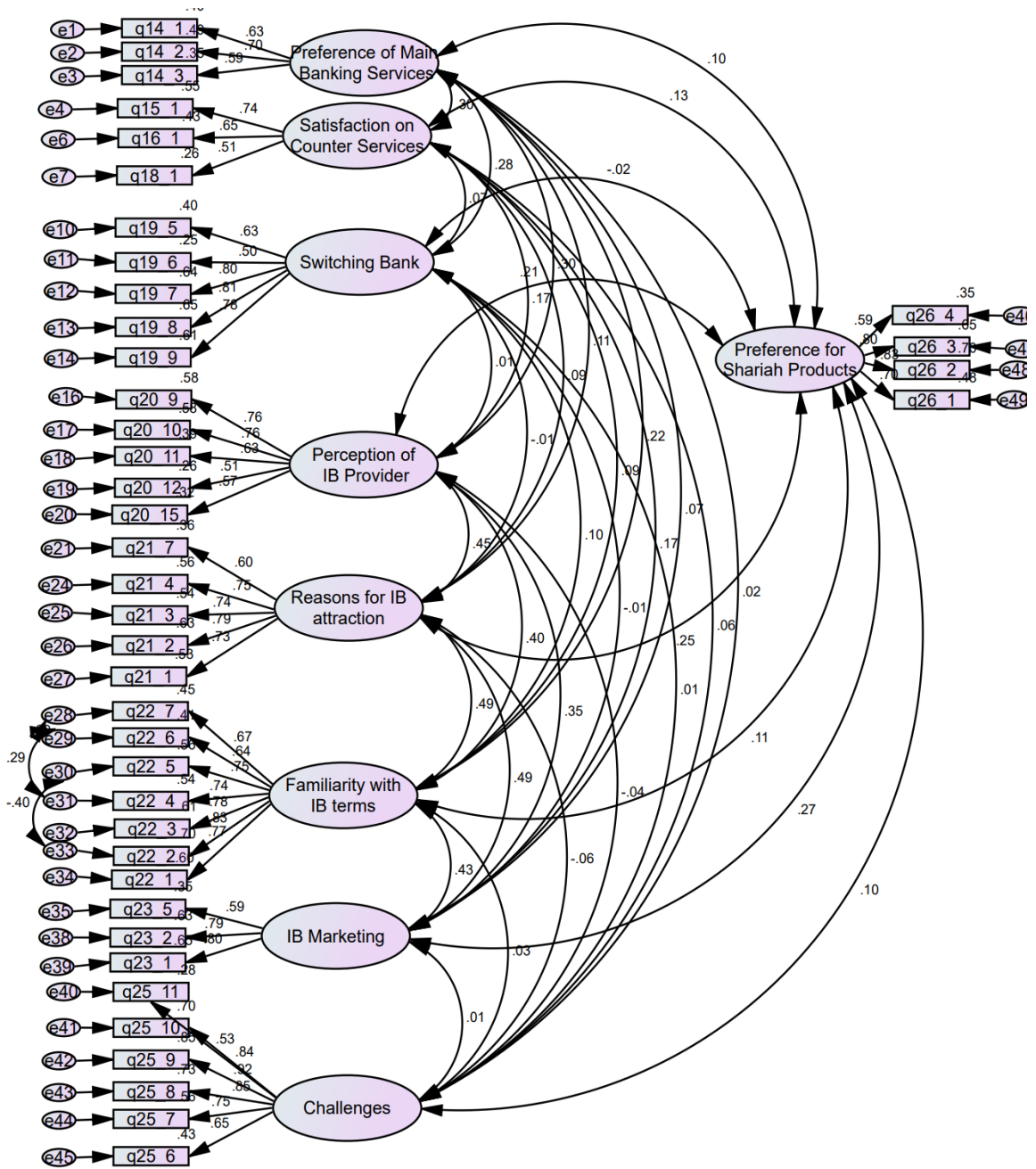
In this part, the standardized coefficients of the mode displayed in Figure (5.5) serve to present a quick overview of the relation between the thinking studied

variables are shown on the double arrows; they confirm the expectation of estimated items obtained from 4.1.

Confirmatory factor analysis (CFA) was conducted. CFA results were scrutinized with the help of indices such as χ^2 / df (Chi-square goodness of fit-to-degrees of freedom ratio), CFI, TLI, GFI and RMSEA. Standard criteria for a well-developed model were as follows: $\chi^2 / df < 3$, acceptable up to 5; GFI > 0.9; TLI > 0.9; CFI > 0.9; RMSEA \leq 0.08, RMR \leq 0.08 (Hair et al., 2014). The results of CFA for the five latent variables were $\chi^2 / df = 1.565$; GFI = 0.864; CFI = 0.933; TLI = 0.925 and RMR = 0.033, RMSEA = 0.040. These model fit indices revealed a better fit.

Measurement Model

Figure 5.5: Measurement Model



Validity and Reliability for Measurement Model

Table 5.88: Reliability and Validity of the Measurement Model.

Latent Variable	AVE	CR > 0.7
Preference of Main Banking Services	0.413	0.901
Satisfaction on Counter Services	0.412	0.895
Switching Bank	0.512	0.961
Perception of IB Provider	0.425	0.938
Reasons for IB attraction	0.526	0.970
Familiarity with IB terms	0.554	0.982
IB Marketing	0.541	0.950
Challenges	0.591	0.978
Preference for Shariah Products	0.544	0.963

5.15.4 Convergent Validity (CR and AVE)

Based on Table (12) the critical decision for the convergent validity is satisfied for all the latent variables. The Average Variance Extracted (AVE) is more than 0.4, and the composite reliability (CR) is greater than 0.7 (AVE>0.4, CR>0.6, so AVE is accepted (Hair et al., 2021). At the same time the composite reliability is higher than Average variance extracted. Convergent validity is achieved for every construct.

Discriminate Validity

By using the matrix of correlation with the square root of Average Variance Extracted (AVE) to verify the discriminate validity for the questionnaire Table (5.89), the discriminate validity is verified for the applied questionnaire because the square root of AVE in the diagonal of matrix is higher the other correlated coefficient in its row and columns.

Table 5.89: Matrix of correlation with ROOT SQUARE OF AVE

Latent Variable	Preference of Main Banking Services	Satisfaction on Counter Services	Switching Bank	Perception of IB Provider	Reasons for IB attraction	Familiarity with IB terms	IB Marketing	Challenges	Preference for Shariah Products
Preference of Main Banking	0.643								

Services									
Satisfaction on Counter Services	0.389	0.642							
Switching Bank	0.11	0.347	0.716						
Perception of IB Provider	0.106	0.058	0.004	0.652					
Reasons for IB attraction	0.045	0.036	-0.006	0.173	0.725				
Familiarity with IB terms	0.119	0.045	0.058	0.194	0.291	0.744			
IB Marketing	0.03	0.065	-0.006	0.126	0.211	0.236	0.736		
Challenges	0.011	0.027	0.007	-0.017	-0.029	0.022	0.003	0.769	
Preference for Shariah Products	0.038	0.046	-0.01	0.072	0.103	0.057	0.104	0.047	0.738

5.16 Summary and conclusion

This study was to investigate Customer perceptions and attitudes towards Islamic banks (IB) in the UK and Bahrain using customer relationship management (CRM) components. The aim of the chapter five is to find out the elements has the significant influence based on the customers' perception of IB. The collected primary data reviews the impressions and opinions of the respondents of this study due to the nature of the study, which involved both qualitative and quantitative methods.

Spearman's correlation coefficient was applied to check the relationship between Customer Relationship Management (CRM) variables. Findings revealed that there is a significant positive relationship between the variables, for instance, Preference of Main Banking Services, Satisfaction with Counter Services, Recommending Bank, Switching Bank, Perception on IB Provider, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. This finding indicated that the job of Islamic advisers in helping

Islamic banks is being fulfilled or are they just endorsing Islamic attitudes just for Islamic banking administration because results show the strong relationship between all perspectives.

On the other hand, Chi-Square Test was conducted to review the association between the UK and Bahrain on customer perceptions and attitudes. Findings show the significant mean differences between the UK and Bahrain on Preference for Main Banking Services, Satisfaction with Counter Services, Recommending Bank, Switching Bank, Perception of IB providers, Reasons for IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products. Therefore, results indicated that Islamic bank marketing emphasizes various traits of customer perceptions and attitudes because there is a significant difference between the UK and Bahrain banks on customer perceptions and attitudes.

The results also indicated that Islamic banking in the United Kingdom and Bahrain has a lot of potential because participants' results indicated that customer expectations positively predicted Islamic banking. Findings revealed that perception of service quality positively predicted Islamic banking. So, it is observed that there are significant possibilities for Islamic banking in Bahrain and the United Kingdom since customer expectations positively predicted Islamic banking with $F(1,350) = 18.745, P < .001$.

The results of EFA explore the components of perceptions and attitudes toward Islamic banks; the factors of perceptions are three factors (Familiarity with IB terms, Challenges, and Switching Banks) and explain 26.425% of the total variation. Regarding to attitudes to IB, there is six factors as (Reasons for IB attraction, Perception of IB Provider, IB Marketing, Satisfaction on Counter Services, Preference for Shariah Products, and Preference of Main Banking Services) and explains 22.2% of the total variation. Furthermore, the factors that were extracted explain 48.958%.

The results of CFA confirmed the extracted factors obtained from EFA, where the goodness of indices as $\chi^2/df = 1.579$; GFI = 0.858; CFI = 0.929; TLI = 0.921 and RMR= 0.034, RMSEA = 0.041, these model fit indices revealed a better fit.

Another analysis of Chi-Square tests was conducted to compare Muslim and Non-Muslim study variables. Findings show the significant mean differences between Muslims and Non-Muslims on Preference for Main Banking Services, Satisfaction with Counter Services, Recommending Bank, Switching Bank, Perception of IB providers, Reasons of IB attraction, Familiarity with IB terms, IB Marketing, Challenges for IB and Preference of Shariah Products.

In this research participants from both UK and Bahrain understand about Islamic and conventional banks but Bahrain were more knowledgeable about IB they both agreed that interest is haram but they need more qualified Shariah advisors. The reason that they attract to the IB is *halal* and ethical investment, zakat administration and they also familiar with the IB terms. The very important factor of IB marketing is its compliance with Shariah Law and great challenge is lack of marketing on Shariah products. They satisfied with their main banking services and agreed their bank provide good counter services. The customers used their internet banking because it's convenient as it 24 hours online services is available also they recommended their bank to friends and family but probably they switch their bank when they provide poor customer service also if they didn't provide phone and internet banking service and they give low profit or low interest rate.

In conclusion, connecting the Islamic banking and finance with its driving force, which is Islamic economics and its fundamental principles that comply the Shariah law (Alam et al., 2017). The finding is indicates that both Muslims and non-Muslims had confidence in Islamic banking products and services. Some respondents were rather neutral than leaning their responses towards negativity. The fundamental areas of services are attracted negative responses due to the

lack of Islamic banking procedures that needs to improve by engaging customers to the main contact points to develop strategies that help Islamic banking strategies to overcome the problems the industry facing. Therefore, Islamic economic force still could be viable for global economic development where the conventional banking systems are consistently failing that the global financial community observed during 2007-2008 and most recently in 2023 when Silicon Valley bank collapsed in the United States, which is considered bigger than 2007-08 financial crises (FDIC, 2023). Islamic bank also involved in social justice activities such as Zakat and Qard, which promote the well-being for all walk of people across the society (Iqbal, 2014). In this context the customers are also feels that when economics are embedded within Islamic frameworks and modes of finance, this could prevent exploitations in banking, finance and economy (Daly and Frikha, 2016). Muslim who aims to practice Islam with knowledge of Islamic economics and principles of Shariah law are found to be preferring Islamic finance because they feel that they are worshipping the Almighty Allah due to their practice of Islamic teaching which are business and economic activities (Maulan et al., 2016).

CHAPTER SIX – DISCUSSION AND ANALYSIS

THE CUSTOMER'S PERCEPTIONS TOWARDS ISLAMIC BANKING IN THE UK AND BAHRAIN

6.1 Introduction

Chapter six will present data analysis and discussion with a summary of the survey findings including the implication of Islamic economic theory that drives today's Islamic finance. This chapter starts with gap analysis for the current study. In addition, this chapter will also aim to integrate Islamic banking review and elements of Customer Relationship Management (CRM) in the case of Islamic banking with the literature review and survey findings. Integrating these functional components such as products, services, staff, management, including Shariah boards, and marketing is a holistic approach that Islamic banks can be effectively familiar with customers, which are the objectives of CRM.

On the other hand, organisational and technological efficiency in overall CRM implementation will help Islamic banks better understand customers. For instance, improve communication channels as per the customers' preference, and integrate customer's choice of products and services, understand the expectation from Islamic banking staff, management, Shariah scholars and marketing. This process will improve the overall customer approach to achieve optimum customer satisfaction with IB products and services. In this context, using technology and strategies could be crucial to implementing CRM across various aspects of Islamic banks to serve customers more efficiently.

Following table shows details of ten components of products and services (elaborated from research sub questions) and their connection with CRM on how to improve them successfully.

Table 6.1 Link of CRM with study variables

1. Main banking services preferences, satisfaction, and loyalty	How IB could develop standard and procedure to bring positivity towards IB by reviewing main banking customers experience
2. Factors that influence switching bank	How can IB retain their customers using CRM frameworks in IB products & services?
3. Most important banking channels for IB in the UK and Bahrain	What is the most important banking channels preferred by the customers and improved to satisfy the customers?
4. Customer perception of values in banking products	How can IB improve its values in banking by providing authentic products and services while staying competitive?
5. Perception of IB provider's long-term goals	Which are the core values of IB? Such as vision, mission, objectives are improved by keeping Shariah compliant?
6. Cost effective and innovative products and services	How could IB develop innovative and cost-effective products and services for all types of customers?
7. Attraction to IB products and services	How could IB bring awareness and educate customers on the values of ethical products to get more customers with effective cost strategies?
8. Use of technology including websites and social media	How do we integrate the most critical factors in marketing important for customers and provide practical solutions to customers of IB?
9. Staff development and role of Shariah advisors	How could IB staff and Shariah advisors contribute efficiently for consistent quality services and compliance?
10. Challenges and opportunities for IB growth in the UK and Bahrain	How to improve standard & procedures of IB to address the key challenges IB facing in the global market?

Referring to the literature and as discussed in the methodology section (CRM connection with the research sub questions) the following questions, which integrate the CRM process, will answer current research queries by elaborating, explaining, and analysing the survey findings. In addition, the discussion will also incorporate the gap analysis discussed in the introduction section.

- i) To what extent IB customers are satisfied and what are the preferred channels for banking?
- ii) What are the main factors that lead customers to consider IB products, and does the customer's perception of marketing positive?
- iii) What products and services are used to promote through online media, does web marketing provide sufficient information on Shariah-compliant products?
- iv) What are the perceptions of the cost of Islamic financial products; are they meeting the objectives and visions of IB?
- v) How do customers rate Islamic financial products and services with their rival conventional banking and services?
- vi) Is there any association or relationship among various factors influencing customers' perception of IB?
- vii) To what extent could CRM implementation improve IB customers' perceptions?
- viii) What are customers' contemporary challenges in Islamic banking practices? Are there any opportunities?

The following section presents a detailed analysis of the above questions based on the findings of this study and precisely connects the results with CRM. On the other hand, while analysing and discussing the findings the gap analysis is also integrated into the discussion to bring consistency and coherence to the presentation. The finding analyses are presented in the following sequences and categories for a clear understanding of audiences by connecting the original research questionnaires.

- **Customer's preference of banking channels**
- **Marketing Management**
- **Products and services**
- **Staff**
- **Shariah Scholars**
- **Challenges and opportunities**

6.1.1 Revisit the CRM procedures using Gap analysis:

As discussed in the introduction (Table 1.0), and subsequently referred in a number of sections in this paper, which is a key element is the 'gap analysis' of a business or industry's products and services. The current study analyses gaps between the offerings of Islamic banking products and services in literature and the research findings and syntheses leading to the requirements of CRM implementations. In connection with the above, the discussion section will also shed light on the main driving force of Islamic banking and finance, which was initiated and developed by the theory of Islamic Economics (IE) that is derived from the Quran and Sunnah and embedded with the objective of Shariah ruling in the field of banking, finance and moral economy. This carries considerable importance because discussion of IE is necessary for the IB to be realized in the global economic activities.

Gap analysis: 1

6.1.2 Customer's expectation and management realization

Literature suggests (Mohammed and Taib, 2015; Nomran and Haron, 2020) that customers find satisfaction when the values of the products or services meet their expectations. In this process, the customer continues to be loyal to the products and services they use and then recommends them to their family and friends. According to the current findings, both Bahrain and UK customers were satisfied with their primary banking services (Table 5.4, UK). However, Bahraini participants showed that they were more satisfied than the participants from the UK (Table 5.4,

Bahrain). On the other hand, the results find that the customers from both countries were not sure about changing their banks in the future (Table. 5.15, UK). It shows that 85% of participants from the UK and 59.3% from Bahrain (Table. 5.15, Bahrain) were unsure if they would change their banks. This finding indicates that customers are not fully loyal, which could probably be due to various issues IB faces (For instance, lack of Shariah compliance in products and services, high prices, lack of product innovation) that do not meet the customer's expectations. The Islamic banking sector must review these gaps in line with CRM frameworks to fill the gap and attract and gain more customers. In Islamic economic theory and history also teach us that with the process of evolution of economic activities by classical to neo-classical time authors, the mode of financial transaction was improved (Mukhlisin et al., 2022). The current economic competition is frequently changing, and could be difficult for banking management to know what the customers yesterday wanted, which may not be preferable tomorrow. In this highly tightened competition, Islamic banks must improve their products and services in line with the Shariah rulling.

In this process, after successful evaluation and new strategy implantation, Islamic banks must initiate a consistent system to monitor the developments of any types of negativities on products and services. So, the concern IB management undertakes quick steps to address those issues that hinder customers' satisfaction and growth. Because of these problems, customers switch their banks to other Islamic or even to conventional banks. For example, when asked if the customers felt the prices are higher than the conventional banks or if the procedures of Islamic banks are quicker than conventional banks, most responses are not optimistic in this context (table 5.10 and 5.17). According to CRM, collecting customer information and feedback from various contact points helps determine customer problems (Peppers et al, 1999). In this context, the IB could use the front office for information gathering where sales have occurred and the back office where customers get products delivered or obtain feedback on the products and services are sold. IB may identify potential gaps in products and services to

address the problems arising from the customers quickly and efficiently if IB follows the process effectively. Also, the factors that influence creating problems need to review cautiously and undertake preventive steps, so it does not repeat those problems in the future. Therefore, the process moves towards sustainability, resulting in loyalty and brand equity. In addition, while developing products and services, IB must comply the objectives of Islamic economic principles while keeping the customers loyal and bring confidence in their economic and daily life activities.

Gap analysis: 2

6.1.3 Gaps in service delivery

Customers are always different in their attitudes and expectations, and each customer's preferences could be different due to the differences in their attitudes (Berry et al., 1991). For instance, some customers like to use counter services for banking transactions or obtaining information rather than using phone banking or visiting the websites for a piece of necessary information or banking transactions. Therefore, every contact point is essential to ensure quality service delivery. According to the CRM objectives, Islamic banks must ensure that all contact points of customer interactions provide up-to-date technology that is easy to operate. On the other hand, customer service staffs will be willing to listen to customers from every section of the society. In the current study, participants of both case countries highly preferred online banking and ATM (Table 5.6 and 5.8), whereas phone banking and counter services were less preferred or neutral in their responses (Table 5.5 and 5.7). This result could be because of the long queue in the counter service waiting and the long queue on the phone line (Table 5.10 and 5.13).

FINDINGS OF CUSTOMER'S PREFERENCE FOR BANKING CHANNELS

6.1.3.1 Least preferred channels of banking

As it is stated before, the preferences of each customer for using banking channels are different than others. When a customer experiences consistent unsatisfactory services from IB, then the customer might decide to leave the bank or switch to its competitors that provide efficient services. Therefore, to maintain the objectives of CRM, the bank needs to focus on the areas of improvement required to keep the customers happy and loyal. While attracting new customers to keep the bank in the competitive markets and growing customer confidence, which can be organised by providing adequate training among staff to reduce the waiting time (Amin, 2008). According to several Bahrain banking websites reviewed in March 2022, such as BisB, Al Salam Bank, Kuwait Finance House (KFH), many local and international banks support customers 24/7 online or by phone service to provide accessible communication with customers. Some bank such as BisB provides special services using premier customer services with dedicated personnel or even dedicated departments in many languages in case customers are unfamiliar with English language (BisB website, 2022). In addition, a customer relationship management (CRM) department with premier customer services could serve high-net-worth or special needs customer, for instance Bahrain Islamic Bank (BisB website, 2022). The study finds (Table 5.21) no significant differences among customers in both countries as most customers' favour online banking and ATM usage. They do not want to change or switch their bank if online banking transactions and ATMs are available across the regions. According to reviews of various literature and bank websites, the following steps will help banks improve their phone banking services.

- Review of the timing of phone calls
- Review on what are the customers' main requirements for phone calls.
- Duration of waiting time on the queue
- How long does it take for the staff to handle the phone calls?
- What was the feedback given on the completion of the phone banking?

- A review of the gender, age and the products are necessary to go further.
- Is the inquiry or the transaction completed?

The above small steps will help the bank reorganise its response to any negative remarks left by the customers and grow customer confidence in both countries and thus implement objectives of CRM.

6.1.3.2 Banking branch service evaluation

One of the preferences of services of both case countries was branch service. Most responses recorded either they have used their main bank (Islamic or conventional) or international banks. When asked if they would like to change the bank if the customer changed their locations? They were unsure about it, as most participants were neutral or agreeing with the statement. The most banks provide Internet banking, either the customers are preferred to do banking with branch or they are not comfortable only with online banking alone (Table 5.16). These findings may also indicate that branches may be unavailable or have limited services. Alternatively, it was not a preferred option for them to continue to the bank if they changed their location or smaller banks (Table 5.24). In addition, many banks do not have branches across the country. For instance, most major Islamic banks in the UK have very few branches because their services are limited mainly in the city centre and with fewer products and services, for instance Al Rayan Bank. Al Rayan Bank (formerly known as Islamic Bank of Britain), the most prominent Islamic bank in the UK, has only two branches in London. When writing this thesis, one of the branches is announced to close by August 2022 (Al Rayan bank website, 2022), which indicates lowering their services. Islamic economics established in order to bring social justice in banking, finance and moral economy. This is possible when any ethical banking system enable the ordinary customers or the customers that has limited access of investment. Also, customers who are not able to obtain financial resources due to their credit ratings or unable to obtain products or services within limited income then such objectives of IE can be realized after bring trust and loyalty (Suhartanto et al., 2018). However, only two

branches in London, where a majority Muslim population lives (Population census, 2015, 2021), prove to be highly insufficient in serving the population for which the bank developed.

This situation is in addition to the UK participants who disagreed that full-fledged banks are desirable (Table 5.47, UK). Providing retail banking services could better serve all customers' day-to-day activities. If the retail sector is weak, then the possibility to distance Islamic banking relations with Muslim populations and others interested in Islamic banking or more ethical banking products and services because the relationship developed using branch banking platforms (Rafiki, 2019). The above discussion underlines customers' preference for main banking instead of branch banking to avail wide-ranging products and services. According to the objectives and criteria of CRM, this sector needs to be overhauled by various assessments and integrated into the branch bank strategies. Among the key strategies suggested, banks must focus on retail customers who are doing day-to-day transactions with smaller than some more significant and high net-worth customers. For high-net-worth customers, the bank could provide services differently, for instance, using premier services, which many banks currently use and popular for executive customers. The customer relationship management department can play a pivotal role by differentiating various customer bases. Otherwise, customers will seek to switch their bank (table 5.22) because when a customer feels they are not a priority for the services they deserve equally with other segments of customers.

In Bahrain, the Islamic banks are more diverse. Some leading Islamic banks gained national and international recognition for their products, services, and procedures. Due to the diversification, the overall investment in the Islamic banking industry increases, (Bahrain Islamic Bank website, 2022). Islamic banks must introduce more branches. The current survey also finds that most participants disagreed with Islamic banking branches integrated as windows of conventional banks (Table 5.46), where 62% in the UK and 51.9% of participants were not sure

if the branch of Islamic banks operated by the conventional banks is preferred. Only 16.4% in the UK and 29.0% of participants from Bahrain agree that the window of conventional banks is attractive, which does not represent a satisfactory level of significance. Contrary, in Bahrain, almost half of the participants agreed that full-fledged Islamic banks are attractive due to a range of products and services provided to customers of all levels, which are also competitive locally as per the current findings suggest (Table 5.47).

6.1.3.3 CRM review on branch services

In line with the above discussion, Islamic banks suggested reviewing a few fundamental aspects of banking, which are as follows:

1. Are Islamic bank branches serving customers based on values or simply investing money to open a branch? According to CRM, a branch is not sufficient to make all required services available to the community or any region to represent a banking channel. However, it must develop relations with customers by providing the best possible services with as many products as possible with efficient customer service personnel. But banking staff must have good knowledge of Islamic banking products and services and most importantly the values of IB.
2. Islamic banks need to review the reasons for expanding bank branches, whether this is because of expansion of business only or because of value customer services?
3. Are the Islamic banks treating customers equally with other customers or focusing only on high-net-worth individuals or corporations?
4. Are Islamic banking branches providing adequate retail services or just opened due to keeping contact points at regional levels?
5. Are the staffs of Islamic banking branches given sufficient training to organise them in front of the customers? And if the staffs having sufficient knowledge and able to provide personal advice on any given Shariah-compliant products and services? So, the staffs could assist in choosing products or suggestions for a solution of a customer's problem?

6. Also, if the customers get efficient services, this could be ensured by a customer feedback form, which could see as a benchmark of Islamic banking branch services. If the result were positive, then the process would continue as a best practice.

6.1.3.4 Importance of location of Islamic banking branch

The above discussion on branch efficiency in serving customers is focused; however, branch location is equally important for customers to find the banking branches (Gary et al., 2022) for instance, if not possible to get a branch in the high street or in the town centre, the branch location must be convenient for customers to find and reach easily. Islamic banks in the UK found that only a few branches are available to serve millions of Muslims in London. Some of the branches are not even have quick access to the massive London city customers as the demographic information suggested in the UK, country profile (Section 2.3). These problems exist in other Islamic banks and international branches across the UK. In the current survey, participants indicated that they might change their banks if they find their banks are small or lack reputation (Table 5.24). Most participants from Bahraini banking customers are willing to change banks higher than the UK customers. If the customers change location, they are too willing to change the bank due to the unavailability of their main banking branches. In addition, table 5.64 suggests that a lack of branch networks could slow Islamic banking growth in the future, which is agreed upon by most participants.

6.1.4 Automatic Teller Machine (ATM)

One of the preferred channels of banking among customers is ATM. According to the survey result, participants from both countries strongly favoured ATMs for their banking activities. By using ATMs, it reduces waiting time at the counter services or online banking queue. It is quick to get an ATM nearby to do necessary banking transactions; however, banking institutions need to upgrade existing ATM design with up-to-date security features to avoid fraud and theft due to increasing fraud and fear of robbery. The recent report from S&P Global ratings (2020) suggests

that there are no problems with the development of ATM networks in Bahrain. However, some fraud activities hindered the reputation of ATM and online banking. It is expected that IB's growth could be slowed down in future unless security enhances at ATM locations. The ATMs are generally kept open access with users' credentials and are preferred options for bank users. However, to keep safer and avoid technical glitches, banks need to provide more security and ATM network management across the areas ATMs is provided in order to avoid massive fraud. The government considers it a serious crime when someone uses a stolen ATM card, which comes under Fraud Act 2006, and the criminal could face a lengthy jail term. In many cases, elderly or vulnerable customers who could be potential victims of fraud need more support while doing transactions. It is also essential for sign language or direct online banking support for bank users who are unfamiliar with online transactions.

6.1.4.1 Online banking/Internet banking

Participants from both case countries preferred online and Internet banking compared to the counter services (Table 5.6 and 5.8). One of the preferred channels of banking among customers is ATM. According to this research survey (Table 5.8), online banking was among the most favoured Bahrain and UK participants. However, Bahrain participants favoured slightly higher (59.88%) compared to the UK participants (56.61%). The highly preferred score follows these figures, which are 31.22% and 25.93%, respectively, between the UK and Bahraini participants. However, due to many elderlies, vulnerable users may not be in favour in many cases due to massive fraud the UK witnessed over the last few years (Mangala and Soni, 2022). Another question, when asked if the customers intend to switch banks if the online services are unavailable? Most participants agreed to switch their banks if they do not provide online banking, which is a combination of (both probably and definitely) over 80% of participants (Table 5.21). This result indicates that without online banking, customers cannot think about banking activities in this hectic environment in their life. Again, Bahrain remains more advanced in online banking, which is slightly higher than the UK participants

who want online banking services. Some customers do not trust simply doing transactions online even though security is in place because of fear mindset of security (Magala and Soni, 2022). Therefore, as per the objectives of CRM, Islamic banks need to ensure a highly secure network and innovative multiple-tier security arrangements in their online/Internet banking services. To solve the problem, Islamic banks need to use various methods such as developing awareness among customers with video demonstrations. Alternatively, face-to-face communication, use of brochures, billboards, websites, and regular circulars using Short Messaging Service (SMS) directly on the customer's phone can improve communications. Finally, two key aspects need to review: the customer perspectives and banking platform perspectives. In this context, Islamic banks need to identify customers' culture of Internet banking usage and educate customers using various promotional videos and other tools to develop customer confidence. Finally, review customer feedback with their experience to adjust banking strategies to improve services. On the other hand, the bank needs to provide up-to-date technology in their online banking process with a multi-layer security system, train IT and relevant staff efficiently and continue to upgrade the system whenever applicable and appropriate.

6.1.4.2 – Gap analysis 3 (Review of communication gap)

The third part of the gap analysis is one of the most important: communication gaps between the customers and banks. Table (5.31) shows that most UK participants were unsure if the Islamic banks provide higher value than conventional banks. Participants from Bahrain were not sure, though not as a majority; however, a small number of participants only agreed on it (1.2%) in Bahrain. In another question, when asked the most critical factors that led customers to switch their bank, the answer was if the bank does not value the feedback of customers (Table 5.22). Among highest percentage of participants from the UK said they probably switched banks (42.3%) whereas Bahrain participants are slightly less, which is 41.4%, followed by not sure about it. This result is contrary to the Islamic banking claim of valuing their customers. To

resolve these issues, Islamic banks should focus on customer feedback received from various customers contact points such as ATM services and branch banking. The appropriate location of branches and staff training, online banking security and phone banking. This process should include a quick response team to resolve the problems as soon as they occur.

Our survey indicates that Islamic banks in the UK face significant issues and problems, which are slightly higher than in Bahrain and sometimes even similar. It can suggest that Bahrain and the UK should reinvigorate their strategies, by focusing on customer orientation to retain existing customers and ensure sustainability in the long term. At the same time, by reducing complaints and serving better. The Islamic banks should also attract new customers to prevent the existing customers from switching because when the flow of new customers is high, the existing customers will develop more confidence and trust in their banks and stay longer. Following steps are suggested to overcome the customer's hurdles for Islamic banks to avoid communication gaps.

1. Dialogues with customers in an innovative way.
2. Analyse customers by identifying those who are facing difficulty.
3. Review expatriates and diaspora Muslim opinions if they are reluctant to take Islamic banking products and services.
4. Develop an awareness campaign while listening to customers' opinions in customers' languages to create a friendly environment. Review the existing process to determine the level of communication gap and restructure the strategies and processes needed to resolve customer issues. According to Johnston (1995), this is imperative for Islamic banks to take reflective action other than occasionally attempting to reduce complaints of customers.
5. Develop a single contact point to provide more organised responses and quick solutions to customers' queries. Zablah et al., (2004) stated that organised response to customer is one of the crucial aspects of banks to introduce because when customers call for a query, they also try to email in

case they could not reach the customer service staff. In this case, either those who read the email, or the receiver of the call may not know the customer's requirements in advance. Alternatively, IB also should seek information on how long the customer is trying to communicate, so staff could serve customers efficiently and effectively as the survey result shows (Table 5.12), that customers were happy with their queries in general. However, almost 1/3 of the participants were unsure if their queries responded well.

6. The use of IT with up-to-date technology and staff is necessary. Specially the staff that are well trained in banking, with excellent knowledge of Shariah principles and understand the values of Islamic banking and objectives. In addition, developing customers' profiles separately to understand and monitor customers' track records of interest in the range of products and services they used previously (Wilson, 2009). In this context, the age, gender, profession, types of products used, and needs of products. In addition, the other important information influences banking staff to understand the customers well and can advise or answer the queries accordingly and efficiently. This process could lead to customer satisfaction consistently.

Based on the above discussion, the following questions need Islamic banking to focus on at the end.

- Is the Islamic banking technology is centralised?
- How technology helping Islamic banks in creating new products and services?
- Does Islamic bank collect data from customers and record their opinion and feedback?
- To what extent does the bank consider those feedbacks, and is the corrective action taken monitored?

6.2 Marketing and branding in Islamic banking

According to Kotler (2016), branding products or services help to bridge between the customers and products and services. A symbol or an attitude and an

organisation create a differentiation resulting in sustainability and loyalty. However, when customers' expectations do not meet, it works adversely and therefore brings negativity to the consumer's mind, which causes a disadvantage instead of a promotion. Islamic banking principles are different from conventional and other modes of finance. The establishment of Islamic banks is to create opportunity and provide access to finance for Muslims to bring social justice to the economy and finance. The quality, reliability and trust of Islamic banking products and services are a must to claim that Islamic banking is an ethical and Shariah-compliant bank. When Islamic banks can bring these qualities and trust in the products and services, the brand image will cement in customers' hearts and minds resulting in long-term sustainability and competitive advantages over the rivals. Our survey shows that most customers recommend their banks (Table 5.14). The existing literature (Wahla et al., 2018) suggests that Islamic banking customers are mostly happy with the products and services offering due to religiosity and trust in Islamic economic system which guarantee the banking and financial welfare to all customers and stakeholders (Suhartanto, et al., 2018). These advantages could be an opportunity for Islamic banks to enhance reputation. In addition, Islamic bank could also offer number of other portfolio such as leasing (Ijarah) options, services such as communications services and reputation of banks (Wahla et al., 2018).

However, table 5.18 shows that if the products do not comply with the Shariah, it is a significant factor for customers to switch from Islamic banks to other Islamic banks or even to the conventional banks in worst scenarios. In addition, poor and unauthentic advertising and marketing also cause customers to think about changing their banks (Table 5.20). When asked if Islamic banking complies with Islamic principles and Sunnah in the marketing, most people were neutral, which shows the customers were not entirely happy to give a straight answer or they did not know whether Shariah compliance are effectively implemented (Table 5.33).

6.2.1 Statement of Vision and Mission

Vision and mission statement is a business's signboard or the organization's face. Marketing activities aim to claim advantages by using the vision and mission statements that focus on a particular segment or population. For example, a bank advertises its products and services as Shariah compliant. It indicates that all the products and services are maintained according to the objectives of Shariah principles. We found that the highest number of participants from both case countries provided their opinion that vision and mission are the most crucial factor for IB marketing (see, Table 5.59). Participants from Bahrain emphasise it more than the UK participants. However, the current research shows that most (see, table 5.68) in Bahrain suggested that IB harmonises vision and mission with Zakat and Riba in their marketing. All products and services are Shariah compliant, but marketing agencies that IB hire for banking and promotions are necessarily not very experienced in Islamic banking principles, which may end up not complying well. However, answers to some questions by the UK participants were comparatively minor in numbers, but they were largely neutral at the highest level compared to respondents from Bahrain.

Several banks in Bahrain and the UK found that high ambition exists in their vision and mission statements (i.e., BisB, KFH Bahrain and Al Rayan Bank, UK), high standard focused and to build a significant capital-based activities and emphasised on "Shariah compliant" or "Islamic bank" largest in kind. However, the focus on social justice, economy and finance considers less priority, which is problematic in IB in terms of Shariah objectives (Al-Omari, et al., 2020). Banks must also include characteristics of Islamic values and elements such as Riba-free products development and translating essential Shariah compliance. For instance, Islamic banking products Amanah (honesty), this product HSBC bank previously used in the UK. Takwa (consciousness of Allah) and more efforts are necessary to reflect Islamic values in banking and financial products and services to promote IB values.

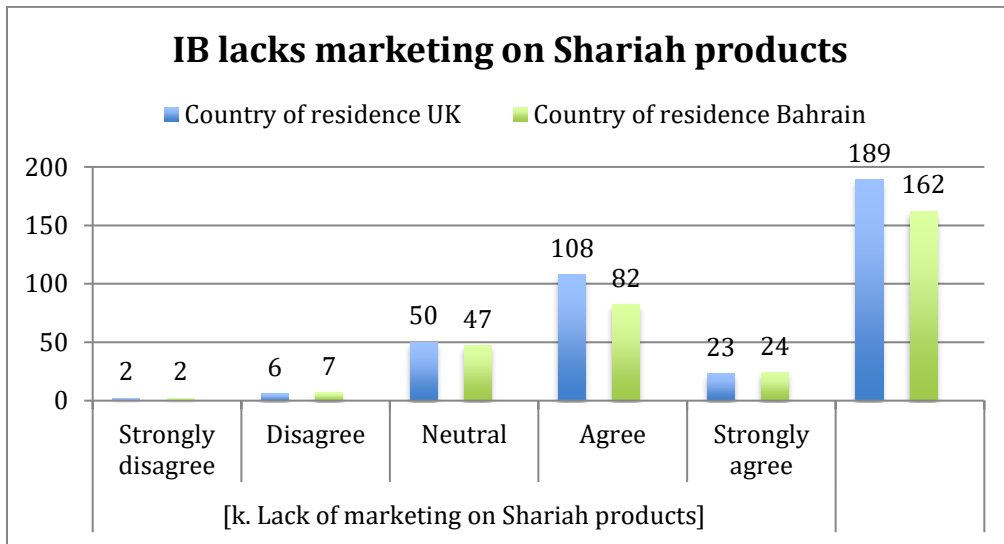
Similarly, in every banking sector, products and services could add value to the words mentioned in Quran and Hadith. Finally, a few critical questions are necessary to revitalise the vision and mission statement without harmonising it. With this help, IB staff could support Islamic banks to evaluate effectively to the extent their vision and mission statements are appropriate and effective.

- Is the vision and mission statement reflecting the objectives of Shariah principles?
- Is the objective of the statement designed to meet the needs of society according to the principles of Islamic economics?
- Are the statements motivating customers who are seeking Shariah-compliant products?
- Are the statements different from conventional banks or similar others?
- Does the statement reflect the practice of the Shariah-compliant bank?

6.2.2 Differentiation in IB brand on consumer perceptions

"Branding is endowing products and services with the power of a brand" (Kotler and Keller, 2015). Branding is a process in which a product and service enable consumers to choose products or services that help to gain a competitive advantage over rivals. Therefore, to keep the organisational commitment to products and service quality, Islamic banks must focus on branding and their products and services in line with the principles of Shariah, which establishes IB. In this context, brand personality will be products; services, staff, strategies and marketing on the other hand, and the brand identity will be name, concept, slogan, and symbol. The current research suggests the Islamic banks lack focus on branding, which is a serious challenge for IB's expansion and growth (Table 5.72). The following bar chart reflects the survey result.

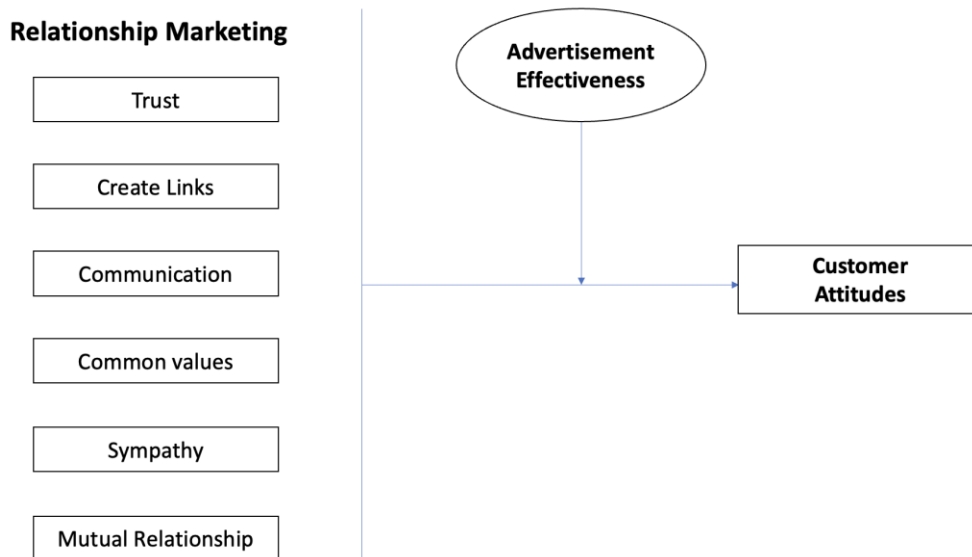
Figure 6.1 Lack of marketing on Shariah products



Source: Survey findings of the current research.

Literature suggests (Kotler and Keller, 2015) that brand loyalty is impossible to achieve overnight; brand loyalty must earn with its own merits gradually. CRM in Islamic banking has increased significantly across the continents; Bahrain and the UK banking sectors have also seen increasing CRM development among consumers and banking employees. When effective CRM is in place, the relationship and bond strengthen because of is not only a business dealing but the elements of relationships that influence to strengthen the relationship for a long term, which result in trust in brands and loyalty. Brand loyalty's added value is considered brand equity (Kotler, 2016). The following chart shows how brands influence customer's attitudes:

Figure 6.2 Brand credibility on customer loyalty



Source: Adapted from Kotler (2016)

Therefore, the following are the suggestions and recommendation that IB could follow to withstand the brand and to improve the positivity towards its products and services.

- Islamic banks should review banking slogans if they are aligned with Islamic values and carry a special message of ethical banking point of view. The current research supports it (Table 5.57), which is one of the most critical factors for Islamic banking marketing because customers positively react when they see ethical product offerings.
- Islamic banks should focus more on developing brand identity while keeping their objectives according to Shariah law.
- Create brand awareness using various social media and local community platforms. In addition, online webinars and seminars involving Shariah scholars and Islamic banking experts.
- Create brand identity using the name, voice tone, typographies, colour, logo design, in-store activities,
- Use TV advertising, Radio channels, Billboards, Mobile Apps, and sponsoring organisations for promotional activities.

- Workspaces restructure for and ensure employee satisfaction.
- Track and monitor the best performance and measure it to keep consistency.

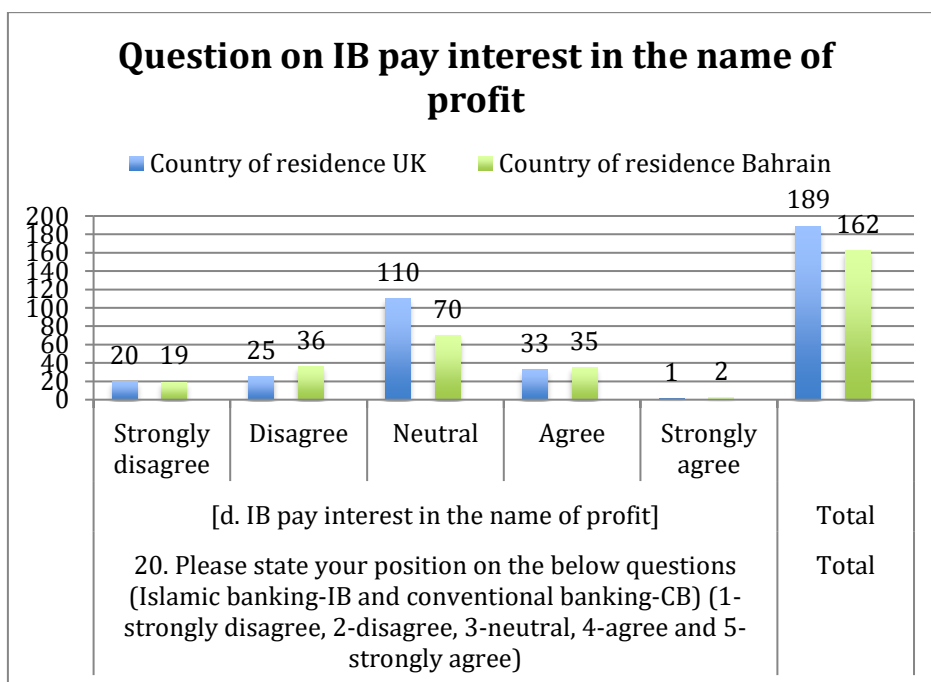
6.2.3 Promotion of IB marketing through education and awareness

Another issue of not develop awareness among customers of Islamic banking is lack of education and awareness and how IB works. Our survey shows (see, table 5.3) that in the UK, 68.8% of participants were not sure if the marketing of IB was clear to understand and whether Shariah compliant. The marketing in Bahrain was better than in the UK (58.6%). However, most participants still indicated that marketing needs to improve a lot, which means the current marketing practices are insufficient to attract customers, or there are problems with the existing IB marketing and advertising, as the result suggests. Only over 22% in the UK and over 34% in Bahrain stated that marketing activities are transparent, far less than participants who were not sure about it.

Some customers will use Islamic banking products regardless of prices or economic benefits available from Islamic banks (Table 5.30). Only 9% and 7.4% of participants from the UK and Bahrain respectively responded positively; however, the size of these customers is not as large as expected. These customers are limited in number because many other Muslim customers prefer conventional banking products resulting from the high competition from conventional banks and other Islamic banks. The result (table 5.30) also shows that the highest number of participants were unsure if they would be interested in using IB products and services regardless of the cost. Therefore, IB should consider multi-stage marketing to promote the products and services. Effective marketing is vital for any business. Effective marketing is one of the keys to thriving. Islamic banks need to ensure the products and services comply with Shariah principles before they start a campaign using the technology available to reach a broader range of customers because of the influence of religiosity, which has a limited effect on business. This survey is another example of the importance of the lack of effective marketing.

Literature suggests that some customers are religiously motivated, and others are not experts in decision-making (Effendi et al., 2021). These are the customers IB can convince easily with less effort. IB should develop strategies to find such customers in mosques, Islamic cultural platforms, and educational institutions. Other vital aspects of Islamic banking products and services are unknown to many Muslim customers (Table 5.25). When asked if the participants knew about Islamic banking, customers from Bahrain replied positively, higher than the UK participants. However, when asked if the IB provides interest in the name of profit, most participants were not sure about it, specially Bahraini participants, followed by the UK participants. Surprisingly, the number of disagreed participants was less than participants who agreed to this statement. This result indicates that the customers were confused about whether the IB products and services are really Shariah compliant or not. IB marketing strategist is another failure to ensure proper education in their marketing procedures to change the perception of potential customers.

Figure 6.3 Statement: IB pays interest in the name of profit



Source: Survey findings of the current research.

Consumer behaviour theories and models are used mainly in conventional banking marketing. The main reasons are the customers' perceptions, attitudes, and experiences help customers to choose one bank over other banking products and services. Several such theories and models are available, discussed in Chapter 3 in the first part of the theories—other theories apply to religiously motivated customers (Raza et al., 2020). Due to technological advancement and intense competition in the financial markets, customers are far more intelligent now than ever. Cognitive ability works for most people when they think about how they could best benefit from financial and economic activities for their future and families. Therefore, the current study result suggests that models such as Nicosia (figure: 3.3) are more realistic than the theory of planned behaviour (figure: 3.7). However, in many cases, Theory of Planned Behaviour (TPB) and subsequently the Theory of Reasoned Action (TRA) may be more influential in consumer behaviour due to the connection of religiosity which influence the customer to decide on buying decision-making rather than using the patterns of various consumer behavioural models exists in literature used in conventional banking that leads customers to determine which products and services they would use (Zinser, 2019). Finally, it can suggest that Islamic banks should consider the following areas of marketing, which could improve current marketing practices.

Preferential analysis from customers' perspectives and analyse and therefore, our research recommends the following strategies to address them to resolve any issues in promotion or problems.

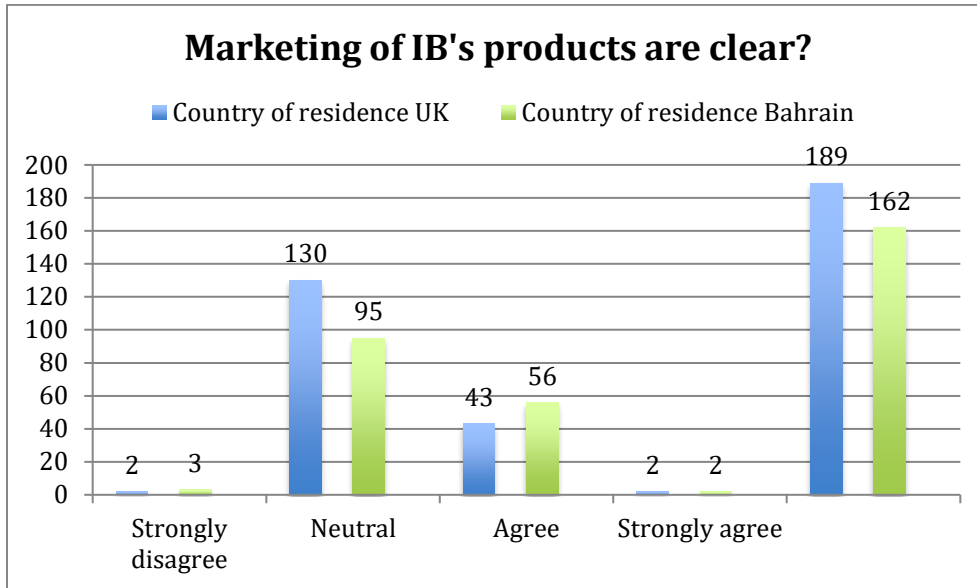
- Develop different segmental customers and differentiate their individual needs based on the information from customers' preference.
- Develop words of mouth marketing campaign, which is cost effective.
- Promotional campaign across various educational institutions.

- Interactive marketing using social media and influencers for image development aligns with the principles of Shariah.

6.2.4 Marketing using customer contact point at the bank

Another issue on marketing management on customers' perception is less interaction on banking contact point. The objectives of the functional components of CRM are to improve the quality and standard of services and products using contact points for selling or distributing products to customers. While doing a marketing campaign, Islamic banks must ensure to touch contact points of all potential customers, including various segments (Wahla et al., 2018). Our research suggests that few customers know about Islamic banking terms in Arabic, for instance, Murabaha, Mudarabah, Istisna, and Tawarruq, which are much more familiar to Bahraini participants due to their native language advantages. In addition, TV and radio adverts are not as much as other competing banking institutions; the essential adverts focus on investment-related products instead of retail sectors. The telephone used for customer interactions is also similarly necessary for marketing. Both online and offline marketing is crucial (Table 5.56) as respondents of both case countries agreed in similar numbers. Literature suggests that marketing is not as progressive as expected in Western nations such as the UK (Housby, 2013; Riaz et al., 2017). Also, the promotional campaigns are only a few, primarily limited to Islamic channels. Customers also perceive that Islamic banks are established in the UK to provide services to Arabians from the Gulf regions. Therefore, the focus is on that segment which is a wealthy customer group compared to the less financially advantaged large Muslim populations in the UK (Hersi, 2009). When asked participants from both case countries if the marketing of IB is clear? The following bar chart clearly states the result reflects many participants who were not sure about it. However, Bahraini participants agreed more positively with the statement than the UK participants.

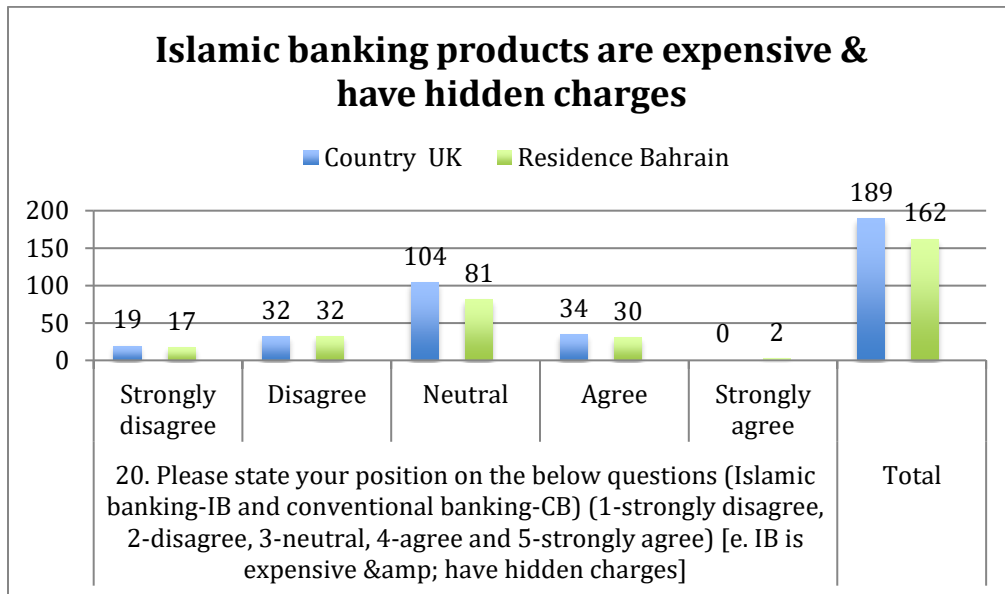
Figure 6.4 Statement: IB marketing is clear?



Source: Survey findings of the current research.

While developing customer relationships with potential and existing customers, Islamic banks should use ATMs as an innovative way of advertising; for instance, when the ATM screen prompts, the new products or features of existing products could be presented quickly. In addition, inside the ATM booth or surrounding the ATM area, a marketing and advertising poster or message could be displayed to attract the customers or people who want to use only other banking cards to use the ATM. The message could explain that Islamic banks provide authentic products compliant with Shariah law and have no hidden fees or charges. Because many participants from the UK and Bahrain are confused about it in the current study (Table 5.28 & 5.29), most participants were unsure if there are hidden charges since the people's perceptions are that Islamic banking products and services are expensive.

Figure 6.5 Statement: IB products are expensive



Source: Survey findings of the current research.

Therefore, Islamic banks must ensure competitive prices across all the products and services to claim the marketing statements. The following key aspect in marketing is essential for Islamic banks to review and consider aligning with objectives of marketing to improve positivity among IB customers:

- Does Islamic banking marketing appeal to the customer with religious emotion or provide values of Islamic banking products and services? (Reza et al., 2017).
- Are Islamic banking promotional campaigns raising awareness among customers of the importance of Shariah principles and how they implement in banking products and services? (El-Chaarani et al., 2022)
- Are Islamic bank's advertisements showing the differentiation from the conventional banking products and services or just explaining two types of products, for instance, in the windows of conventional banking branches of Islamic banks?
- Are Islamic banking marketing and advertising focusing on various segments, age groups, gender, and diaspora Muslims and various ethnic groups?

- Are Islamic banking marketing campaigns reviewed rigorously and in compliance of Shariah? Because based on the Shariah rulling any type of sexual elements in marketing advertisement or campaign including any fear appeal or advertising that are sub minimal and have any other emotional appeal using religiosity that influence decision-making, will be unethical which is opposed to the objectives of Islamic economics (Hassan et al., 2018).

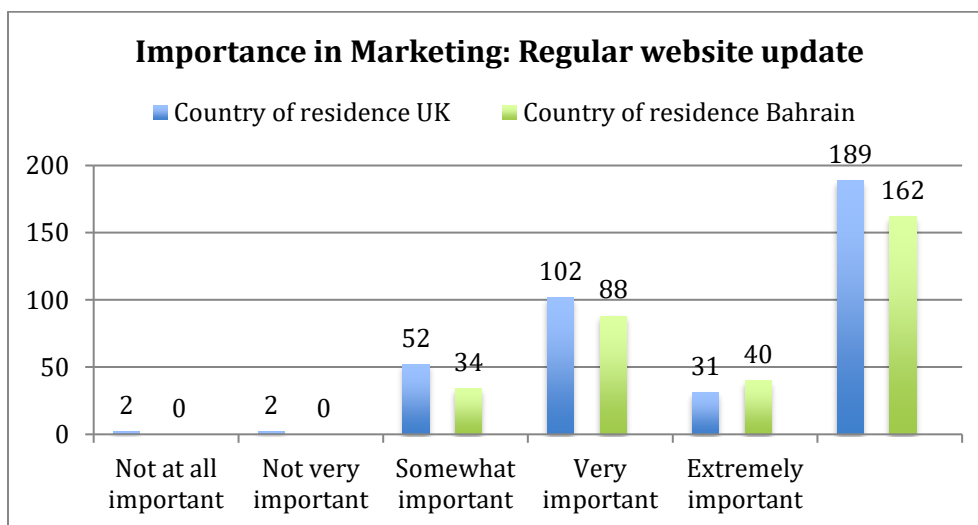
6.2.5 Review and evaluation of Islamic banking website

The 21st century is defied all previous marketing records in terms of online and e marketing and the use of social media. The following brief discussion will shed light on how the website and social media marketing quickly influence the promotion of products and services.

6.2.5.1 Evaluation of IB websites in the UK

Most of the participants from both case countries in the current study suggested that regular website update is one of the most crucial factors for Islamic banks for marketing (Table 5.60), followed by the importance of the website update question. The following graph reflects the result of the findings.

Figure 6.6 Importance of updating website



Source: Survey findings of the current research.

Based on chapter 2.8, a total of 5 Islamic banks offer a wide range of Islamic banking products and services. These banks are mainly branches of full-fledged Islamic banks or established fully in the UK as Islamic banks for a few decades from now. One of the first full-fledged retail banks is Al-Rayan bank (formerly Islamic Bank of Britain), a leading Islamic bank in the UK. In addition, the Gatehouse Bank, Abu Dhabi Islamic banks, Bank of London, the Middle East, and Qatar Islamic bank. In addition, several international branches operate through conventional banks with their Islamic banking window. These banks are operating with limited services across the UK. However, most banks use websites and provide Internet banking services.

Our research also evaluated some bank websites to review their marketing strategies in the context of CRM frameworks. The first Al Rayan Bank from an attractiveness point of view and how it appears as one of the biggest Shariah-compliant banks in the UK. In the first instance, the vision and mission statements are not there in the website interface. After a quick search, it was found only on their parent company websites. The only two branches in London where millions of Muslims live in addition to other ethnicity groups including British customers; however, the latest announcement that one of the two branches will be closed in August 2022. In order to reassure its customer's bank has announced that Lloyds bank will accept cheque deposits across England and Wales (Bank website). The website's interface does not have significant authenticity or any Arabian forms of products or service descriptions. However, one of the titles of the front pages shows "the UK's first choice ethical, Shariah compliant bank" among other interface information is "A guide to Islamic finance", the award winner of "Moneyfacts 2021" as a best cash Islamic account provider. Overall, there was no emotional, or motivational attraction appeared. Looking at the other full-fledged Islamic banks, Gatehouse bank, which is also nearly similar to the Al Rayan bank and has minimal information on Shariah, related products or services, for instance,

the terms, which bring trust in branding that discussed earlier in this section. These terms could be "Halal product" and Shariah compliant products and services. It appears at the end of the first page of Gatehouse bank that says, "Frequently asked questions on Shariah Finance," which are not show whether the bank is a full-fledged Islamic bank. The third website visited the Bank of London & The Middle East (BLME). On this site, more information on Islamic principles and Arabic words appears above the company name to authenticate the banking nature or origin so that customer's easy understanding the nature of the bank at first instance. The benefits and easy procedures explanations are available on the first page. A wide range of Islamic banking awards achieved over the years is displayed well. A figure 6.7 shows below:

Figure 6.7 IB bank credibility rating, BLME

Awards



2021

Best Fixed Account Provider by
Moneyfacts Awards



2021

Best Savings Bank Provider by
Moneyfacts Awards



2021

Best Savings Provider by
Savings Champion



2019

Best Islamic Bank in the UK by
World Finance



2019

Best Islamic Bank in the UK by
Islamic Finance News

Source: Website of Bank of London & The Middle East (BLME) by the researcher

Qatar Islamic Bank UK (QIB) was the fourth website evaluated. The front page shows that QIB is the first Islamic bank established in the UK in 1982 and one of the largest to date. The first page displays "the Shariah banking at the heart of London"; the real estate products appear, indicating the products are in line with UK regulations. Among other information, this bank has several service

excellences awards and large domestic customers in the UK. The fifth bank was Abu Dhabi Islamic Bank (ADIB). This bank also used Arabic words to represent the bank name along with the English name. The website provides limited information on real estate and indicates how to understand Islamic banking. Financing and advisory services are also available, along with some critical features of their parent company website. Chat options were not working even though they did not work on the parent company website. The summary of bank websites in the UK reflects in the following table.

Table 6.2 IB websites review, UK

IB Websites marketing/advertising review - UK						
Bank Name	Key Marketing on Product/services	Shariah Info	Live Chat Options	Social Media Links	Prizes/rewards	Security /protection
Al Rayan Bank	Digital banking, saving account and commercial (Home finance)	Yes	Yes with digital assistant	Only in parent company website	No	Yes
Gatehouse Bank	Real estate, Interest free "Easy access account"	Yes	No	Yes	No	Yes
Abu Dhabi Islamic Bank	Commercial real estate, advisory services	Yes	Yes	Only in parent company website	No	Yes
Bank of London & Middle East	Savings account, wealth management and protection	Yes	No	Yes	No	Yes
Qatar Islamic Bank	Focus on Shariah compliant private banking	Yes	Yes, not works	Yes	No	Yes

Source: UK based IB website review by researcher, 2023

6.2.5.2 Evaluation of IB websites in Bahrain

In Bahrain, the interface of the IB website is almost different in style, rewards programmes, discounts, specifically in terms of attracting customers with the announcement of prizes and focus on profit and other attractiveness while presenting profitability.

Table 6.3 IB websites review, Bahrain

IB Websites marketing/advertising review - Bahrain						
Bank Name	Key Marketing on Product/services	Shariah Info	Live Chat Options	Social Media Links	Prizes/rewards	Security /protection
Bahrain Islamic Bank (BisB)	Digital banking, saving, deposit and investment accounts. Commercial (Home finance) banking and finance, Youth banking, premium banking, personal and business & credit cards	Yes	No	No	Wide ranges of offers targeting various segments and large prizes ranging	Yes
Kuwait Finance House (KFH)	Personal, saving, deposit and investment accounts. Premium banking, and business, credit cards, Zakat, auto, boat finance	Yes	No	Yes	Up to 40,000 financing without profit. Wide range of prizes.	Yes
Ithmaar Bank	Corporate, private banking, saving, deposit and investment accounts. Commercial (Home finance), Online banking, premium banking.	Yes	Digital assistant	Yes	Yes	Yes
Al Baraka Islamic	Digital banking, saving, deposit and investment	Yes	No	Yes	No	Yes

Bank	accounts. Commercial (Home finance) banking and finance, Youth banking, premium banking					
Al Salam Bank	Retail banking, corporate, home finance, credit cards, ATM branches, private banking, Takaful, personalized banking	Yes	Yes	Yes	Loyalty rewards	Yes

Source: Review of current websites in Bahrain, 2023 (Created by the author)

The evaluation on the websites and the tables were necessary to see the level of services and differences between the two case countries in a snapshot. It is also the customers who prefer to see up-to-date information on their main banking websites. The most critical aspects are now more accessible and how banks serve customers of different levels and contributes to the social justice in banking and finance. It can argue that Islamic banking is now better than from doing marketing than a few years ago due to technological advancement and the social media revolution. However, there will always be room for improvement and clarification on the services mentioned because many customers still think Islamic banking is expensive (Ayyadi, 2018). At the same time, the vast rewards or prizes on Bahraini banking websites must clarify if these comply with Shariah to avoid constituting Riba. Based on the above discussion and to summarise the section, the Islamic banks should consider the following in the context of CRM:

- The banking website should mention on opening the website that the bank forbids investment and services in alcohol or prohibit gambling.
- The attractiveness of announcing certain rewards or prizes has competitive advantages; some banks, even the conventional banks, frequently announce the benefits of switching banks with minimal effort.
- To ensure sustainable growth, IB must compete, provide better services, and bring more attraction in an ethical way that complies with Shariah

principles. There are other factors, such as profitability, used by Islamic banks, but this is not the only way to attract customers (Rasol, 2018), which could fall under Riba, the conventional banking practice (Suharto, 2018).

- Islamic banks should ensure announcing rewards that may have a chance to fall into gambling; for instance, the following figures collected from various Bahraini IB websites show many rewards in prizes.

Figure 6.8 IB advertisement rewards in Bahrain



Source: Various websites review of banks in Bahrain, 2023 (Created by the author)

6.2.5.3 Development of the website

(The structure, knowledge base, website feedback review and live support)

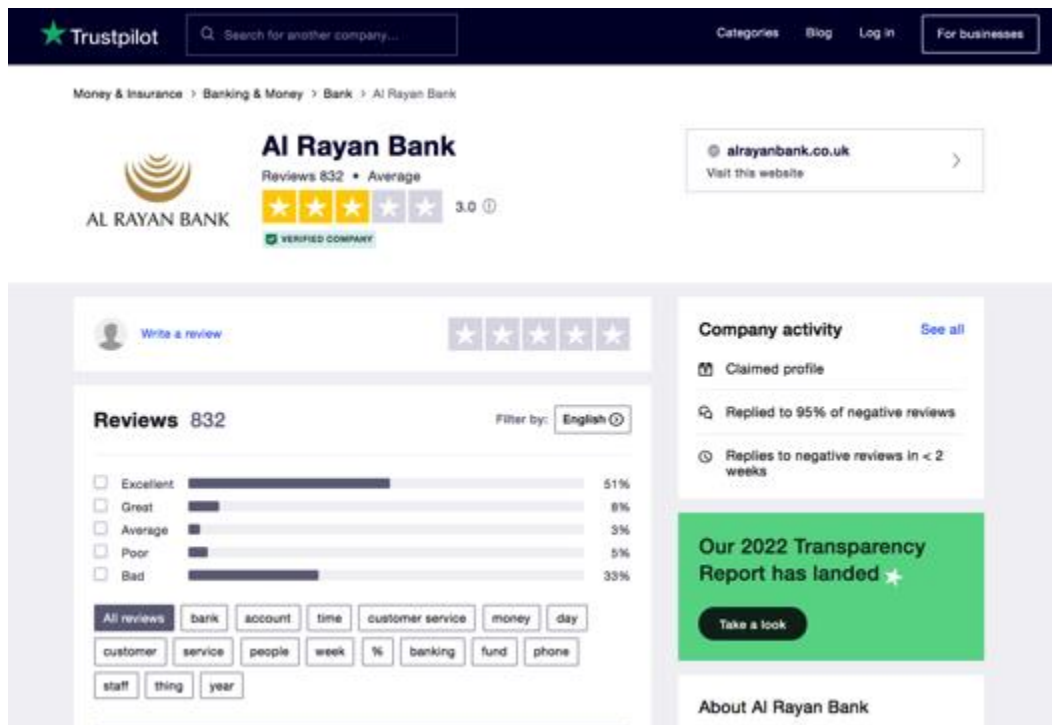
Banking websites do not provide up-to-date information on all the products and services, post advertisements, and promote new products and services. In addition, websites help existing and potential customers understand the product information and help them choose their products. Islamic banking started a few decades ago, and literature is limited. The analysis of IB is therefore fundamental to see the current trend and improvements and missing areas in which customers

are looking for their review and decision-making for products or services. The above website review suggests that some areas might need more attention. These rewards are the large sum of monetary prizes, discounts, or chances of winning travelling abroad if the customers apply products and services. None of such attractive options did leave any clarification on how that is Shariah compliant? This information should also provide a clear picture for customers to avoid confusion and tension. One of the products is a Shariah-compliant credit card, which IB offers in the Middle East banks. However, scholars such as Shaikh Ibn Uthaymeen, a prominent Saudi Arabian scholar who clarifies in www.islamqa.info, "such credit card is not permissible".

Because credit cards involve Riba, which is the card's price, and it also means committing to paying interest if the payment delays". There are other debates on the spending on credit cards or obtaining products, which will allow getting into the prize competition. These could influence consumers spending unnecessarily, which is contradictory to Islamic principles. Literature suggests (Ahmad et al., 2010) that more groups in society are needed to focus on Islamic banks and can specify those low-income groups, families and students and youths. However, as seen in the websites, IB sites are running competition focusing on profitability.

It is obvious that banks are bustling; considering the CRM frameworks; Islamic banks must find a way to get in touch with customers. They should provide live agents to provide quick and reliable support and, if possible, a solution as quickly as possible. Some websites provide limited services with a long time waiting for completion. Some banks have no live agent on their website, and some are limited-time services. For instance, only office hours could extend 24/7, which is suitable for customers at home and abroad. Also, the feedback that Islamic banks receive must address. The Islamic bank's reputation is not looking at its best per the popular Trust Pilot rating. At the time of this writing, the trust pilot (www.uk.trustpilot.com) review of Al Rayan banks are presented below, which is self-explanatory.

Figure 6.9 Top bank rating IB for Al Rayan bank, UK



Source: Trust Pilot website review via Google by the researcher.

On the other hand, there are no such reviews available for Islamic banks in Bahrain apart from the current research where Islamic banking website importance is high as per most of the participants and while most of the participants prefer online banking (Table 5.8). However, poor, and unauthentic advertising or marketing is not acceptable (Table 5.20) when most participants were not sure about the authenticity of IB marketing. Because (68.8%) followed by participants from Bahrain (58.6%), which is alarming for the IB marketer to review the strategies and CRM implementation is significant to address the concern of existing and potential customers of Islamic banking.

6.3 Importance of products & service innovation for Riba-free IB

This highly competitive banking industry must consider innovation based on customers' needs and preferences and integrate them into the products and services. Therefore, customer knowledge needs to acquire to serve customers

(Suharto, 2018). In this context, the Islamic bank should measure the improvement customer wants using methodological, quality-based products and services to the customer's needs before introducing the modified or innovative products. Subsequently, monitor if the innovation met the customer's needs. The organisation was dominant in its products and service offerings in a previous business era.

On the other hand, the dominance of customers' preferences and attitudes determines the business's competitiveness and advantage over rivals. Our study suggests that the lack of innovative products is a tremendous challenge for IB's expansion (Table 5.66); few participants only disagreed in the UK (2.1%), while in Bahrain slightly higher (5.6%). The result shows the products customers are getting without expected innovation as expected by the customers. Therefore, Islamic banks may consider stating the product structure to price them sensibly with adequate information on how the products are Shariah compliant. The literature suggests that Islamic banks use modified versions of conventional banks products, which reflects in the current survey (Table 5.37). Most of the participants from both case countries were not sure about it, followed by agreeing with the statement, and only a fewer participants disagreed. This result could be a recipe for Islamic banking managers to review and form effective strategies to address the problems because the consistent negativity could harm IB's long-term sustainability.

Literature review of the current study suggests (Mohammed and Taib, 2015; Arwa, 2018; Nomran and Haron, 2020; Al-Omari et al., 2020) that Islamic banks use the format of conventional banking products using the Islamic name or adding Arabic words. The participants from both countries reflected this claim when they asked if they saw it as a tremendous challenge for IB's expansion (Table 5.65). Neutral participants followed these findings. This result suggests that customers are interested to see products that differentiate from conventional banking products. Therefore, IB managers may need to work more on product differentiation along

with adequate information on the product structure and possibly the prices that have proven to be competitive.

Being ethical banking, IB should promote social responsibilities with more action than other banking procedures. IB was established to bring social justice to the economy and cannot solely focus on profit but to move in parallel to provide a value-based marketing concept (Belouafi and Chachi, 2014; Imam and Kpodar, 2016). Our research suggests more products and services increasingly in high demand when asked participants if they would like to see more such products (Question: 26, Table: 5.73-5.76). Based on these findings, it may be suggested that Islamic banks may need to state how charitable and low-cost products and products for youth could bring the highly expected benefits to various levels of customers among different segments for broader banking and financial inclusion. This finding also rallies by a recent study between Bahrain and Saudi Arabia (Hidayat and Rafiki, 2021) involving 250 participants found no correlation between awareness of corporate social responsibility and the country of residence of the two case countries. In the UK, few products support youths or students and vast low-income residents. Certain products include "Shabab Al Dirah", an investment saving account offered by Kuwait Finance House (KFH), BisB youth account and even more from Bahrain. However, the UK needs more such initiatives to develop products for youths and students to expand segments, improve its reputation, and avoid risks of future problems (Butt et al., 2022). Therefore, IB needs to review the feedback and opinions of relevant stakeholders and address them effectively to bring positivity among IB customers.

Zakat is one of the platforms where IB performs well. IB collects Zakat to bring it directly to charity organisations. Zakat is also a fundamental pillar of Islam, and many customers prefer such facilities for banking with IB and investment. The current survey suggests that most participants from both the case countries indicate that the Zakat administration by the bank is one of the key factors attracting Islamic banks (Table 5.44). Bahraini participants were precise in

agreeing to compare with the UK. This result suggests Islamic bank users are happy seeing more on corporate social responsibility, which is one of the objectives of IB.

6.4 Training of IB staff and competent Shariah scholars

Among a few key challenges, IB faces are staff shortages and staff training on IB's values and principles. Furthermore, the qualified Shariah board members also have crucial issues that IB is experiencing. While close interaction is necessary with customers to develop information needed to implement CRM, bank staff must have training before engaging prospective customers to understand their needs and expectations.

6.4.1 Importance of IB staff training

Training IB staff and equipping them with necessary information on products and services and best practices to empower them to execute their day-to-day business operations may be required. The current study survey suggests that IB employees were not as knowledgeable as expected by the customers because most of the participants were neutral, which indicates they agreed or disagreed with the statement as both case countries were neutral. However, UK respondents were less happy about it than Bahraini participants (Table 5.38). This research then suggests encouraging employees to be empowered in various steps. For instance, to put regular employees in front line customer support as a team, involve management meetings including Shariah scholars to be familiar with the products and services they support the customers. This result could even lead to enable employees in product development activities due to their daily interaction with the customers. This way, IB could understand customers better. Because without customer support excellence, implementation of CRM or improvement in customers' service without employee training CRM may fail due to the effective implementation with necessary skills and technology in addition to lack of organisational leadership (Hermenegildo et al., 2019). In the UK, the customer service staff communication is complex as many banks with limited employees face multiple essential tasks to complete, which hinder them from engaging better

with customers. Due to this problem, many customers complain about the staff that joined IB with previous experience in conventional banking only. Therefore, IB must ensure to provide all new employees necessary orientation on products and services before engaging with customers for professional services.

6.4.2 Importance of competent Shariah scholars

Table (5.35) shows that more Shariah scholar is needed to contribute to Islamic banking activities. Most participants from Bahrain, followed by the UK, indicated they were neutral. However, in both case countries, participants agreed with the statement, which was higher than the participants who did not agree. A study by Khalid et al. (2017) suggests the necessity of competence of Shariah scholars and its relationship in Bahrain. The result of this survey among 76 Shariah auditors, 23 members of the Shariah supervisory board and 52 members of boards of governance suggest the influence of competent Shariah audits and their effectiveness in performance.

6.4.3 Recruitment of staff and Shariah scholars

Due to the lack of competent Shariah advisors, individual Shariah advisors are working for several banks, which may lack the integrity of the opinion and decision of the Shariah advisor due to the involvement in many banking institutions and private advisory boards. In addition, literature also suggests that Shariah advisors are under constant pressure to adhere to shareholders' return on investment. Therefore, many activities such as marketing, products and service offering may compromise banking and financial institutions. For instance, banks in the UK are more focused on high-net-worth clients and mainly on private banking or real estate businesses instead of focusing more on retail activities to serve different levels of income holders across the UK. To uphold Islamic banking values, Islamic banks need more investments for broader financial inclusion across various groups of the public. Even though both the case countries are in the process of educating more Shariah advisors and professionals from various educational institutions, it may take several years to fill the gap of required Shariah scholars in the IB

industry. However, the following aspects need to follow for Islamic banks to recruit qualified staff:

- IB employees must be trained well before starting dealings with IB customers.
- IB employees must be honest in all their activities and engagement with customers.
- IB employees must be able to provide instant information on Shariah-based products or services.
- The employee must understand how to handle complex customers and be able to satisfy customers' inquiries professionally.
- The employee must not be reactive to any unusual customer behaviour; instead, could take advice from senior employees or managers in the event any such issue arises.
- Receive all kinds of feedback as politely as possible to ensure not to engage with customers in controversial conversations.
- The employee must understand IB's ethical values and provide maximum efforts to uphold the values of IB to customers and colleagues.
- Implement CRM as part of organisational strategies and improve the quality of services.
- Similarly, IB has considerable responsibility to improve employees after serving the bank and ensuring employee retention.
- IB should also ensure proper procedure to recruit experienced and non-experienced employees to fill up the gaps in the market.

6.4.4 Shariah scholar on customers' perception

Literature suggests (Ali et al., 2022) that competent Shariah scholars' number is not adequate for the growing IB industry. The current survey result shows that most participants are not sure if the Shariah scholars are qualified (Table 5.34); however, in Bahrain, they seemed more satisfied. The Shariah advisors are one of the essential parts that play a crucial role in guiding the bank towards compliance

with Islamic law. In many cases, the Shariah scholars help banks to even brand their products due to the competency and influence Shariah scholars. On the other hand, if there are contradictions within Shariah advisors on fatwas or severe gaps in communication and understanding, then the Islamic banking products and services will be at risk. The current survey result shows that they might leave Islamic banks if the products and services are not Shariah compliant or if there is a difference between promised services described in marketing but not appearing. According to Hasan (2014), in a study across the UAE, the UK, and Malaysia among Shariah scholars who represent various Islamic Financial Institutions (IFIs) to find out fundamental problems facing Shariah governance. This lacking indicates considerable gaps and shortcomings within the institutions. Following are some of the critical problems that exist shed some discussion in the context of the current research:

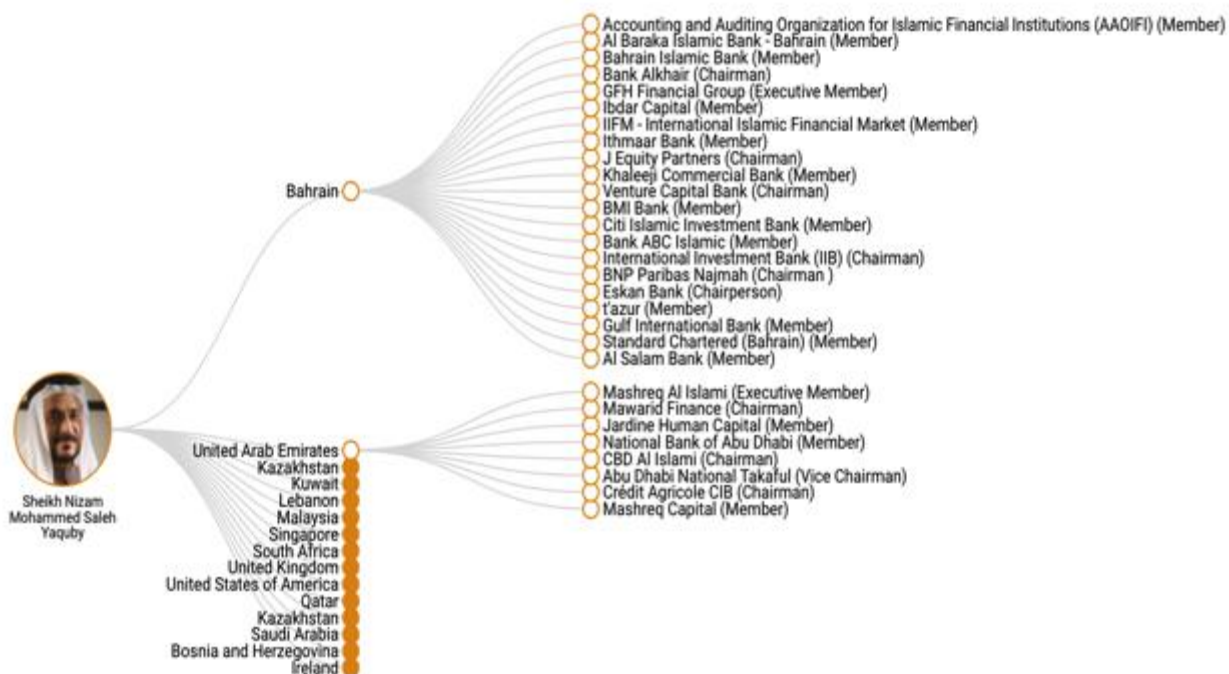
- **Problems in Shariah governance:** there are fundamental challenges such as function and regulatory board in Shariah governance. For instance, when IFIs issue regulatory resolutions, not all the Shariah advisors agree with the resolution resulting in contradictions. The inconsistency indicates that numbers of Shariah advisors were not even aware of the resolutions of IFSB-10, which could even increase the complexity of the board's operations in terms of public confidence in the Shariah products and could even constitute the risk of Shariah non-compliance. Therefore, Shariah governance must work in a unified way to increase the credibility of the governance to bring the confidence of IB customers and stakeholders.
- **Internal frameworks of Shariah governance:** IFI's internal frameworks are necessary for better Shariah governance that reviews compliance in products and services based on principles of Shariah law. When some IFIs implement internal frameworks and procedures while others do not, the gap widens in their respective IFI's products offering, creating confusion among existing and potential customers. These internal frameworks are one of the reasons a central regulatory board or organisation is essential for all IFIs.

- **Roles and functions of the Shariah board:** Shariah board members are responsible for advising on compliance and are required to promote IB's products and services (Hasan, 2014). However, some IFIs emphasise return on investment, which refrains many Shariah scholars from working independently. The current survey found that most participants from both case countries were neutral or confused about the statement "Objectives of IB is to make a profit" (Table 5.32), followed by disagreed, which were disproportionately lower. Therefore, IB must ensure that the principles are fulfilled for all IFIs in all aspects to bring positivity by actions, not only marketing and branding.
- **Job competency, transparency in a fatwa, and confidentiality of activities:** While Shariah board members provide their services using their knowledge, there is little or no evaluation of the Shariah board by the IFIs (Hasan, 2014). Therefore, there are gaps and contradictions between the IFIs and IFIs fatwa, debated in the literature and reflected in the current survey.
- **Performance of Shariah board and assessment of procedures:** Due to the lack of evaluation for the Shariah boards, the performance measurements become complex or vague when some IFIs strategies are focused on profit maximisation. It is also noticeable that a single Shariah scholar taking part in the numerous IFIs Shariah board may lead to an issue of conflict of interest and subject to negative perceptions from customers' points of view.

Based on the above, it is understandable that IB should undertake a very transparent process to ensure that the names and qualifications should be included on the banking website or important public documents to develop customers' confidence. While the marketer has the role of highlighting the Shariah scholar's activities among IB customers and non-customers, the Shariah advisor may need to review their credibility to improve further. The current research also found that participants of both case countries unanimously agreed that the

statement "Standardization of Shariah ruling" is a tremendous challenge to IB's expansion. There are other factors. For instance, when some of the IB's tendency of maximisation of profit, the Shariah scholars become ineffective in their view, which is a significant challenge IB faces in the industry. Therefore, the collaboration between various regulatory authorities and IBs should integrate as much as possible under a unique framework that works for IB and its customers and stakeholders. There is a debate that IB copies conventional banking products, which many renowned scholars do not accept such as Sheikh Dr Nizam Yaquby.

Figure 6.10 Shariah scholar's activities, Bahrain

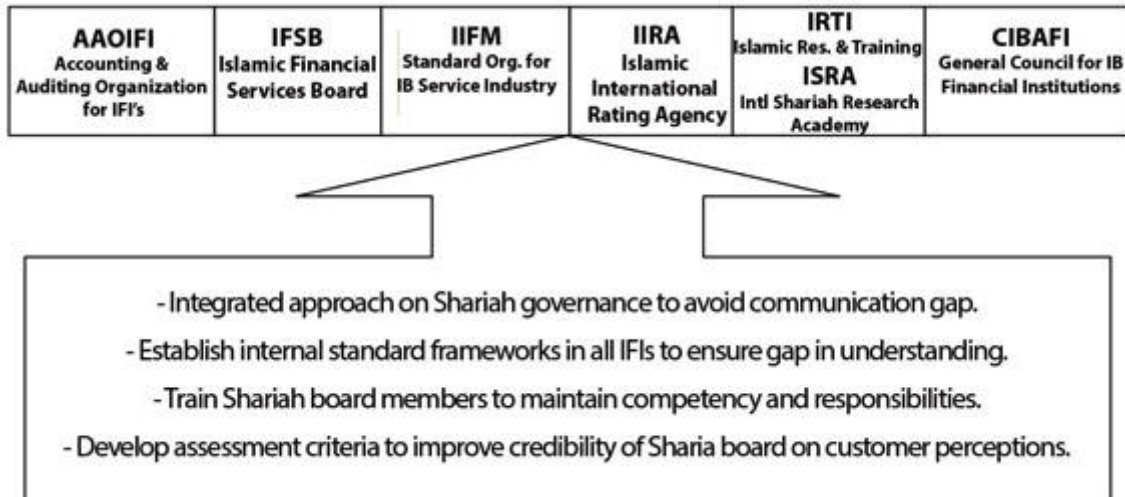


Source: Islamic Markets (2022)

Dr Yaquby is the chairman of the Shariah advisory board of Gatehouse bank UK. He has rejected the notion of such a statement by stating that nearly 90% of products and services of IB are highly compliant, and details of compliance and all the compliance information are available to customers and the public. This information shows that even though Islamic banks are new to the banking industry compared to conventional banks, the progress would take considerable time to organise effectively and establish as an actual Shariah-compliant ethical bank.

The following figure reflects the frameworks for developing the understanding of IB regulatory bodies and IB scholars to eradicate communication gaps.

Figure 6.11 Integrity of Shariah and regularity authorities



Source: Compiled from respective websites, 2023 by the author.

6.5 Implication of Islamic Economics (IE) on customer perceptions:

Islamic economics is a topic of complex, vast and historic. The evolution of IE from the 8th century to the 13th century is considered as the golden age of as the Islamic economics as Muslim scholars contributed the economic development, including tax, rules and regulations in the market with various thoughts led by many scholars such as Ibn Khaldoun. This economic development has had enormous influence in the banking, finance and moral economy that developed globally and established as a fundamental driving force of today's Islamic banking and finance.

The Shariah law guides the Islamic economy with certain fundamental principles. Customers who aim to consider Islamic banking products and services must follow those fundamental principles within the frameworks of Islamic economy. These frameworks include the following:

Islamic Shariah law has categorised two distinct values within Islamic economic frameworks for all its products and services, which is either permissible or impermissible. This indicates what things are prohibited (haram) and what things

are permissible (halal). Therefore, Shariah makes it clear when customers want to decide to buy products and services. On the other hand, the values of Islamic banking are also an important aspect when deciding whether any customers consider products and services. Customers need to review whether the products and services comply with law of Islamic values. These could be fair trade, avoidance of excessive interest and whether it is socially responsible. In line with this, quality and prices are significant for any Muslim customers to ensure that the products are aligned with Islamic values and meet the requirements of Islamic economic values. The IB institutions also get benefits when they fulfill the requirements of their customers in terms of competitive innovative products, which provide customers' satisfaction and loyalty, leading to long-term sustainability within the financial industry in which they operate. Another factor of IE is to involve social interaction and the economic welfare of the society (Baydoun, 2018), which is also the objective of IE. By catering for those principles and values, Islamic banking and finance could gain a competitive edge over their rivals as the customers buying process and IE are intertwined with Islamic religious belief, consideration of prohibition and acceptance of products and services.

Our study was aimed to find out the current state of mind of customers of Islamic banks towards their products and services under the operational components and frameworks of Customer Relationship Management (CRM). Due to the massive transformation in the Internet and global communication systems over the decades, the competition in the Islamic banking and financial industry is significant not only with their rival, the traditional or conventional bank, but also within the Islamic banking industry globally. The quality of products and services a key requirement in this highly global competitive market. Therefore, only religiosity cannot be justified to obtain customer satisfaction and loyalty unless the compliance of fundamental Islamic principles is met. The survey suggested that even customers prefer Islamic banking as they would like to see their life is aligned with their religiosity, but innovation of products and services, advanced practice in accounting, finance and economy, social responsibility, and ethical marketing with

update date information that develop awareness and education in understanding Islamic banking to many undecided customers and to keep loyal among existing customers. Any undermining of the fundamental principles, Islamic banking and finance could face a decline in customers and overall global expansion, and customers could switch to other Islamic banks and even switch to conventional banks. Several factors were found in this study in the survey question (Question19) when asked which factors customers think to switch or quit Islamic banks. The consistent and coherent services, after-sales services, product innovation, integration of Internet and up to date technology, effective Shariah-compliant advertising, staff knowledge, management willingness to improvement and adequate investment and more qualified Shariah scholars are among the challenges the IB faces in the market.

6.6 Implication of Consumer Behavioural concepts/models

The consumer behavioural concept and models consensus is not agreed upon among scholars and business managers. Consumer preferences are unpredictable because of the intense competition in the market (Kotler, 2023). In the context of this current study, the following literature is a learning outcome: i) the consumer motives, which are described as specific and non-specific and predictable from the previous buying, are motivated by anticipation or belief. Here, the buyer's motives are attributed to the brand. In contrast, a non-specific buyer motive considers the general mental state of consumers, such as consumer status of power, prestige, and nervousness. ii) Evoke set: the possibility of each product-satisfying consumer needs and wants. iii) Decision mediators: In this context, the buyer develops their ranks of products and an alternative plan that matches the buyer's capacity to fulfil needs and wants. iv) Predisposition: based on evaluating the brand and buyer attitude enabler for decision-making. v) In this context, buyers face environmental opposition, such as lack of time and brand availability, which occurs despite the buyer's intent to buy, which the buyer believes will satisfy needs and wants. vi) Satisfaction: In this context, the buyer decides on a brand, which leads to a purchase. The post-purchase or usage of the brand and expectation of purchase decision are exposed. If the brand meets buyer's expectations, the buyer becomes

loyal and appreciates the brand. If not, the buyer expresses dissatisfaction and even moves to change the brand with alternative options for future purchases.

On the other hand, in many studies (Ajzen, 2020; Paz and Rodriguez-Vargas, 2023), pre-determined consumers might not follow cognitive abilities as suggested by many different models such as Nicosia (Figure, 3.3; Howard & Seth, 3.4). In this context the Theory of Planned Behaviour (TPB) and Theory of Reasoned Action (TRA) influence significantly due to the religiosity and other variables resulting a purchase decision (Jobber, 2013; Rafiki et al., 2021).

6.7 Conclusion and Recommendation

Chapter six is a comprehensive analysis and discussion of the findings from the survey conducted among participants from the UK and Bahrain. Every section of the analysis aimed to recommend improvement criteria and implementation in the context of CRM frameworks to bring positivity from customers' perceptions and attitudes by executing the recommendations wherever applicable. CRM is used for banking in various research areas, for instance, in certain products or services or using factors or the relationship between the banks and customers. However, this is the first time the current research chose CRM frameworks (functional or operational) to understand the level of satisfaction and understanding of IB products, services, staff, Shariah scholars and marketing in two countries involving, Bahrain and the UK. The finding analyses all aspects that need IB attention to improve the standards and procedures by providing the necessary suggestions wherever applicable in the context of CRM. In Summary, the research has emphasised the following aspects of Islamic banking.

Due to the intense competition in the financial markets, Islamic banks could develop strategies in the form of CRM. Then use all the contact points to attract undecided prospective customers. If the customers are convinced, provide them competitive prices and comprehensive services, and keep them loyal. This procedure must follow without compromising the principles of Shariah law. Innovative products are also critical for IB to attract vast prospective customers.

Furthermore, serious attention is needed to keep the existing customers loyal, especially for those who are not fully satisfied with their products and doubt on compliance of Shariah law. Similarly, Islamic banking service sectors need to review the feedback of customers comprehensively. This procedure is necessary to remove all complaints in customer friendly manner while developing a solid relationship with the customers. Accordingly, in this chapter, we have reached key factors.

First of all, we recognise the importance of staff training and development. One of the critical shortcomings of the IB is a shortage of qualified banking professionals. Literature suggests due to the shortages. The IB recruits conventional banking professionals frequently. Therefore, while providing adequate and appropriate training, IB institutions should invest more in human resource development activities using IRTI and other similar government and private institutions in Bahrain and the UK. Further, more investment by providing education loan for students and scholarship for scholars and students to develop more Islamic scholar to meet the increasing demand IB is facing in the market.

After the role of Shariah board and principles in Islamic banking sector, the Shariah board members and compliance with Islamic laws are essential to consider a bank as an Islamic bank. The current survey finding suggests there are serious problems that lie in Shariah issues. While the IB customers think there is a lack of qualified Shariah scholars and emphasise having more qualified Shariah scholars. However, one of the significant challenges of IB is ensuring Shariah-compliant products and services. This study also confirms the literature as per the survey on the need for qualified Shariah scholars. The participants of the current survey also confirmed that they might switch the bank to a rival or even to conventional banks if they found IB's products and services are not Shariah compliant.

Technology-based advertising and web marketing is also another key finding, IB marketing departments and agencies must priorities the principles of Islamic laws and attract potential customers using up-to-date technology and applications available. In addition, find a way to reach prospective but vulnerable customers such as the elderly and less educated with limited access to technology. Therefore, various conventional and non-conventional technologies must be employed to serve broader populations. In this context, Internet banking, phone banking, automated teller machine, mobile applications and branch services must be friendlier, reducing the queues significantly. Islamic banking must comply with products offered on their website more clearly. For example, the "all products and services are Shariah compliant" this statement is insufficient to clear confusion among existing and prospective customers. The vision and mission must reflect in the banking activities across the society. All the online advertisements through the website must comply with Islamic law. For instance, a large sum of prizes or other huge attractive discounts could constitute Riba, contrary to Shariah law's principles.

Moreover, to utilise technology optimum, Islamic bank also should consider using technology develop more ideas on collection of Zakat, for instance, the current practice of Zakat collection. Instead of collecting Zakat individual from respective country and distributing in the same country, IB should allow receiving Zakat from other geographical locations to focus on more needy societies. This could be another way to contribute using Zakat efficiently as it reads that Islamic bank's aim is to bring social justice in banking and finance to people in need (Mahmood et al., 2022).

Following is the main Summary of the findings from the online survey.

Table 6.4 Summary of key findings, UK (Survey)

Subject	Findings (UK)
1. Preference and experience of Islamic banking services	
Main banking	1. Overall satisfaction on main banking services found satisfactory. Table (5.4).

satisfaction	
Preference of banking channels	<ol style="list-style-type: none"> 1. Online banking and ATM services are most preferred (Table 5.6). 2. The counter services are found least satisfactory (Table 5.5) 3. Phone banking attitudes are negative due to long queue (Table 5.13)
Recommending bank	The majority customers were agreed to recommend their banks (Table 5.14)
Switching banks	<ol style="list-style-type: none"> 1. Poor customer services (table 5.19) and 2. No internet or phone banking (Table 5.21).
2. Understanding of IB and perception to staff and Shariah scholars	
Understanding Islamic banking	<ol style="list-style-type: none"> 1. Less than 50% participants indicated they understand IB (Table 5.25) 2. Less than 50% knew difference between the IB and CB (Table 5.26).
IB staffs	Majority of the participants were neutral or agree to the statement of “IB staffs are not well informed” (Table 5.38) indicate a negative perception.
Role of Shariah Scholars	1. The participants were more positive than negative on Shariah scholar’s qualification (Table 5.34). However, highest percentage agreed on more Shariah scholars (Table 5.35). Although, it is also indicated that customers are not focus on Shariah board members while choosing banking services (Table. 5.36).
3. Attitudes to IB Marketing	
Key factors that attract IB	<ol style="list-style-type: none"> 1. Products with more Shariah compliance information (Table 5.42) 2. Attractive and ethical investment (Table 5.43),
Most important factors of IB marketing	<ol style="list-style-type: none"> 1. Compliance of Shariah law (Table 5.55) 2. Ethical advertisement and marketing (Table 5.56) 3. Regular update of Websites (Table 5.60) 4. The least important factor was website design or color (Table 5.58)
4. Challenges and Opportunity	
Challenges	<ol style="list-style-type: none"> 1. The majority agreed that lack of awareness (Table 5.62) 2. Lack of differentiation from conventional bank (Table 5.65), 3. Lack of standardization of Shariah ruling (Table 5.63) 4. Lack of branch networks (Table 5.64). 5. Lack of marketing Shariah products (Table 5.72) and 6. Interest free micro credit (Table 5.74). 7. Ineffective services (Table 5.10) 8. High cost (Table 5.29)

Opportunity	<ol style="list-style-type: none"> 1. Non-Muslims customers are increasing / more interest free products (Literature, and Table 5.73) 2. Religiosity enable IB to get a large number of customers (Table 5.41)
5. Familiarity of IB terms	
Products and Services Terms	<ol style="list-style-type: none"> 1. Musharakah and Tawarruq are the most familiar terms (Table 5.50 and 5.54). 2. Wadiah was least familiar term (Table 5.51)
6. Relationship between the factors, and country of residence	
Positive relationship	<p>Various inferential analyses indicate that most factors identified in this study suggest having significant positive relationship with country of residence (Table 5.77). However, compliance of Shariah law, lack of marketing on Shariah products as well as poor customer services which prompt them to switch banks (Table 5.78). On the other hand, from religious points of view only three factors such as; counter service satisfaction, recommending banks, and switching bank has the significant religious differences (Table: 5.79). Customer expectation (Table 5.82) and service quality (Table 5.82) positively predicted.</p>

Table 6.5 Summary of key findings, Bahrain (Survey)

Subject	Findings (Bahrain)
1. Preference and experience of Islamic banking services	
Main banking satisfaction	<ol style="list-style-type: none"> 1. Overall satisfaction on main banking services found satisfactory. However, this is slightly less than Bahrain Table (5.4).
Preference of banking channels	<ol style="list-style-type: none"> 1. Online banking and ATM services are most preferred which is higher than the UK (Table 5.6) 2. Counter services are preferred by majority of the participants (Table 5.9) 3. Phone banking attitudes are least positive (Table 5.7)
Recommending bank	The majority customers were agreed to recommend their banks (Table 5.14), which is higher than the UK.
Switching banks	<ol style="list-style-type: none"> 1. Poor customer services (table 5.19) and 2. No internet or phone banking (Table 5.21) and poor reputation (Table 5.24).
2. Understanding of IB and perception to staff and Shariah scholars	
Understanding Islamic banking	<ol style="list-style-type: none"> 1. Majority participants indicated they understand IB (Table 5.25), which is higher than the UK.

	2. Majority participants knew difference between the IB and CB (Table 5.26).
IB staffs	Majority of the participants were neutral or agree on “IB staffs are not well informed” (Table 5.38) indicate a negative perception, a less score than the UK.
Role of Shariah Scholars	1. The participants were more positive than negative on Shariah scholar’s qualification (Table 5.34), which is higher than the UK. However, majority percentage agreed on more Shariah scholars (Table 5.35). Although, it is also indicated that customers are not focus on Shariah board members while choosing banking services (Table. 5.36) where majority were neutral.
3. Attitudes to IB Marketing	
Key factors that attract IB	<ol style="list-style-type: none"> 1. Majority agreed on that products are with more Shariah compliance and Shariah information (Table 5.42) 2. Attractive and ethical investment (Table 5.43) by majority over 64%.
Most important factors of IB marketing	<ol style="list-style-type: none"> 1. Zakat administration (Table 5.44), Full-fledge IB (Table 5.47) 2. Majority agreed on compliance of Shariah law (Table 5.55) than the UK 3. Majority opinion on ethical advertisement and marketing (Table 5.56) higher than the UK. 4. Majority opinion on regular update of websites (Table 5.60). Higher than the UK. 5. The least important factor was website design or color (Table 5.58). Higher than the UK.
4. Challenges and Opportunity	
Challenges	<ol style="list-style-type: none"> 1. Majority agreed that lack of awareness (Table 5.62) higher than the UK. 2. Lack of differentiation from conventional bank (Table 5.65), slightly less than the UK. 3. Lack of standardization of Shariah rulling (Table 5.63) higher than the UK. 4. Lack of branch networks (Table 5.64). Score higher than the UK. Effective training (Table 5.67). Score higher than the UK 5. Lack of marketing Shariah products (Table 5.72) Score less than the UK. 6. Interest free micro credit (Table 5.74). Score less than the UK. 7. Ineffective services (Table 5.10). Score less than the UK 8. Majority neutral (Table 5.29) either not sure or agree.
Opportunity	1. Non-Muslims customers are increasing / more interest free products (Literature, and Table 5.73)

	2. Religiosity enable IB to get a large number of customers (Table 5.41)
5. Familiarity of IB terms	
Products and Services Terms	1. Most terms are familiar, among Murabaha (Table, 5.48), Musharakah (Table 5.50), Wadiah (Table 5.52),
6. Relationship between the factors, and country of residence	
Positive relationship	Various inferential analyses indicate that most factors identified in this study suggest having significant positive relationship (Table 5.77). However, compliance of Shariah law, lack of marketing on Shariah products as well as poor customer services which prompt them to switch banks (Table 5.78). On the other hand, from religious points of view only three factors such as; counter service satisfaction, recommending banks, and switching bank has the significant religious differences (Table: 5.79). Customer expectation (Table 5.82) and service quality (Table 5.82) positively predicted.

CHAPTER SEVEN

AN INTERPERTATIVE DISCUSSION AND IN-DEPTH ANALYSIS ON INTERVIEW FINDINGS

7.1 Introduction

The previous chapter discussed a survey's findings among 351 participants, presented, analysed, discussed, and summarised. This chapter will cross-examine the survey findings through in-depth interviews among 12 banking professionals, including Islamic banking consultants and Shariah advisors from the two case countries. The purpose of these interviews was also to understand senior employees' views within the Islamic banking industry to explore their views and recommendations to the extent the IB needs to improve to bring positivity among customers' perceptions. Further, this chapter is a part of the multi-methods research design because the mixer in the research approach in the empirical research where data is collected and analysed, which are complementation to the research to understand it in a broader way of any given research problems (Hussey and Hussey, 1997). The questionnaire design aims to achieve the objectives of the main research questions.

7.2 Analysis of the interviews

A total of five themes were found based on the six main questions, which were reduced to five because one of the main questions was similar to another existing main question, which was merged to simplify and avoid duplication of the data analysis. Following are the key themes identified:

1. Perceptions towards IB
2. Perceptions towards Staff and Role of Shariah scholars
3. Attitude towards Marketing and Shariah compliance
4. Challenges and Development
5. IB growth factors.

According to Flick (2009), the critical themes immersed in the interviews originated from the theories that aligned with the research. The following figure shows the response rate of each main theme of the research.

Figure 7.1 Most discussed areas in interviews



Source: Key discussion focused, created by the author using NVivo software

As revealed by the NVivo diagram the main themes, the following sections will discuss and analyse the five main themes identified.

7.2.1 Perceptions and attitudes of Islamic banking

7.2.1.1 Awareness, practice and performance

The first section of the question was about the participant's perception of IB regarding awareness, practice, performance, Shariah compliance, principles, and social justice in Islamic banking. All the participants understood and answered the questions. They were also asked how much they were satisfied with IB products and services. In line with this question, previous findings from the latest research review a total of 15 articles from 2012 to 2015 (Mahyudin and Rosman, 2022) stated that sufficient information and awareness in the literature about the

performance and determinants of IB based on the "Maqasid Al Shariah" are not available. This finding indicates that IB is new in the market and has yet to find out the best practice to retain customers using a relationship management system to ensure long-term sustainability in the IB industry. Islamic bank's objective is to bring social justice to banking, finance, and the economy. However, according to Resp.1 from the UK:

“Due to lack of awareness and access to the banking in the UK, less than 20% of Muslim customers are considering IB”.

This information confirms the literature in chapter 2 (Table 2.3) on the impact of awareness development over more than 30 years of IB research (Miah and Suzuki, 2020) and the need to undertake a comprehensive relationship development campaign across all the customer's contact point based on CRM frameworks. Resp. 1 from Bahrain responded by saying:

“IB customers are increasing because there are significant awareness and competition visible as most IB institutions are offering good products and services by a massive campaign using various popular platforms including major shopping malls, digital billboards, and TV adverts”.

Islamic banking practice is one of the key debates if the Islamic bank indeed provides Riba (interest) free products and services? This aim is one of the critical goals of Islamic banks to achieve social justice in the economy in the society. Literature (Akbar et al., 2012) suggests this notion is far from the paradigm. Because there is a principle called profit and loss sharing (PLS), these are the elements that enable to thrive Islamic banking to true spirit. Having high expectations on these aspects, the respondents of this study were mixed in their responses. Resp. 3 from Bahrain stated that:

“Over the last 40 years, there has been significant development of IB practices, and there are rooms to improve. I believe that now IB is competing with a conventional bank in terms of price in addition to ethical banking practice, which is a clear advantage for IB”.

Resp. 4 from Bahrain added that:

"Some people will always use the Islamic bank regardless of the cost and shortcomings of the practice. They would do due to their religious belief, expecting the banking practice to improve gradually".

However, the UK resp.1 stated that:

“Islamic bank from public points of view is not doing well. They are failing over and over in the UK. What I am doing in my bank is far less than enough. The people have serious problems understanding Islamic banking products and services, and I am not doing enough to promote awareness to understand them”.

In connection with the notion, a study conducted by Abdul-Rahman et al. (2020) found that many Muslims are not considering IB services because they see PLS as another name of providing interest and deemed controversial. Therefore, the IB products and services cannot fall under Shariah law's principles. They also felt that it is impossible to do banking without interest, but the PLS concept applies to justify being a product and service of IB.

Resp. 1 from the UK stated,

"I am not doing something that will enable customers to either raise doubt or understand them".

In summary, the PLS concept is still controversial, and banks are trying to bring more clarity to differentiate IB practices by promoting awareness among potential and existing customers to comply with Shariah law. The participants from Bahrain were more positive towards IB practices, while the UK participants raised more questions and doubts than agreeing on the legitimacy of IB activities and if these were in line with Shariah law, citing enormous challenges faced due to the practices of IB in the UK.

7.2.1.2 Objectives and understanding

All the participants agreed to the key objectives of IB and understood them as well. However, the doubt remained about the extent the banks maintain their objectives. IB institutions have claimed to be ethical banks by prohibiting interest is contrary to the conventional banks. Literature suggests (Yusof and Bahlous, 2013; Akhtar and Fadillah, 2021) that the notion of this claim is that IB provides value-based banking. After assessing Bahrain's Islamic banking institutions, the result revealed that value-based banking is not always in practice in Islamic banking institutions in Bahrain. This finding also emphasised the need for reporting to regulatory authorities in future to comply with ethical, responsible, and social justice in banking activities. Resp. 6 from Bahrain stated,

"I am convinced that due to the religious loyalty, some customers choose IB, but others are not as profits and benefits from their financial activities are a priority".

This statement echoed the theory of planned behaviour (TPB) (which is discussed in consumer behaviour theories and models in section 3.2, figure 3.7) at the beginning of the sentence. However, the latter is the impact of consumer behavioural tendency that enables customers to review from different points of view before deciding on buying a product or service. On the other hand, the resp.1 from the UK said,

“The Islamic banking objectives are followed but not in line with Shariah but according to the Shareholders wishes”.

The respondent pointed the finger at the investors for not enabling managers to comply with Shariah to maintain its objectives. For this reason, Islamic banking is failing in the UK. On the contrary, one of the most prominent bank executives, resp.2 from the UK, provided a completely different opinion by stating,

"For more than 10 years, I had worked for conventional banks before I started working for Islamic banks and has changed my attitude a lot since then. This is because when I understood the actual process and compliance of IB services, that eventually convinced me to think that Islamic banking products and services should be preferred solutions for banking".

Though agreeing that some obstacles and complexity exist within the banking procedures, however voiced optimism that eventually, the customers will be able to understand similar way when the awareness campaign activities increase to reach potential and existing customers. In addition, he was not hesitating to mention that there are many customers with lower salaries in the Muslim community compared to other non-Muslim groups. Therefore, it makes it hard to choose between ethical and non-ethical banking.

While keeping the principles of PLS, Riba-free banking is essential for keeping people safe from the debt burden and thus creating a bond between the customers and the bank (Abdul-Rahman et al., 2020). Conventional banks also started to provide Islamic banking products in this increasingly growing banking industry. Using the IB window becomes more complex in maintaining the Riba-free banking without having a regulatory body that monitors such window banking to ensure IB values are served (Housby, 2013). The Bahraini participants were more convinced

about implementing Shariah objectives and more understanding than the UK participants and comparatively happier with the country's offerings than the UK.

The above findings revealed that the lack of customer understanding, and some bank shareholders' wishes are key obstacles to IB's effective implementation of Shariah banking objectives. In connection with this finding, the CRM suggest that contact points are crucial to finding the gaps between the customers and the banking institutions. Therefore, the bank leadership must form the strategies to create a bridge between the customers and the bank by implementing effective customer relationship management (Pappers et al., 1999) and, simultaneously, implementing the objectives of Shariah in Islamic banking.

7.2.1.3 Social justice in economy

A total of 7 participants emphasised more on social justice for which Islamic banks were established. The highest percentage of participants referred to banking products that ease the life of customers and mentioned products for the poor to implement social justice in the economy. One of the products is called benevolent loans, also called Qard Hassan, which are given to the poor (Rasool, 2018). One participant mentioned value-based services to society while keeping customers unable to get banking services, mainly among Muslims. Resp. 3 from the UK responded as follows:

"One of the biggest banks in Europe based in Britain serves not only in the UK but also all over Europe. In earlier years, many customers were not served, for example, people from Somalia, Pakistani, and even Arabs. The rise of Islamic banks has given that opportunity which is a great example of social justice in banking, and historically they have done an amazing job".

The above statement convinced not all the participants. Some were unhappy with Islamic banking's role in promoting social justice in the UK. The argument is that IB

needs to increase its engagement with the customers by providing more retail services, which is far less than needed and, unfortunately, is also decreasing, indicating disengagement from society. The resp. 5 from the UK stated,

"The lack of retail banking in the UK has created a big hole in social justice in banking and finance. The shareholders and owners are making it impossible to implement due to the focus on return on investment (ROI) while focusing on investment banking and decreasing branches and operations in the UK. Focusing only on profit is surely a contradiction to the notion that IB focuses on social justice. To achieve IB objectives, IB must help communities by investing more retail products than investment products which are self-isolating for IB from the customers and stakeholders".

In the subsequent discussion, resp.5 from the UK pointed out that a small nation such as Bahrain has more Islamic banks than needed, which is a clear notion of business mentality than doing social justice where less than half of the Muslim population lives than the UK. Literature suggests (Housby, 2013) that IB states that its products and services are interest-free without further elaboration. This information gap creates considerable gaps in the mind of the wider public, which IB must address by creating effective strategies to bring positivity among existing customers and potential customers for long-term sustainability. The Islamic banking contribution to society has failed as they focus on long-term finance-based products rather than the products of poor and needy communities (Asutay, 2008). Resp. 3 from the UK echoed the literature review (2.2.17) by stating,

"Islamic banks are using conventional banking corporate body to run who are merely aware of the values of Islamic law. In addition, the products are more investment related than focusing on retail, which is substantial, decreased as funding shrunk over the last few years, and

Covid-19 was another attack on the IB industry. Therefore, the current IB industry in the UK may not survive in the long run".

Rafiki (2021) suggested that IB should develop products that provide cash to the poor entrepreneur, and not only among Muslims but everyone in the society. This process would comply with the principle of IB and bring equality to society. Such support in various financial products will work for all and "reduce the gap between the poor and the rich under the Shariah compliant frameworks" (Rafiki, 2021). The author elaborated on how IB activities are helping people and organisations during the Covid-19 pandemic using various Shariah-compliant crowd funding platforms and micro-finance vehicles. The Qard Hassan loan is a form used for various types of loans to companies and the public. While Murabaha facilities are used with low-profit products to ease the burden on people, especially in housing sectors, our society is oriented to directly support people in financial distress. These are the few examples that Islamic banking should consider using strategies aligned with customers' needs which IB consistently failed (Rasool, 2018), while the UK IB sectors never improved. According to Housby (2013) IB in the UK are not yet able to provide fully value based IB with the following statement:

"The poorest Muslims may face not only economic and social exclusion, but a form of religious exclusion, if they continue to face a situation where Islamic products are more difficult to access and remain more expensive than the conventional ones".
(p.179)

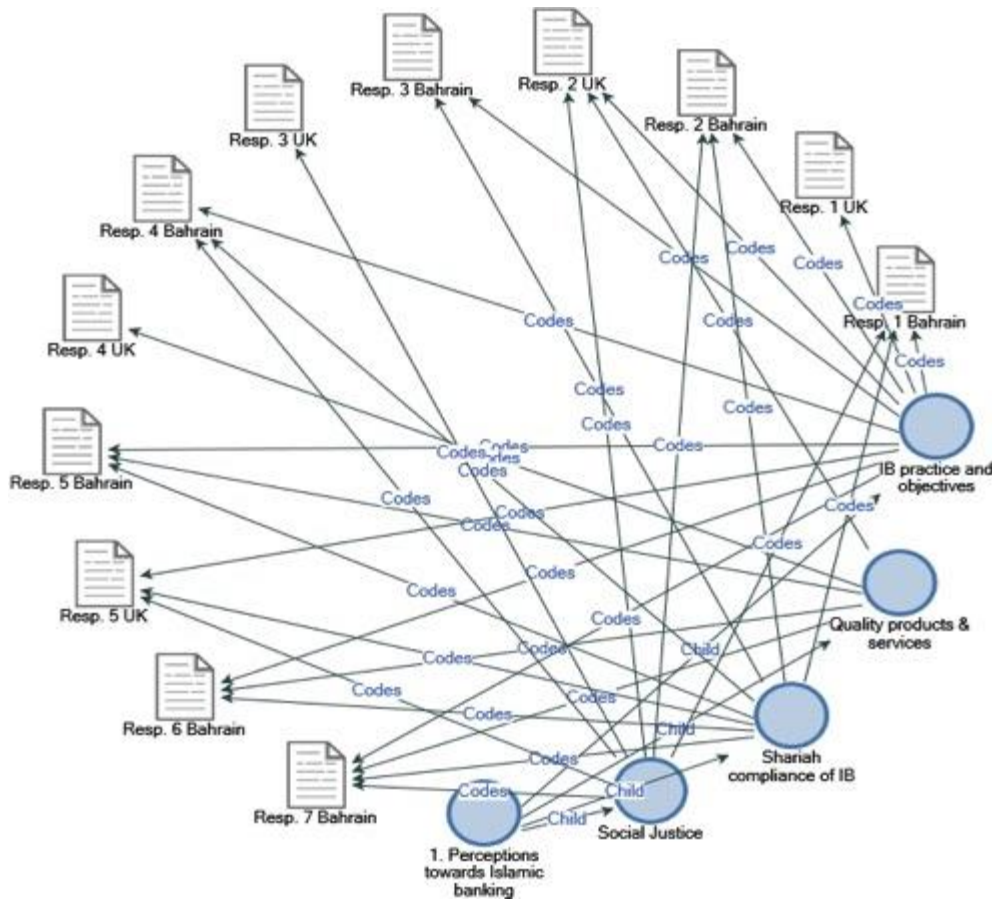
Housby (2013) also noted that a few Shariah board scholars serve dozens of IB institutions, including various other consulting bodies. Working with dozens of institutions will reduce the effectiveness of the scholars, which is another concern of developing new products that will make it difficult, if not impossible (chapter two (2.4.7). Chapter two has analysed it by reviewing the activities of Shariah scholars

in too many organisations, and the credibility is in question. In survey findings and analysis (figure 6.10). The interview findings also reflected as the resp. 3 stated:

"The IB management now ignores Muslim scholars and recruits non-Muslims and professionals from conventional banking staffs. Such recruitment may bring serious concerns on the IB values because without understanding the principles of Islamic law, how the executives will run such highly ethical banking activities. Therefore, recruitment is one of the reasons that employment opportunities among Islamic scholars and management staffs are shrinking, which are contrary to the IB values".

The Islamic principles made it clear that socio-economic justice must promote through mercy, help using appropriate legislation and social justice are served (Rafiki, 2021).

Figure 7.2 Diagram of sub themes (Perceptions towards IB)



Source: Created by the author using NVivo software.

Reflective notes: The above empirical findings and discussion emphasise that Islamic banking institutions need to bring innovative features while offering products to avoid being on the other side of the conventional banking systems. In this connection, it is deemed to be necessary to avoid riba. At the same time, profit and loss sharing mechanisms would help reduce the debt stress, and IBF would find empathy with the potential customers in the UK and elsewhere (Abdul-Rahman et al., 2020). Other scholars such as (Housby, 2013; Rafiki, 2021) opined that the impression of offering banking products and services without interest could lead some customers to that Islamic banking products are charging interest in the name of Profit-Loss Sharing (PLS). Therefore, IB industry should bring the detailed information to all its customers to develop awareness for evaluation of the true notion of the offering term of Riba.

7.2.2 Perception of staff and management/Shariah scholars

7.2.2.1 Perception of IB staff and management

The IB staff and management are one of the keys to IB's operations. However, the literature is critical to their qualification and the industry's shortage. In addition, the education and training are insufficient to grow the IB market across the continents. The participants from the UK were not optimistic about this issue. The majority pointed the finger toward shareholders and owners of IB in the UK. Because managers are bound to fulfil the wishes of the shareholder's demand and profitability due to these reasons, the staffs and management must align their profit maximisation goals, contrary to IB's principles.

Moreover, the leadership of IB is recruiting more non-Muslims and conventional banking experts to market Islamic banking products with limited or no experience. Therefore, even if skilled workers exist, they get high competition from the other executives with conventional banking experiences. Resp. 4 from the UK, who quite IB banking products development to become an Islamic banking lecturer, said:

"The IB industry lost approximately 200 million over the last 15 years while having a banking monopoly. All due to the fact, there are less professionalism among staff and the management, which directly contributed to degrading IB institutions in the UK".

Literature review (chapter 2: section 2.2.12) suggests that Islamic banking-related education started in the UK with few institutions, as described in chapter two, which is insufficient. First, many of these institutions are comparatively new and limited in the education offering on IB. In addition, the Islamic Research and Training Institute (IRTI), based in Jeddah, Saudi Arabia, is one of the extensive training providers for millions of IB professionals worldwide, which is insufficient. Therefore, staff and research development activities need more educational

support and investment. The resp.2 went on to joke about the pronunciation of a native speaker for Arabic words. He stated humorously:

"You could imagine that a native English-speaking person is sitting in the office of IB as a CEO or manager. Then when asked about the IB and its products and services, the CEO would reply that we have got "SHORRAYA" compliant products, and that is all the CEO/managers know, let alone the values of IB and principles of Shariah".

In connection with this, I tried to communicate with several managers and higher-level staff from the LinkedIn platforms (professional forum) this was one of the best ways to communicate professionally other than banking channels. However, I could not be able to obtain a single English man/woman who could agree to participate in the interview. In line with the above respondent, the resp. 5 from the UK added another shocking revelation, saying:

"I have heard from one of my friends that Islamic banks are a platform for political money laundering. In IB, the owner or majority shareholders invest their money in the name of Shariah compliant bank and transfer a large sum of money while donating a large sum of money to political leaders or institutions."

Although he is a highly respected and experienced manager of IB, he could not provide proof of the statement. Therefore, this finding is considered anonymous and unverifiable.

7.2.2.2 Customers perception toward Shariah scholars and their role

One of the key differences between the IB and conventional banks is that the products and services must be according to Islamic law. The Shariah supervisory board (consisting of some knowledgeable Islamic scholars with extensive knowledge in Quranic and Hadith interpretation and principles of Islamic law)

provides information on how products and services are complying of banking, finance and economy according to Shariah law. Therefore, the importance of the Shariah board members is immense; their primary role is to review IB products and services and provide opinions on them based on the principles of Shariah law. Even though Shariah scholars are respected in society and business, some literature suggests numerous issues involving Shariah scholars (Chapter two discusses critical points on the same). The current study found that the Shariah scholar's role is essential. Still, the credibility of their actions and inaction are based on the owners and majority shareholders of many IB institutions that focus on profitability. Many Shariah scholars are unable to advice or unable to contribute according to the laws of Islam, as they need. In addition, the shortage of qualified Shariah scholars made it even harder to contribute to IB in total capacity. The discussion section of the survey elaborated on how a single Shariah scholar takes part in dozens of IB and other relevant organisations, indicating a severe shortage of qualified Shariah scholars (Housby, 2013). Therefore, the shortage of Shariah scholars is one reason customers are doubtful about Shariah scholars' role, which is reflected in the activities across the IB industry. According to Housby (2013), over 1600 mosques with more than 250 British Muslim organisations exist in the UK, but awareness remains a critical issue in IB. This information is reflected in most research when we find that conventional banking users are much higher than Islamic banking customers among Muslim communities. The current research is one of the latest examples of its kind. The resp. 5 from Bahrain stated:

"In marketing activities, we have seen women are not covered face during advertising on TV or digital billboards, which are not permitted in Shariah. Therefore, Islamic banking regulators and the Shariah compliance department should intervene to correct how IB institutions are marketing. In this connection, Shariah board members are equally responsible for ensuring the compliance".

According to Housby (2013), most British Muslims do not know much about Islamic bank, their products, and benefits, and how it works. For instance, how are the terms "Murabaha, Mudarabah, Istisna and other products structured and, most importantly, if those products and services are genuinely Shariah compliant? The author added that the UK government agencies have monitored and questioned the IB more than the Shariah scholars have. The resp. 7 from Bahrain added:

"Shariah scholars are in Bahrain a little different. They are like "Mutwa" (Religious police) who has long beard used to visit places to discuss Islamic banking products, and many people do not see them fit for talking about banking products or services."

However, resp. 5 from the UK disagreed on the shortage of Shariah scholars because the management failed to recruit available scholars in the market.

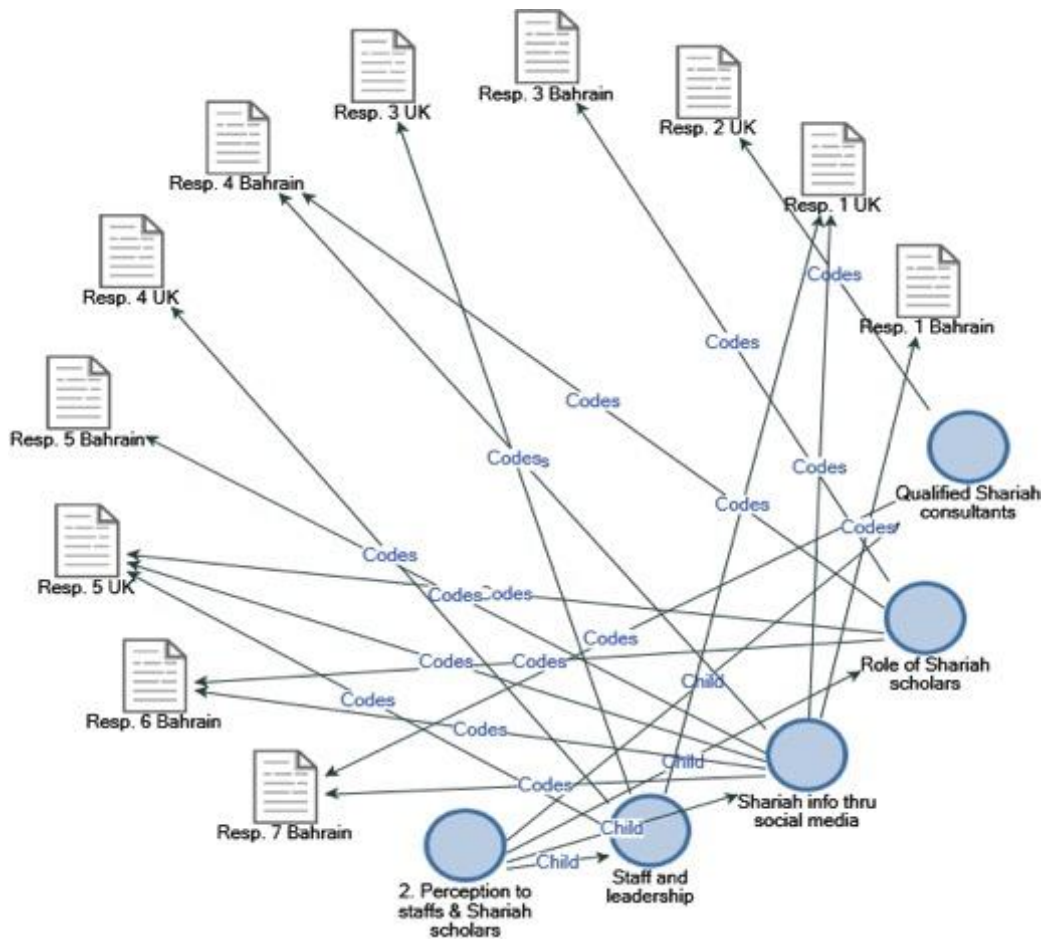
"He added, there are no shortages, but many scholars who are more focused on compliance are not utilised in my opinion based on my own experience."

Housby (2013) provided insights on the origin of Shariah scholars in the UK and other barriers. For example, most Imams, consultants, and Shariah scholars are generally from Asian and Middle East regions, and many of them do not speak the English language. Therefore, the British-based Muslims are mainly unable to understand them, and at the same time, the foreign-born scholars are not able to fully understand the needs of British or European-based Muslims. The lifestyle and understanding of life in the West are much different from Shariah scholars/consultants' understanding of life, which creates a significant gap resulting in issues of awareness, and eagerness to learn the values of Shariah. The resp. 3 from the UK revealed that there are shocking stories that many people know. The respondent said unanimously that.

"Some individuals such as IB consultants, other officials, and even scholars have been using conventional banking mortgages, which is not permitted under the Shariah. Therefore, I believe some scholars will be reluctant to discuss Riba while they secretly use conventional banking mortgage products. Though it could be an isolated incident, it could be problematic when the role model individual cannot uphold Shariah compliance in their own life."

According to Ayyadi (2018) Islamic banking products and services are built after getting validity from different types of consultation involving another school of thought, which could lead to inconsistency of validity leading to confusion among stakeholders. Therefore, IB strategies must enable the society to develop high-quality scholars who can come up with unique opinions to avoid inconsistency in their opinion and eradicate confusion among the customers.

Figure 7.3 Diagram of sub themes (Staff and Shariah scholars)



Source: Created by the author using NVivo software.

Reflective insights: The findings on IB management and Shariah scholars are one of the essential elements in our study. The finding suggests that Islamic banks could be harming their reputation unless they are transparent to all sections of the customers' communities. Islamic bank itself is an impression of religiously connected ethical institutions in which ideas and objectives are derived from the law of Islam. According to Housby (2013), "The secular ethical customer often perceives the behaviour of religious individuals who are following divine laws that cannot be challenged, to be a form of rebellion against the prevailing society." On the contrary, customers of non-Islamic banks who are also secular may have an adverse impact because Islamic banks works under the supervisory boards with a handful of highly paid powerful Shariah scholars (See figure 6.10). In addition, the

IB institutions should find a way to introduce more scholarships at universities so more talent can be developed in IB sector to help reduce the shortages of IB scholars and to bring customers confidence in IB services both in the UK and Bahrain. The different rulings based on the geographical context are another pain in IB Shariah activities. There are currently several products that are not allowed under Middle Eastern jurisdiction but not others, i.e., credit cards in Bahrain or Saudi Arabia and short-term loans on interest in Malaysia. Due to such issues, IB has to evaluate the Shariah ruling frameworks to bring confidence in customers.

7.2.3 Attitudes to IB marketing

Marketing is key to spreading IB products, services and most importantly, the values of the Islamic way of life in every Muslim according to Shariah law. The importance of clear marketing strategies, Shariah compliance in marketing, appropriate strategies, and up-to-date technology while educating IB prospective and existing customers are vital for IB to increase customers globally. However, the literature suggests that IB cannot reach millions of potential customers in many cases due to the lack of its marketing campaign and vague marketing messages (Leigh et al., 2021). The authors emphasise that in line with external marketing, internal marketing is equally important in which staff members (Ali and Ahmed, 2022) will be educated on how to deal with customers internally, involving knowledge on products, price, purpose, and quality of services. These will enable the staff members to provide more consistent support to customers confidently, resulting in a strong relationship with customers (Pappers et al., 1999). The resp.2 from Bahrain stated:

"We need clear and more marketing activities in Bahrain regarding authentic marketing. Some products and services are presented as Shariah compliant but not in detail. In addition, when we go to the bank, we find other terms and conditions that do not allow us to apply for those products and find gaps between the offering and actual

advertising. The marketing in Bahrain is overall good, but there is room for improvement".

Resp. 3 from Bahrain state:

"Some banks are marketing by hiring a marketing agent who is not knowledgeable on IB values. Therefore, marketing agencies try to focus on profitability. For example, I have seen some advertisements where women are without cover in their face, which is not good practice"

Therefore, the marketing department of IB must adhere to Islamic values in their marketing because marketing is the face of the Islamic banking institution and the way to bring products and services to people of all levels. Abubakar (2018) suggests that it is 50 years now going on for Islamic banking, and yet, most Muslim populations are not aware of IB products and services. The IB should focus more on its strategies to promote IB products that influence customers effectively for more engagement in IB products. According to Naeem (2019), IB is focusing on traditional marketing platforms instead of taking advantage of e-marketing and digital marketing, which could enhance marketing quickly and efficiently. Therefore, a higher level of social media marketing platform is essential by using skilled IT personnel with the necessary investment to compete with rivals to spread marketing information and education to customers globally. Resp.6 from Bahrain stated:

"IB in Bahrain use social media personalities to promote products and services and educate the customers. The prominent personality and influencer Omer Farook engaged in promoting with his thousands of followers. This looks like this is working well because this news is the town's talk now."

Community-based Islamic banking marketing is one of the cores of bringing social justice to banking and finance. Words of mouth and other networking platforms could enhance Islamic banking products' information quicker and more effectively. Res.4 from the UK stated:

"Many think Islamic banks are established to serve only Middle East customers who are mostly Arabian."

This perception must change by engaging customers from every contact point and developing solid relationships while explaining the IB values, not limited to specific groups of people; instead, it is for all Muslims and non-Muslims as well. The products in the UK are currently focused on investment banking, which will not bring ordinary people to undertake IB products. Therefore, more retail banking is essential now and market them accordingly to attract more customers.

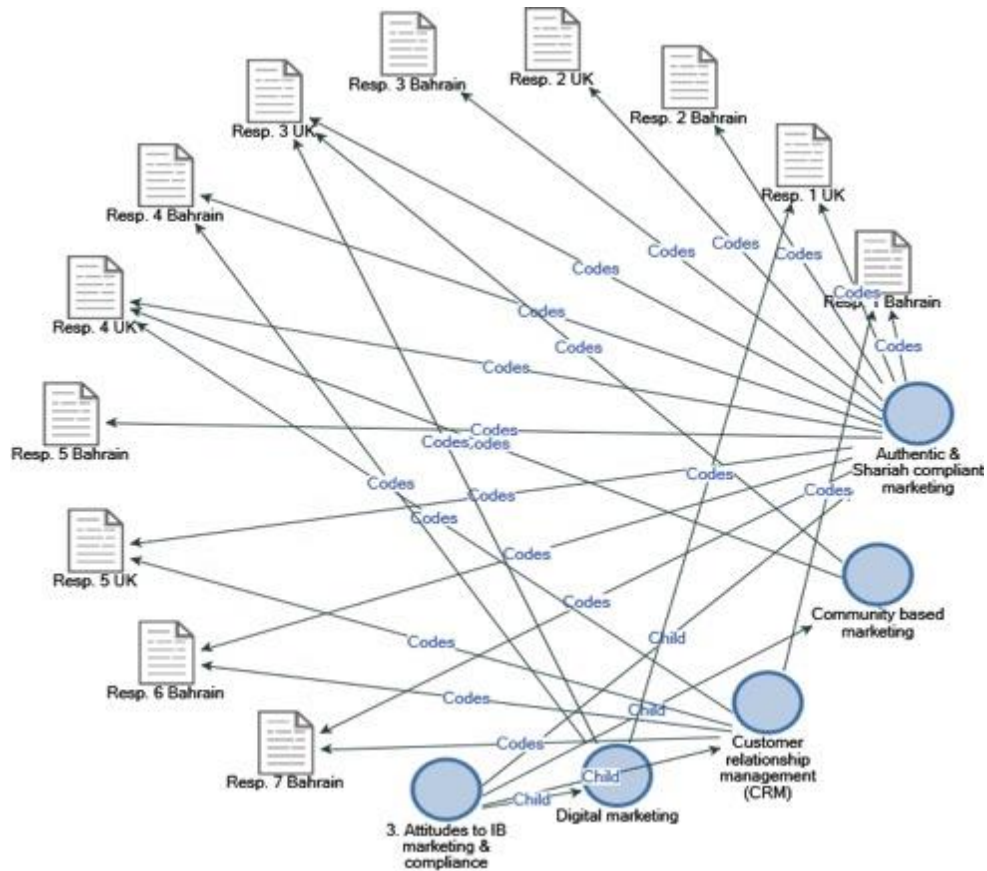
The halal product concepts must be more precise, resp. 3 from the UK stated:

"Riba-free products are not developed. Therefore, there are no questions of marketing it."

Bahrain-based customers are happier, in their opinion. However, not all the participants are happy with their product offerings. Substantial cash rewards may well be a technique for attracting new customers. However, IB must be cautious to avoid falling into one kind of Riba category by paying cash as an incentive. (Please refer to chapter 2 and survey analysis) in which several banks' websites are presented with many cash offerings. The only condition is to invest or become their customers. However, resp. 2 from Bahrain stated:

"IB must provide information in their marketing that how the benefits are works, only Shariah compliant words are not enough to give a glimpse of understanding for the customers to know if the benefits are according to Shariah law."

Figure 7.4 Diagram of sub themes (Attitudes to marketing and compliance)



Source: Created by the author using NVivo software.

Reflective insights: Due to the ethical nature of banking policies, IB marketing activities face tremendous tasks to develop up to date policy that comply with Shariah law. In the IB industry, some banks outsource marketing agencies to organise and run marketing campaign. The outsourced marketing agency may not be solely working only on IB industry. Therefore, there are significant chances of being involved in marketing activities that are not aligned with Islamic principles, which could confuse customers and their trust in IB products and services (See the literature suggestions in figure 6.11 for Shariah rulling integration chart). The participants from Bahrain brought one example that women are appearing in marketing advertisements without the cover on their hairlines. In addition, communication with international clients needs to be prompt, and it is advisable to

have a local resource centre with online chat services to address the customer's inquiries. Excessive rewards to attract customers could fall in Riba (see figure 6.8). Therefore, IB industry needs to evaluate Islamic marketing and branding departments in accordance with Islamic Economic values, which is the driving force of today's Islamic banking and finance.

7.2.4 IB Challenge and development

Despite the massive development after launching IB products and services within a few decades, IB faced stiff competition and rivalry from other Islamic banks and relevant organisations. Many conventional banks are offering IB products under the windows of IB products (World Bank Group, 2018; GIFR, 2019; S&P Global ratings, 2020). The importance of re-establishing the presence of IB products and services is paramount to competition and progress by analysing customers' needs and offering quality services to satisfy existing customers and attract new customers (Souiden and Rani, 2015; Migdadi, 2020; Nomran and Haron, 2020).

7.2.4.1 General challenges

Interestingly, when asked about crucial challenges IB faces in their respective markets, all the respondents were inspired to discuss and highlight the areas that need serious attention. Among the concerned areas are innovative and authentic products and services, awareness and education among customers, development of financial markets by more investments and regulations of standards organisations and more skilled employees and Shariah scholars. Res. 2 from the UK added:

"It is tough for IB to compete with conventional banks in many aspects. IB takes risks to profit due to the ethical nature of the products and services. With limited funding, managers struggle while shareholders' requirements are unrealistic."

Resp. 4 from the UK stated:

"Contributing to society is limited, and few institutions engaged in it. However, institutions such as Islamic Development Bank (ISDB) have strategies for such activities globally. Similarly, Bahrain Islamic Bank (BisB), Al Rajhi Bank, Saudi Arabia, is among the large Islamic banking institutions involved. However, due to the competition and lack of funding, most IB institutions cannot fulfil the objectives of IB. There must be a cheaper cost of funding".

Due to the proper and cheap funding, IB managers cannot meet customers' expectations because of less profitability and risks in their products and services. The resp. 7 from Bahrain stated:

"If you see the last few years of IB operations in Bahrain, you will see the losses facing IB banks due to the profitability and competitiveness in prices and efficient services. If you go to a conventional bank, you will get the products quickly without much complexity, which are also easy to understand. However, if you go to the IB, there will be much complex procedure and may take several days to process regardless of the outcome of the application".

The resp. 1 from the UK added:

"In my opinion, the IB objectives are not implemented in Islamic banks".

Based on the above discussion, it could be concluded that IB investment is significant to flourish in the competitive markets, and more clear strategies are required to implement the objectives of IB.

7.2.4.2 IB use conventional banking product design

Islamic banks use specific procedures to align banking activities according to Islamic law. The resp. 3 from Bahrain stated:

"Islamic banks offer financing Ijarah (Lease) through Murabaha and Istisna, which are exactly similar to the conventional products. Cash financing is significant, though some such as "Tawarruq" is not the best and face criticism from scholars and customers. As a result, the innovation of the IB products is disappeared".

Res. 5 from Bahrain added:

"The products and services are mostly similar in terms of the final result of the products."

Resp. 7 from Bahrain added:

"I am looking for an IB product for my young children and do not find one. IB needs to offer products and services for children such as education and future welfare-related products."

Without appropriate investment and product design, IB may not compete and lose more benefits due to the opportunity cost (GIFR, 2019).

7.2.4.3 Marketing strategies

One of the critical challenges is the lack of awareness and education among customers. Lack of awareness and education indicates that IB marketing needs more efforts and strategies to spread awareness through effective campaigns to reach millions of customers globally. The resp. 1 from Bahrain said:

"One of the biggest problems is advertisement and awareness in Bahrain and worldwide."

The resp. 1 from Bahrain went on to add, "Some customers will use IB products regardless of cost or awareness but use due to the religiosity," echoing the resp. 1 from the UK stated,

"Most customers are Muslim, believing that Interest is haram (prohibited). Therefore, they would apply for IB products even if the cost is high. On the other hand, some customers who are also a believer and want to stay away from the conventional banks, but they do not trust fully if the IB comply Shariah principles and therefore, use conventional banking products."

Therefore, based on the above, effective marketing strategies are required to use online and offline marketing tools more effectively. The technology has created many opportunities to use them and reach an unbelievable number of people across the continents and avail the opportunity with even limited investment.

7.2.4.4 Retail banking and services

The UK participants were more frustrated than Bahrain because of the lack of retail banking. Millions of Muslims live in the UK, and the majority in various areas in London. The most prominent Islamic bank has only two branches, and currently, one of them will remove as per the new announcement by Al Rayan bank (Website) this is one example that the participants gave. The resp. 4 from the UK stated,

"Islamic banking customer services are not focused on retail sectors."

Resp. 5 from the UK added,

"At the beginning during introducing IB, there were many efforts to start with retail services and developed the market initially and after financial crises, due to the lack of funding, the retail services disappearing slowly."

Even though there are many IB institutions present in Bahrain, resp. 7 complained,

"The services are not good in so many ways. When you go to an Islamic bank, the application process takes 1-2 weeks; this is one of the biggest disadvantages of the IB. In contrast, conventional banks take 1 or 2 days to

process the application. If you go to one of the largest banks in Bahrain called Al-Baraka Islamic bank, they take even longer, and their branches are tiny, which I do not feel comfortable with."

The resp. 2 repeated the same,

"The Islamic banks are good, but they are more expensive than conventional banks and take a long time to approve the application for loans, for example."

The above opinions indicate that Islamic banking services need to improve on quick processing of the application by developing effective strategies involving quick processing procedures. Resolving customer feedback is the way to implement CRM successfully for growth and sustainability.

7.2.4.5 Shareholders attitudes

Due to the lack of investment, many Islamic banks are reducing operations in the UK and Bahrain. For example, the recent merge between the Al-Salam bank and Ithmaar bank due to a loss in business. The opinion of this study from the scholars, IB professionals and consultants suggests that Islamic banks could be at the beginning or end of their operations in the UK unless there is significant new investment in the UK IB markets. The existing market is also facing significant problems due to Shareholders' attitudes toward some banks focusing on profitability. Due to these reasons, many professionals indicated that managers and Shariah scholars are working to fulfil the wish of the majority shareholders. Because many cases, managers cannot work according to their skills and knowledge. Resulting in less Shariah compliance, fewer retail products and operations, and little awareness and education among IB customers across the UK. The resp. 3 from the UK stated:

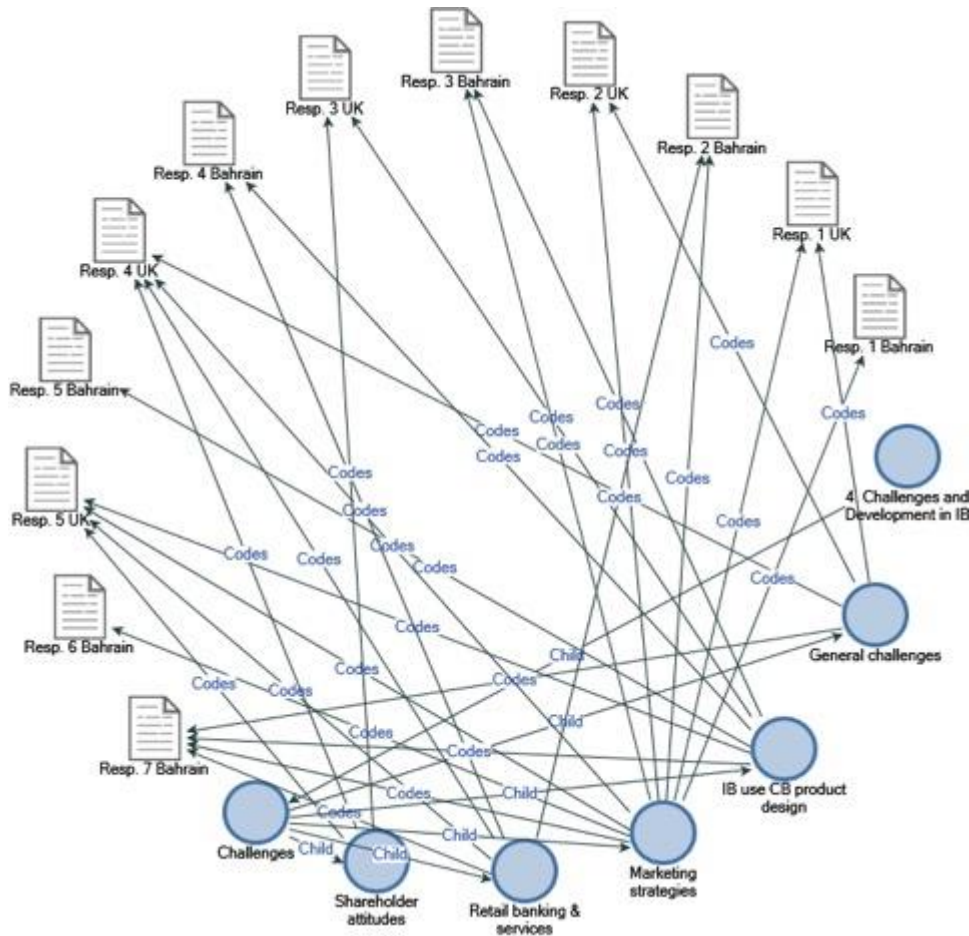
"If the banks and shareholders are not changing the attitudes, customers will not get what they want."

The resp. 4 from the UK added:

"Due to the shareholders' influence, even if the bankers want, the objectives cannot be achieved due to the focus on investment banking and other products which has a good return on investment."

The IB leadership could focus more on the objectives of IB before while promoting other products in the market. The lack of innovative and Interest-free retail products could lose the trust of many customers.

Figure 7.5 Diagram of sub themes (Great challenges of IB)



Source: Created by the author

Reflective insights: Islamic banking and finance started to expand and increase its assets in only four decades. The massive developments of the activities are a

surprise to IB and conventional banking sectors. The asset level now marked as of 2022 is more than 3 Trillion as per the World Bank and relevant institutions and reflected in literature (S&P Global Ratings, 2023). However, the IB is also not exempt from challenges in non-Muslim countries but also in Muslim majority countries. These challenges are arising from the conventional banking sectors and within the Islamic banking industry as a whole. Due to the intense competition and lack of investments, some leading banking institutions have to reduce operations such as the Al Rayan Bank in the UK (Al-Rayan bank website, 2022). In Bahrain, one of the big names in banking industry such as Ahli United Bank was merged with Kuwait Finance House (KFU) and Ithmaar Bank to Al-Salam Bank (Respective bank websites, 2022). The need for qualified IB employees are forcing to employ non-Islamic banking experienced employees, which many customers see adverse impact of IB growth. The Islamic economic values must be embedded in the vision and mission, which must be reflected in banking operations in the UK and Bahrain. The respondent (resp.4) from the UK is seen as an acute problem IB is facing today to due funding and the expectations from the investors. The sole objective of conventional banking is profitability. Islamic banking investors must not emphasise profitability as a sole objective, which is not helpful for IB management in operations.

7.2.5 Development in IB

7.2.5.1 Competitive prices

Religiosity has enabled IB banks to proliferate. One of the reasons due to the financial crises after 2007 and 2008 and most recently when Silicon Valley bank in the USA collapsed (S&P Global Ratings, 2023). The consistent failure in conventional banking system helped IB to grow even in the financial crises and increase and during the outbreak of Covid-19. Subsequently, many customers started to look for ethical banking as an alternative. The Islamic banks proliferated with many Muslim customers. The growth rate started to rise consistently, while the competition rose too. The customers from Bahrain indicated this has something good to do because when there is competition, the market becomes healthy. The resp. 4 from the UK stated,

"Competition helps IB to improve and develop the products and services. This completion led to developing healthy markets."

The resp. 5 from Bahrain added,

"In my opinion, IB in Bahrain are very competitive because it is clearer to me after comparing both IB and conventional banking products."

Religiosity will bring a certain number of customers. However, the literature and participants from the biggest bank in the UK suggested that less than 20% of customers are only Muslims, indicating that most Muslims are yet to consider IB products. The price competition is an opportunity for IB to promote and compete, a competitive advantage for IB.

7.2.5.2 Interest-free products

The Interest-free and ethical banking products are another competitive advantage of IB. The profit and loss sharing, and similar products are clear advantages if effectively served. The resp. 1 from Bahrain informed us,

"There are prepaid credit cards which are offered without any interest. This is something like mobile phone top up, easy and help customers a lot in Bahrain."

Resp. 4 from the UK added,

"The objective of Sharia is to avoid Riba, Gharar and other prohibited products and services to contribute to society and the real economy. This will provide values to all, including shareholders and wider customers in the society."

7.2.5.3 Internet banking

Although literature and current studies suggest that many banks have yet to implement Internet banking, especially in Bahrain, most banks provide Internet banking in Bahrain. Internet or online banking is attractive and facilitates most transactions without visiting the branch or main banks. Online banking is also a competitive advantage tool; without online banking, IB institutions could lose many customers. The resp. 1 from Bahrain said,

"I am one of the senior bank managers of Bahrain Development Bank (BDB). We provide both Islamic and conventional banking products. We are progressing, but due to lack of online banking, we are also in a disadvantageous position and our management."

The resp. 2 from Bahrain added,

"Customers can see and review the variety of products and rates online, which enable and help customers to think before deciding to go for products or services."

Resp. 7 from Bahrain also added,

"With internet banking with up-to-date technology is easier to apply for any products or services and transfer money without visiting the bank and also allow to see the pricing and product ranges."

The above finding indicates that Internet banking is necessary and not an option. IB should ensure Internet banking is competitive and up to date with the technology. The technology is not only for banking but for more comprehensive marketing, promotion, and educational purposes.

7.2.5.4 New customers and markets

After the financial crisis of 2008, many customers, including secular Muslims and non-Muslims, became the customers of Islamic banks as alternative banking and finance.

Resp. 1 from Bahrain stated,

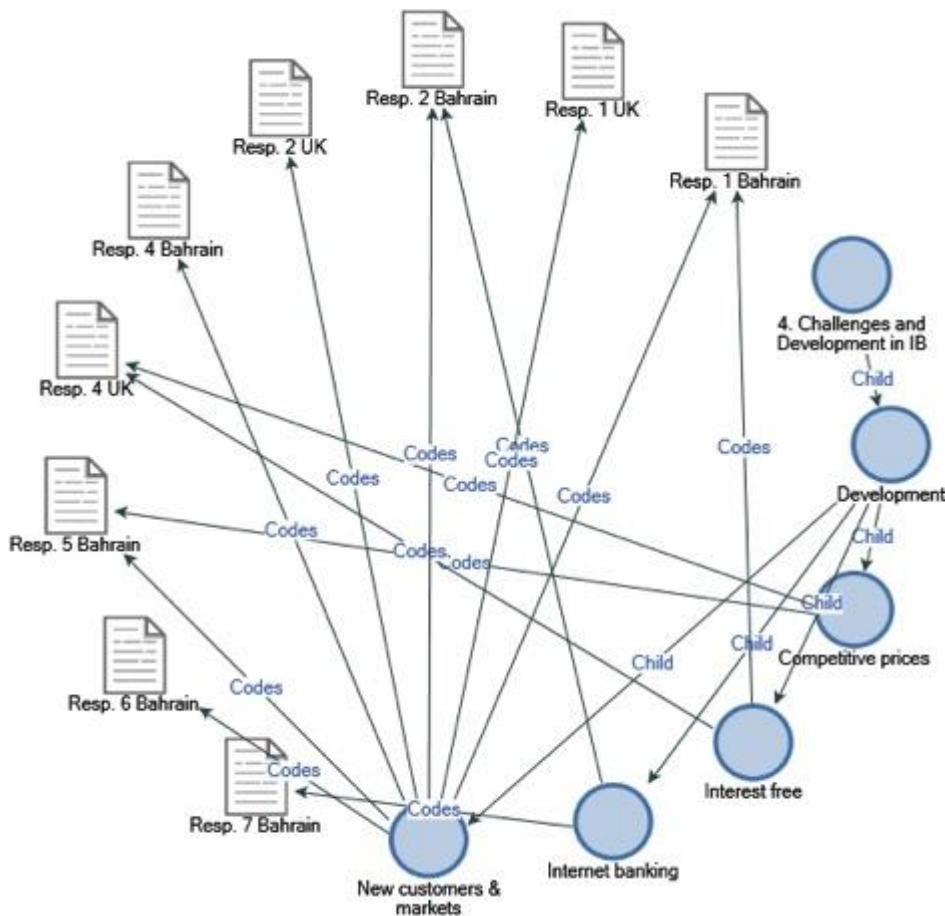
"Many customers became customers of Islamic banks due to profitability and services, not because of the religiosity. Normally, people with a more religious mind are the customers of IB, but this trend has changed due to good products, and some are very competitive with conventional banks."

The resp. 2 from the UK shared some interesting views,

"In the UK, many customers are over in their 60s who are looking for alternative banking. The main reasons are that they are looking for ethical products, which are encouraging for IB. Therefore; ethical banking is not necessarily from a religious point of view. Also, there was a new product called Sukuk (Islamic Bond), which was oversubscribed due to the market's demand here in the UK. This market is new, and there are lots of opportunities."

In connection with this, the researcher added one exciting piece of information: many students are studying at "The Centre for Islamic Finance, University of Bolton". These students are non-Muslims, which is also a significant development for IB because they were optimistic about the future of Islamic banking and spent considerable money and time developing their careers in the IB sectors.

Figure 7.6 Diagram of sub themes (IB development)



Source: Created by the author using NVivo software.

Reflective insights: With the increasing market expansion, it is forecasted that Islamic banks will grow considerably in the coming years. The ethical nature of banking is a fundamental aspect of IB growths. However, critics say, the religious nature of the IB products and services could have contributed the growth of the industry, but IB still not able to reach the majority of Muslim customers (Miah and Suzuki, 2020). The resp. 1 from the UK claimed that only 20% of Muslim customers or less considered IB products and services. The statistics are not impressive due to the lack of awareness development among the Muslim population specially among millennial generations (Rafiki, 2021). In addition, the embeddedness of fundamental values of Islamic economics could play a

significant role in thriving Islamic banking products and services in the UK and Bahrain.

7.2.6 IB growth barriers/factors

Islam banking started its journey over 4 decades now. It was a challenge in the face of mighty conventional banks. However, within the last few years, the scale of dramatic rise has shocked the industry. Despite the success, IB faces tremendous challenges from all fronts, such as the threat of rivals and the shortage of qualified staff and management. Also, the lack of banking training and education, lack of awareness, lack of investments, the profit-focused tendency of Shareholders, lack of sufficient branches, use of technology, effective marketing, and innovative products and services. In addition, disclosure of IB financial disclosure and lack of research is also seriously hindering IB growth, and this is a pure opportunity cost for IB's growth. The report published by S&P Global Ratings (2023) suggests that the current IB industry assets are now marked 3 trillion as of 2022. However, the estimated forecast is more than 9.5 trillion (GIFR, 2021), which indicates that Islamic banks cannot capitalize on the opportunity in the current market despite a superior growth rate over conventional banks. Section 2.2 of chapter 2 elaborates on the current literature review on the barriers and the opportunities IB has, and both the survey and the interview findings are reflected in the same. When asked participants about the challenges and opportunities, all 12 respondents answered the questions enthusiastically. Some participants pointed out that the US financial crisis in 2007-08 was an eye opener for many people who started to think about alternative banking. However, several issues still hinder IB's growth, such as the 9/11-terror attack in the USA and London bombing in 2007. So, due to the involvement of Muslims in those events, the perceptions of non-Muslims remain negative and doubtful. Still, many people from the West feel that Islam is a religion of violence (Ali and Syed, 2010; Muller, 2022). The author also pointed out that many customers with secular views joined conventional banks due to a lack of awareness or misconceptions about Islam. The vulnerability and fear of IB due to its Muslim connection make them think that their wealth will be in danger if they

invest or undertake IB products and services in the UK. Literature also suggested that the Arabic words or Islamic names may not be helpful in this context for growth or improving images; instead, the products and services should consider more ethical points of view, which will be acceptable to all. However, not all the participants agreed on religiosity or Arabic words in products name in IB. Resp. 2 stated:

"There are no issues in banking so far in the banking, the Arabic names or the non-Muslim staffs and managers are not a liability. They are bringing more knowledge and experience in banking and diversifying employability across society. These are also part of the objectives of Shariah. The key issue may be the awareness and education among the customers, which we are trying to do by engaging more campaigns and introducing new locations across the UK to attract as many customers as possible to improve IB growth".

The respondent also acknowledged the negativity in the society and public. Nevertheless, negativity is also part of IB's challenge that IB has had to deal with for a long time. On the contrary, the resp. 1 and resp. 3 from the UK were critical in the current form of IB management and improvement strategies. Resp.1 stated:

"IB must consider focusing more on innovative products and services. There is nothing to do with Arabic names or words in IB. However, if the products and services are not benefitting the population, then it will be difficult for IB to survive while focusing on religious roots. People are smart, especially regarding their finance and banking activities. Therefore, if IB can provide more innovative and competitive products, more customers will be without limits."

The resp. 3 from the UK supported by stating:

"The awareness and promotion no longer exist. The shareholder's wishes are work, and IB focused on investment products, another reason to decline IB instead of flourishing. If the situation does not change among managers and the investors are profit oriented, then there will be no IB in the UK just a couple of years from now."

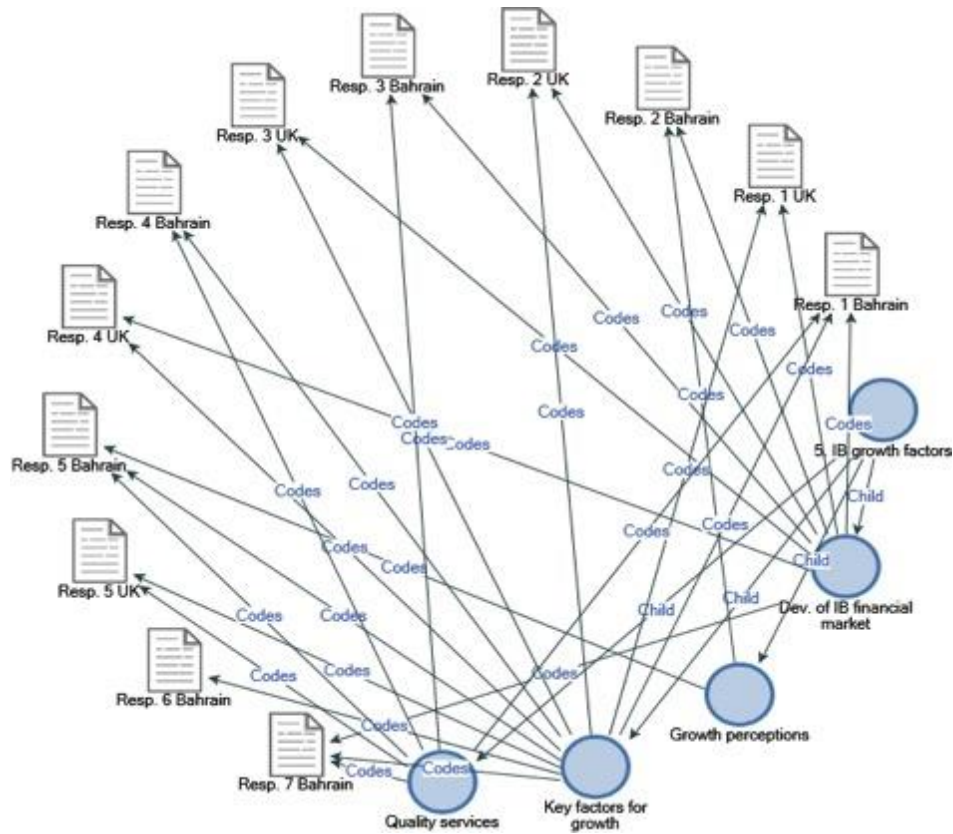
On the other hand, participants from Bahrain were more hopeful about IB's future. The resp. 4 from Bahrain stated:

"As customer relationship managers, we do our best to resolve issues raised by any potential customers or existing customers and ensure that the IB standard is maintained. I also provide special customers from all walks of life, including high net worth businesspersons, and support them whenever needed. Due to CRM techniques, our bank was thriving and considered the most successful IB in Bahrain".

The resp. 4 from Bahrain elaborated more, as this is an opportunity for Islamic banks to improve. We do not have any problems with regulatory authorities in Bahrain. The products and services are excellent and competitive equally with conventional banks. IB's massive opportunity is unimaginable because the IFRS (2019) forecast suggests that more than half of the customers and other opportunities are missing due to the lack of barriers and the opportunity cost and loss to the conventional banks. Therefore, focusing on innovative products is the best way to attract new and existing customers. Resp. Added:

"The awareness is there across the country, and products are good, but more innovation is needed. Some banks are struggling, but the customers are increasing, and therefore IB will survive well in Bahrain despite the number of issues normal for any banking sector without exceptions".

Figure 7.7 Diagram of sub themes (Growth factors of IB)



Source: Created by the author using NVivo software.

Reflective insights: As of the year 2022, the IB asset levels marked 3 Trillion (S&P Global Ratings, 2023). The opportunity cost clearly underlines the challenges the IB industry faces to its growth and full potential as the GIFR (2021) projected the level of total assets could have been 9.5 Trillion instead of 3 Trillion. In addition, the mindset of investors must protect the values of Islamic banking principles and avoid profitability as a sole objective, which could have adverse impact in customers mind (Rasool, 2018). One of the most important barriers identified by the literature is the lack of awareness and IB promotional activities in the UK, while Bahrain enjoys better promotional activities and awareness of IB promotions as IB banks face intensive competition with conventional banks and within Islamic banks. In connection with this, IB needs to innovate products and services, for instances, the time of processing of customers applications and

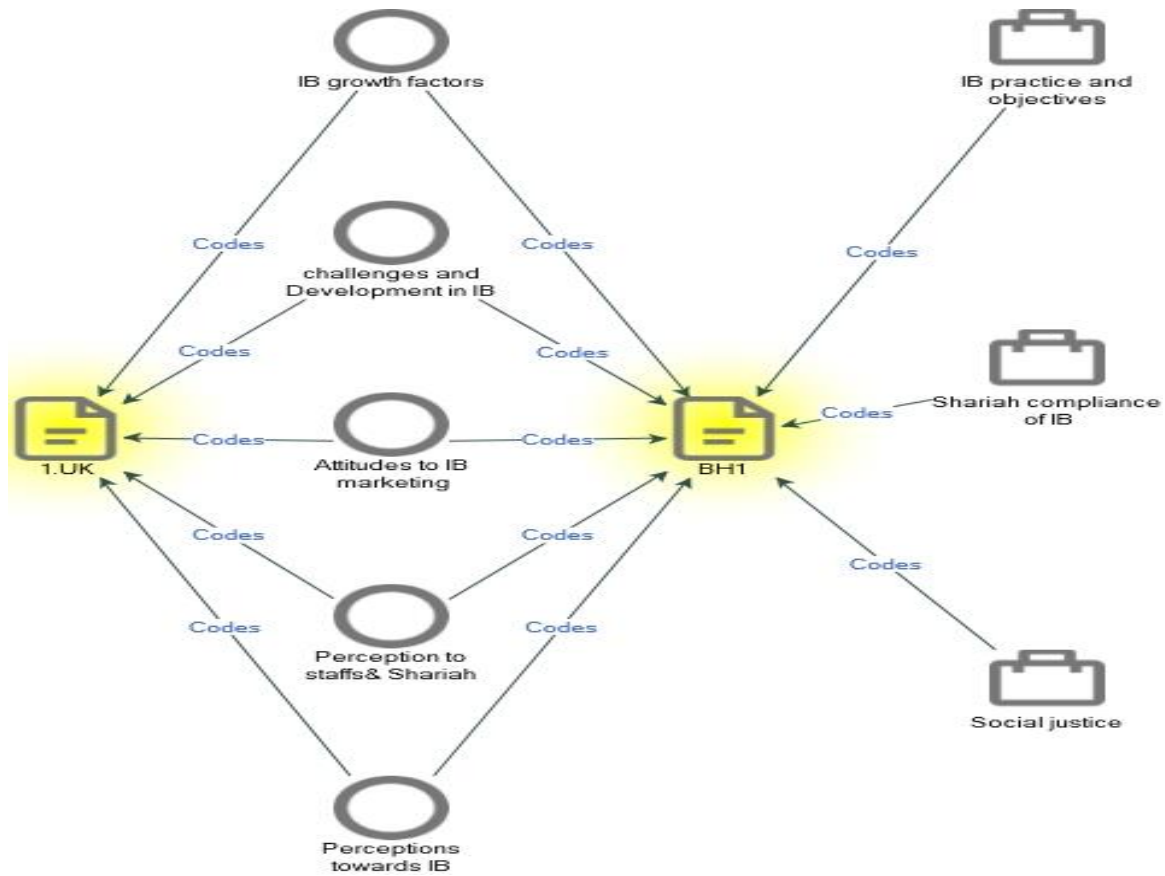
deployment of skilled employees while providing less expensive products and services wherever possible.

Another problem IB is facing is that the theories, models of IB are diverse which is sometimes challenging and complex to understand for both the Muslims and non-Muslim customers the true sense and values of Islamic economic frameworks. This issue is greater when non-Muslim customers are not familiar with the religious principles and it would have been a risky venture if the non-Muslim customers want to switch from conventional banks to Islamic banks.

7.2.7 Comparison between the banks in the UK and Bahrain

After the presentation and discussion of the main findings, we used NVivo and attempted to compare the responses of the participants of the UK and Bahrain by using the source of encoding (Node creation, see figure 7.8). The sources corresponded to the interview with the respondents (Respondents of Bahrain, a total of 7 from 2 sources). The encoding corresponds to an assignment of nodes on the comments of our respondents, and the nodes are chosen themes. We find several identical nodes, such as “IB growth factors” and attitudes to IB marketing sample, which has appeared for the UK and Bahraini banks. Therefore, proving that the vocabulary used and their opinions are identical in capturing the participants’ responses.

Figure 7.8 Comparison between the UK and Bahraini Banks respondents.

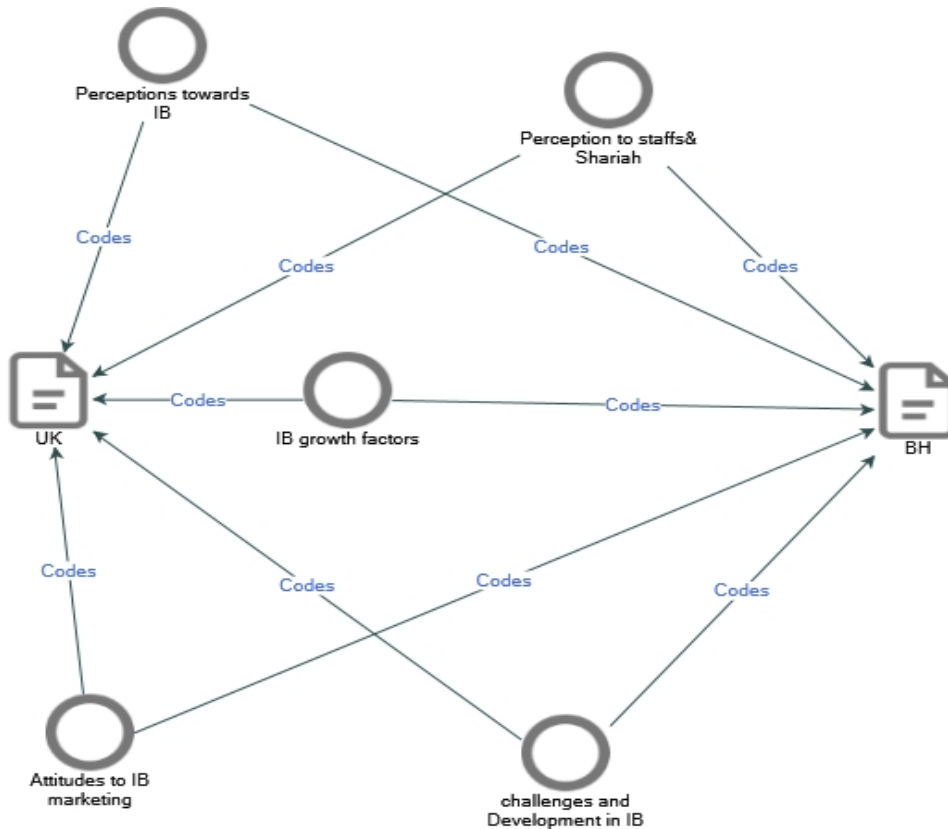


Source: Created by the author using NVivo

After the above comparison of respondents from the banks in the UK and Bahrain, we tried to illustrate the map of differences between the UK and Bahraini banks (see figure 7.9). The figure generated by the NVivo software using the transcripts of respondents compared the comments of respondents of Bahraini and the UK based on the map differences. It concluded that all the respondents who gave their opinions about the questions of the research mentioned in the main themes.

Map of differences between the UK and Bahraini Banks

Figure 7.9 Differences among banks in the UK and Bahrain



Source: Created by the author using NVivo

Table 7.1 Summary of key findings (interviews, UK)

Subject	Findings (UK)
1. Perception towards IB Attitudes, Awareness, Objectives, and Shariah compliance	
Understanding and Awareness	<ol style="list-style-type: none"> 1. Islamic bank follow the principles of Shariah law. 2. Severely lack awareness and education on IB products
Objective of IB	<ol style="list-style-type: none"> 1. There are gaps exist in implementing objectives of Islamic banks 2. Contribution to society is not sufficient; need more products and branches 3. Lack of qualified British born Shariah scholars
Social Justice	<ol style="list-style-type: none"> 1. Social justice is not fully reflected based on participants' opinion 2. British Muslim scholars are not well placed / products do not meet objectives

Shariah compliance	<ol style="list-style-type: none"> 1. IB has Shariah compliant products but with very few numbers 2. Marketing is not sufficient and decreasing despite having opportunities
2. Perception to Staff and Management of IB	
Staff & Management & leadership	<ol style="list-style-type: none"> 1. Staffs and management are not highly qualified nor understand IB values 2. Managements lack vision and objectives of IB 3. Shareholders focused on profitability and recruits non IB professionals
Role of Shariah Scholars	<ol style="list-style-type: none"> 1. Shariah scholars are not familiar with British Muslims needs specially youths 2. Mosques use Arabic/other languages often for sermons 3. Difference in Shariah advise is confusing due to different schools of thought
3. Attitudes to IB Marketing	
Authentic/online marketing	<ol style="list-style-type: none"> 1. Poor advertising/minimum information on local websites, lack promotion 2. Online marketing needs to improve based on the local requirements
Customer Relationship	<ol style="list-style-type: none"> 1. Customer relationship management needs to improve with effective strategies 2. Need to improve image of Islam in the UK with more innovative products
4. IB Challenges and Development	
Challenges	<ol style="list-style-type: none"> 1. Lack of investment / lack of sufficient and qualified Shariah scholars 2. Less innovative products / retails sector decreasing / insufficient marketing 3. Management failures and lack of qualified staffs
Opportunity	<ol style="list-style-type: none"> 1. Awareness among Muslims are increasing among young generations 2. Non-Muslims customers are increasing / interest free products
5. Growth Perceptions	
Barriers	<ol style="list-style-type: none"> 1. Lack of financial market development. Poor services and lack of CRM implementations 2. High prices / Lack of awareness / Lack of branches and retail banking 3. Shareholders focus on profitability instead of social justice

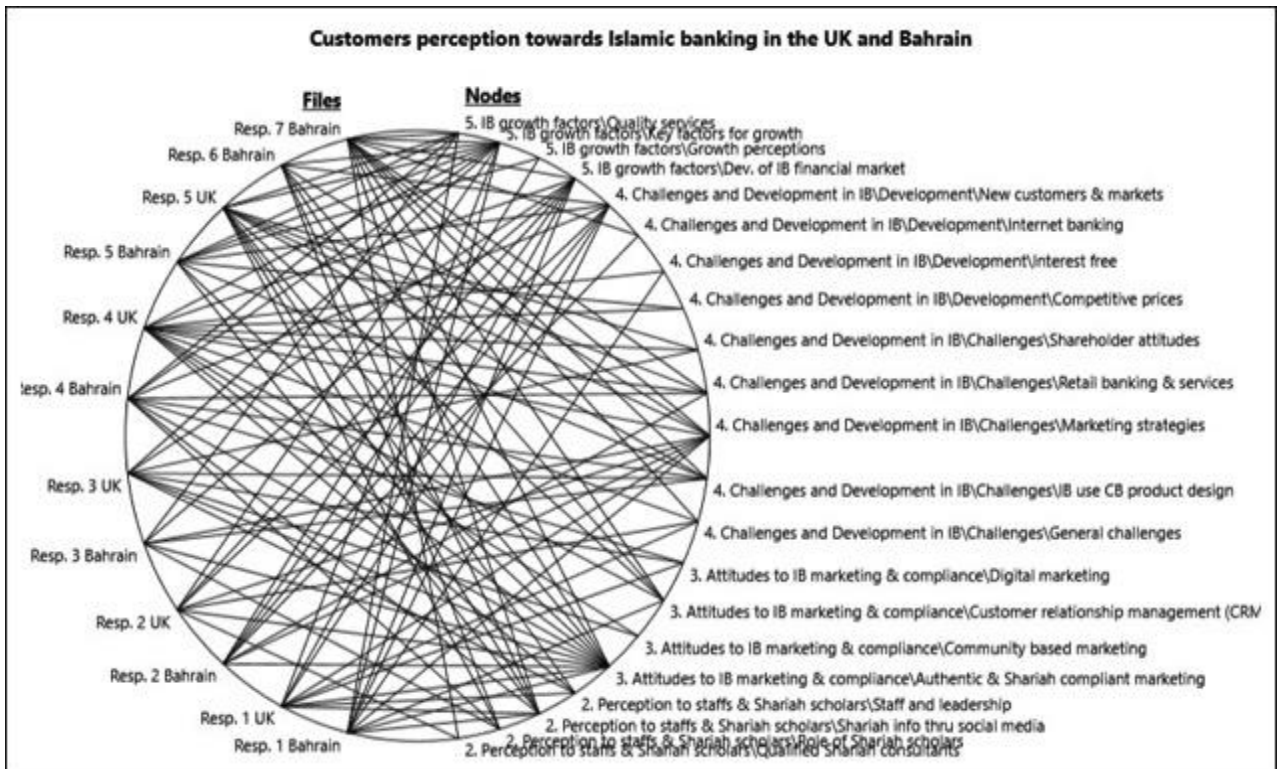
Following table presents the key findings from Bahrain

Table 7.2 Summary of key findings (interviews, Bahrain)

Subject	Key Findings (Bahrain)
1. Perception towards IB (Attitudes, Awareness, Objectives, and Shariah compliance)	
Understanding and Awareness	<ol style="list-style-type: none"> 1. Islamic bank follow the principles of Shariah law strictly in Bahrain 2. Most customers understand IB products
Objective of IB	<ol style="list-style-type: none"> 1. There are gaps exist but continuous improvement on going 2. There are more banks available than needed in Bahrain 3. There are Shariah scholars available but more qualified needed
Social Justice	<ol style="list-style-type: none"> 1. Participants opinion divided; religious influence exists. 2. Lack of innovative products for more social justice in banking and economy
Shariah compliance	<ol style="list-style-type: none"> 1. Shariah compliance mandatory in Bahrain with major regulatory body in Bahrain 2. Marketing is sufficient and comply Shariah law
2. Perception to Staff and Management of IB	
Staff & Management & leadership	<ol style="list-style-type: none"> 1. Staffs and management are qualified and understand IB values 2. Managements are not efficient and struggling with losses and improving slowly 3. Shareholders has long term vision and mission of IB industry in Bahrain
Role of Shariah Scholars	<ol style="list-style-type: none"> 1. Shariah scholars are familiar with Muslims needs including youths 2. Less language barriers and Arabs serving Arabs, but non-Arabs are available too 3. Different in Shariah advise confusing due to different schools of thought
3. Attitudes to IB Marketing	
Authentic/online marketing	<ol style="list-style-type: none"> 1. Good advertising but high rewards announcement needs to be Shariah compliant 2. Online marketing needs to improve based on the local requirements
Customer Relationship	<ol style="list-style-type: none"> 1. Customer relationship management exists but needs to improve 2. More innovative products needed with more branches and ATM machines
4. IB Challenges and Development	
Challenges	<ol style="list-style-type: none"> 1. Lack of qualified Shariah scholars and management 2. Less innovative products / insufficient marketing and awareness 3. Lack of distinguishing products from conventional banks

Opportunity	<ol style="list-style-type: none"> 1. Awareness among Muslims is increasing among young generations 2. Non-Muslims customers are increasing / interest free products
5. IB Growth Perceptions	
Barriers	<ol style="list-style-type: none"> 1. More banks than needed and profit decreases for some banks 2. High prices / Lack of awareness 3. Diversification of products and services

Figure 7.10 Diagram of sub themes (Main and general themes)



Source: Created by the author

CHAPTER EIGHT

CONCLUSION: KEY FINDINGS, RESEARCH LIMITATIONS AND FUTURE RESEARCH

8.1 Introductions

This study aims to understand the perceptions and attitudes towards Islamic banking (IB) from the two case countries using customer relationship management (CRM) frameworks. Existing literature covered customer relationship management on single aspects of products or services or measured customer satisfaction. Also, most previous works had focused on either qualitative or quantitative analysis. Nevertheless, this research uses two case countries among banking customers in the West (UK) and the Middle East (Bahrain) to compare their understanding, perceptions and experience of customers toward IB, which is a unique aspect of this research. This research also used an online survey and subsequently a qualitative interview IB scholars and banking professionals to cross-examine the online survey findings, which was not done previously involving Bahrain. This research will also employed the CRM frameworks, which is unique in the case of Bahrain and the UK. After it has compared them to the West and vice versa and to understand the main difference between the IB customers in the Middle East and the West. In addition, various variables that have a direct influence have been discussed and analysed while analysing the data, which could impact customers' minds in choosing or not choosing Islamic banking.

This research also critically analysed previous studies relevant to this study for challenges and development in IB in the case countries (see section 2.2). The questionnaires were prepared and structured accordingly, using negative and positive statements to explore customer perceptions effectively. Based on the analysis, the recommendation in the form of CRM implications is furnished.

Among the key findings, IB needs to organise their offerings strategies in line with CRM recommendations to improve relations for long-term sustainability and develop a loyal customer base. The Shariah perspective should be at the heart of CRM strategies such as using technology, new and innovative products, interactive customer services, and development of staff by providing appropriate training, and use of marketing compliance with Shariah law. These strategies will enable IB to

position itself stronger to compete while reducing the distance from the customers and society.

The online survey findings and interviews suggest Bahrain-based customers are more favourable than the UK customers and scholars. The overall perceptions of IB remain doubtful for many customers, if not most, in both countries. The experience and satisfaction are not fully agreed upon, but the awareness among customers is lacking. The objectives and values are not followed in IB institutions in many aspects of banking. This multi-methods data analysis includes a recommendation on each of the areas where Islamic banks are not progressing or are not sufficient to serve many Muslims globally. In this context, the interviewees are also given fundamental thoughts that Islamic banking institutions can consider forming strategies to meet the customers' requirements. For example, the websites should provide more details on compliance of Shariah in the products and services while mentioning price features wherever applicable for consumers' convenience.

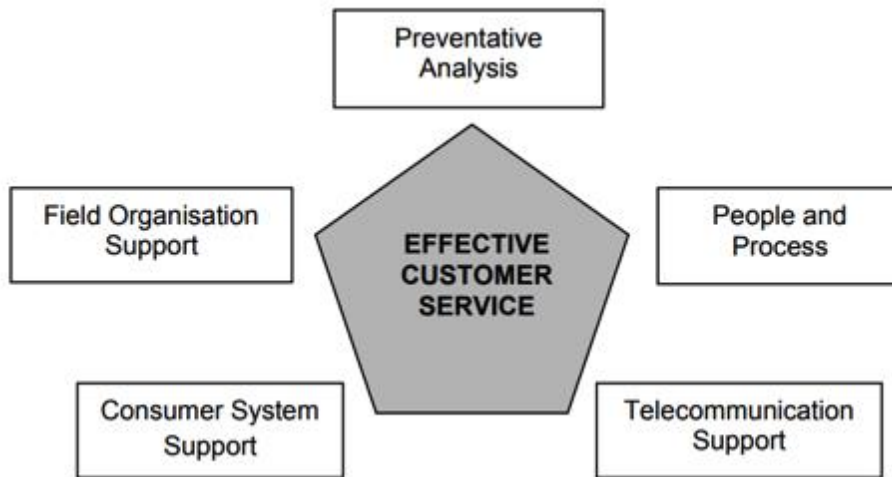
There was another concern among non-IB customers who never used IB, used a neutral or agreed with any negative aspects of the research questions when asked about products and services. This notion suggests that they either did not know or could not answer or agree to negative questions about IB. This neutral position needs to review by IB institutions to review non-IB customers' concerns to understand more before IB could work on a solution under the CRM frameworks. Because due to the lack of knowledge or education on IB values, customers will have doubt or may not trust IB products. Therefore, IB could lose customers and competitive edge while customers too are deprived to avail of ethical products and services with more certain financial activities. The lack of this awareness could be a lose-lose situation for the IB industry unless IB management develops appropriate strategies to address this issue.

In connection with the above, IB website marketing is a key platform for promoting IB products and information. The current IB practices are insufficient in the UK, and

many websites do not present all the products and processes for IB customers for the parent company site is needed to visit. For example, the biggest banks, Al Rayan Bank and Qatar Islamic Bank, local sites have limited exposure for customers to know about the range and benefits of the products. On the other hand, the websites in Bahrain with attractive rewards and prizes ranging from thousands to millions in dollars in addition to various types of Shariah-compliant credit cards, which some scholars indicated are extravagant. They may fall in the category of Riba. The "Shariah compliant" slogan is not sufficient to attract customers. The website needs more clarification, specifically for young customers and women for whom limited products are available and need to attract customers. The sign of "ethical products" alone cannot be sufficient to convince customers in this modern age.

The survey and interview results show that the Zakat administration, reputed Shariah scholars, or religiosity alone, are not crucial for many customers. While the competitive and innovative products with quality services are desired in both case countries (Rasool, 2018). Combining innovative products, quality services, efficient staff members, and using all marketing channels without inconsistent fatwa under CRM frameworks could revive the IB industry. Though, the customers from Bahrain found more positive in IB services and markets than the UK markets and offerings. The following figure adopted from Rafiki et al. (2021) show how CRM could be implemented in Service sectors. This figure shows five related elements and helps to achieve how the process could deliver excellent customer services (CS) to satisfy customers effectively. In this process, the people and the process are considered the key to start. The entire procedures, policy and employees to be customer-oriented using telecommunication and other digital tools for customer communication, including integrating field organisational support and developing a customer's support system. In contrast, the preventative analysis will efficiently enhance the customer support cycle and implement CRM in customer service operations.

Figure 8.1 Customer service pentagon



Source: Created by the author suggesting process of effective customer services.

External marketing cannot be achieved if weak internal marketing (Ali and Ahmed, 2022). Therefore, while focusing on marketing outside, IB needs to ensure that the internal marketing process is in place and the staffs are trained adequately to understand IB values before they start serving customers. Banking staff must understand a customer equally, identify their needs and accordingly differentiate and maintain solid relations for long-term loyalty by providing the products and services customers need. These are the process starting from internal strength, which delivers efficiently externally too under the CRM frameworks, which are also the objectives of operational components of CRM.

Providing job opportunities is another way of serving society. IB should recruit employees based on merits but also consider social justice by ensuring to recruit local talents without discrimination. If possible, support educating poor people in the IB industry and other ethical-based training and learning such as environment-related issues. In connection with this, IB should utilise its website to announce various opportunities focusing on the local community for jobs and other developmental activities for more comprehensive social development. IB management needs to train junior and senior employees based on the modern way

of handling customers.

The current study finds that prominent Shariah scholars are taking part in dozens of organisations, which makes debate among critiques (Housby, 2013) and branded as ambitious because of joining so many organisations, the scholar may not be able to focus on Shariah development effectively. The survey respondents found that more qualified Shariah scholars are needed in the IB industry. On the other hand, the interview respondents from the UK recommend that more homegrown Shariah scholars and consultants to appoint to support diaspora Muslims, specially young generations.

Focus on retails is decreasing in the UK. According to interviewees, IB operations were shrinking and suggested that an IB market creation is necessary with more investment and urgently developing retail sectors. At the time of writing this chapter, the website of Al-Rayan bank announced that one of two branches in London is closing (Bank website) that are supposed to serve Londoners, where millions of Muslims live (Housby, 2013). This lack of efficient operation activities in retails in IB indicates and supports that IB was reducing operation costs, which may not healthy and may not be able to develop customer relations as it was expected, which are also the objectives of IB.

The innovation keeps products and services to enhance their survival rates. The result suggests that IB is unable to develop innovative products nearly similar to conventional banks' products and services. The survey results, as well as interview respondents, agreed on this issue. However, some processes differentiate them according to the survey findings. Nevertheless, the new products with more interest-free products are not seen as per the interview responses from banking professionals and Shariah scholars from both the UK and Bahrain. Respondents asked where the products for youths and retired people are? Is IB management going to provide more products for people for financial inclusion? Why are investments focused instead on retail banking to serve ordinary Muslims and other

customers, which are not objective Islamic banks? These questions were raised by interviewers, specially in the UK. Therefore, IB management should consider their employees' opinions before serving customers with the products, which the shareholders wish. The respondent also raised questions about IB products and the prices, which are also higher than the conventional banks. However, Bahrain customers are optimistic and happy with the competitiveness even though the procedures are not up to the expected levels.

Islamic banks are new to the market; there will be more challenges than opportunities. However, with the help of effective step-by-step CRM implementation, IB could gain competitive advantages. These steps start by collecting all the feedback in all the functional departments and contact points to review and develop strategies based on the CRM frameworks. Then develop strategies on IB products, services, staff, Shariah compliance and marketing to satisfy customers while keeping Islamic values in their offering for optimum enhancement of customers' experience and loyalty.

The CRM implementation cycle is proposed by using functional components of CRM in which an evaluation will be conducted on existing and potential customers' contact points such as main banking services. The key contact points of the main banking services are counter services, telephone banking, Internet banking, ATM, and branch banking. The detailed evaluation will include the customer's gender, age, ethnicity, disadvantaged and poor, disabled, and expatriate (wherever applicable).

In this process, the gap analysis is considered using customers' present and past decision-making tendencies on IB products and services to see the prospective future requirements. Subsequently, analyse their level of satisfaction, the perception and attitudes towards products and services, and customer's preferences and understanding before offering them effective products that address customers' concerns. After a critical assessment of the customers, IB

needs to focus on product innovation using various essential features such as flexibility of access, competitive prices, and unique features that differentiate from other products and create value for customers and ensure the integration of objectives of IB.

Vision and mission must be clear and presented in all customer contact points. The vision and mission must address according to the objectives of IB and focused to understand clearly. To gain the trust of Shariah scholars and consultants, IB must ensure that shareholders or owners have little influence in intervening scholars in doing their jobs. In contrast, Shariah scholars could gain knowledge and expertise consistently throughout their careers to contribute to IB products and services in this frequently changing business world. A centralised regulatory body is one of the critical issues that most literature suggests (Wilson, 2009; Housby, 2013; Mahyudin & Rosman, 2022). The regulatory body will ensure consistency of Shariah's opinion among all scholars and banks globally. Without Shariah compliance, there will be nothing called Islamic banks while the Islamic values are presented by offering the IB products and services.

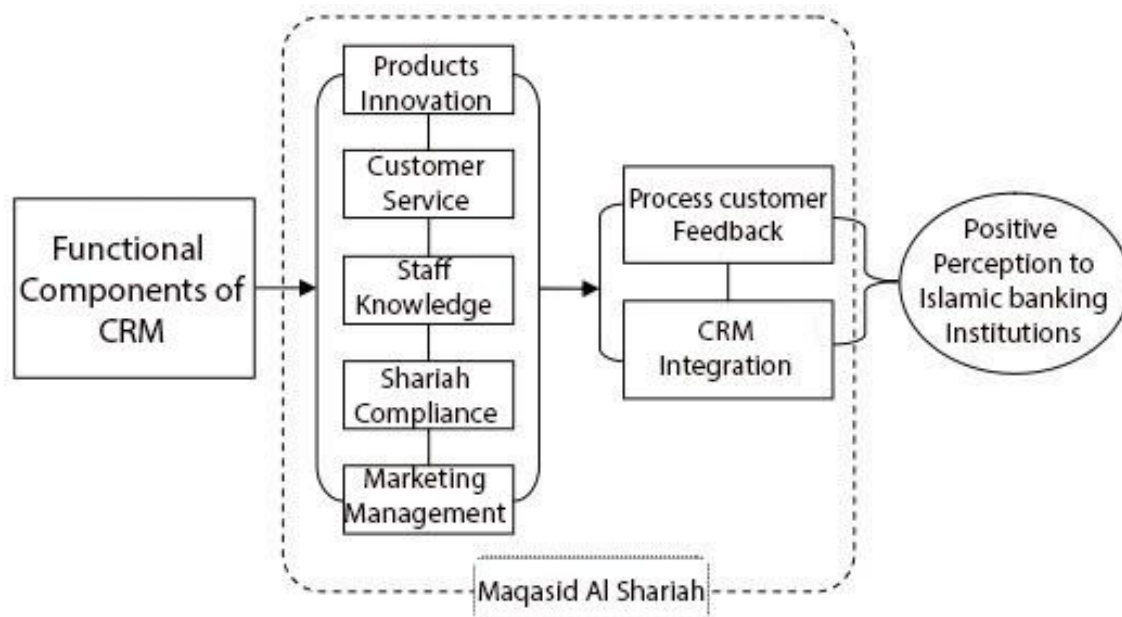
The evaluation of marketing is one of the keys to IB since the marketing is the face of IB to its customers. Marketing plays a crucial role in educating and raising awareness among customers. The customers are only convinced and decide on their products through their cognitive abilities. These abilities can evaluate, reviewed, and understood before deciding. Therefore, only "Shariah compliant" or "Islamic" words are not enough to convince customers. A website's or brochure's colour and design may not change customers. Therefore, authentic marketing with the appropriate information needs to mention in the websites. For example, Shariah compliance and prices wherever possible. This process could lead to developing a unique brand and long-term sustainability and loyalty.

In every aspect of the process, technology plays a vital role. In comparison, it provides Internet banking, the features of mobile banking, customers friendly and

accessible interface in the usage of the application, and integration of chat, phone and email services that enable IB to understand the preference of customers and provide customized services wherever possible.

The following figure is presented to illustrate the process of CRM that could satisfy customers as per the research findings.

Figure 8.2 Functional components of CRM



Source: Illustrated successful use of CRM by the author based on research findings

8.2 Research implications

In the quest to build an effective relationship with Islamic banking customers using CRM frameworks, this research put considerable effort into evaluating and analysing before making meaningful suggestions for the Islamic banks. These implications are derived from the analysis of a survey among 351 participants from the UK and Bahrain participants. Further, this research aimed to cross-examine by conducting interviews using closed-end questionnaires among 12 Islamic banking staff, management, and Shariah scholars. These multi-phased approaches are

considered for meaningful findings. Because much research has been undertaken previously with either quantitative or qualitative alone, few are multi-methods. Much previous research has completed the research-using hypothesis to prove or reject it. The current research credibility is not limited to one approach but multi-methods (qualitative) approach, including a complimentary analysis of interview data using NVivo software, which helps the researcher analyse the data more effectively and accurately by creating coding and comparing within the NVivo system.

Based on the above, this research has presented the key suggestions that Islamic banking institutions could review for strategy development and improvement. At the same time, the literature will update the new information, specially in the field of CRM. CRM is important because the literature suggests that any strategy hole in the planning will result in CRM project failures.

It is inevitable that based on the cognitive ability and customers will react to any products and services. These are physiological factors, which are also depending on various situations. The current market is technology based and highly competitive. The religious factors are not enough for IB to compete or progress and survive; a solid base must be built by reviewing the requirements of different types of people, genders, different age groups and their preferences, the ethnic groups and their perceptions and attitudes. It is also necessary to consider customers of different geographical contexts, levels of education and professions to determine their preferences for products offered to gain competitive advantages for a more significant market share (Saifullah et al., 2015).

The objective of Islamic banking is to bring morality, social justice to banking, finance, and the economy; the focus must be on the inclusion of various income groups, families and entrepreneurs who require financial assistance. Therefore, retail banking is necessary more than ever instead of only focusing on investment banking. Retail banking will enhance IB's interactions with all levels of customers,

including ordinary and poorer customers. Using these various levels of income holder customers will also enable IB to develop strong relationships with customers offering the most appropriate products for them and keeping them loyal.

Innovation is another factor that the current survey results show, which IB is facing as a challenge. With the combination of technology and efficient service with innovative products, IB could quickly progress and compete effectively with its rivals to gain trust and loyalty. The gap analysis and feedback from existing and potential customers could help IB develop strategies and develop innovative products and design services with quick accessibility.

The current research suggests that branding is relatively weak in IB. Most participants either never knew or were unsure about the banking terms, indicating that IB must pay special attention to branding products and services. The awareness campaign and marketing through all possible platforms, including social media, digital marketing, applications, and ATMs. The key message should include IB objectives and Shariah compliance. The offering must be straightforward and include the prices and values wherever applicable. In addition, the target marketing campaign for young generations with attractive products and promotions. For example, products for student related to education or savings and retirement products for elderly people. These products are highly recommended in the current research findings by the most participants. The website could be upgraded to a local site with all the relevant information sought. For example, in the UK, most Islamic banks relate to their parent companies, including Al-Rayan, Qatar Islamic Bank, Abu Dhabi Islamic Bank, and so on. This website should have live support facilities to get quick information, possibly 24/7, due to the time difference with the country of the parent companies. On the other hand, Bahraini IB websites also need to review. Secondly, the internal marketing procedure must apply in IB, which is equally important as external marketing.

The staff development of IB is one of the critical areas that IB should consider

special attention. The current research suggests that IB management uses non-Muslim and non-IB professionals to serve customers with little or no knowledge of IB values, specially in the UK. Most professionals who were interviewed expressed their concerns on these issues, with many references indicated in the survey and interview coding. IB should, therefore, use its website for recruitment more effectively by attracting talents with more knowledge of IB values. In this context, the British-born merit-based candidates could be attracted with appropriate training. In addition, more accredited training centre needs to introduce globally.

8.3 Original contribution to research

This research contributes to various aspects of knowledge, which are mentioned below:

In theory: Consumer behaviour and models and theories are generally used for conventional banking; however, Islamic banking has emerged in the last few decades with unique objectives using alternative banking means, emphasising moral and ethical aspects aiming to bring social justice in banking, finance, and economic activities. However, the discussion and adoption of theories and models of consumer behaviour and CRM in Islamic banking sectors have not been widely used. Secondly, Islamic banking products and services have only been in the market for a few decades. By critically reviewing the current literature on Islamic banking products and services and comparing it with findings, this study contributes by discovering how Islamic banking literature connects with consumer behaviour theories and models. This research also attempted to identify the trend of consumer behaviour by adding ethical aspects and objectives of Islamic law (*Maqasid Al Shariah*) in Islamic banking and finance in the Middle East and the West, which were previously not considered. Therefore, the findings are critical for marketers and researchers to craft competitive strategies for IB institutions.

In methodology: This research used methods and procedures that very few exist in the literature studied in the UK and Bahrain among participants who use both Islamic and conventional banks. Therefore, using two different cultures and

deploying multi-methods research identified factors affecting the decision-making process for consumers where products and services are independent variables. Therefore, this study will consider a holistic view with a mixed-methods context.

Demographic context, comparing consumers' attitudes (within Middle Eastern and Western geographic locations) is a unique feature of this study, and new empirical data has been revealed. The attitude and perception of customers on IB's products (independent variables) and services living in the UK and Bahrain, as well as the relationship between the demographic variables. These aspects are mainly absent involving the UK and Bahrain in previous studies as per the best knowledge of the researcher.

CRM component: Finally, one of the key features of this study is the knowledge enhancement of CRM usage in Islamic banking services as the theory that analysed the factors using the functional components of relationship management of customers. CRM frameworks also helped to find the answer to the key research questions of this study. This process incorporates into the recommendation under the current research. Therefore, the result of the study provides a practical recommendation, and banking institutions might take corrective notes based on current information from the survey and the interviews. At the same time, the literature updates in the field of consumer behaviour and consumer relationship management in academia.

It may emphasise that this study contributed to the academic and business literature and consumers' behaviour toward Islamic banking in the target geographical area, such as the UK and Bahrain.

8.4 Future research

The current study has revealed some IB results in functional components of CRM frameworks, which are products, services, staff, Shariah compliance/role of Shariah scholars and marketing. The scope is limited to small sample size, survey, and interviews within two case countries (UK and Bahrain). Therefore, future

research should cover other European and the Middle East nations with larger sample sizes to review and analyse if the cases are similar or different from these studies, especially in the field of CRM. Secondly, this study used convenience sampling; future research should use other sampling methods such as probability sampling for more credibility. Most participants of the current research were via Google form online. Due to the Covid-19 outbreak and restrictions, future research should be more interactive with people of all ages, specially those who cannot use online applications, which could have more impact. This research is also comparative, in-depth qualitative. Therefore, with a single geographical area or country that could be considered in the future to expand the research further. In addition, this study considered only a few variables due to two case countries comparison. Future research should focus on more essential variables than the current study. Another significant limitation was that no female professional from the UK agreed to participate in the interview despite considerable efforts, in addition to any native white British or European British who were also declined my request for an interview. Therefore, future research needs to focus on this to involve more non-Muslim populations. Among others, this research used functional components of CRM; under the frameworks, the IB products, services, staff, Shariah compliance and marketing are discussed. However, it could be possible to do research with a single product or items without CRM involvement, which could also bring new information more precisely using in-depth analysis either by quantitative or qualitative methodology.

References:

Abdul A. Aziz, Sidek. R, Adnan, A. Azrin. (2012) Perception of Non-Muslim Customers towards Islamic Banks in Malaysia. *International Journal of Business and Social Science*. Vol. 3 No. 11.

Abdullrahim, N., Robson, J. (2017) The importance of service quality in British Muslim's choice of an Islamic or non-Islamic bank account. *J Financ Serv Mark* 22, 54–63 (2017). <https://doi.org/10.1057/s41264-017-0025-6>

Abdullah, H. and Asutay, M. (2021) Constituting Islamic Corporate Governance Theory through Islamic Moral Economy, *Monetary Policy, Islamic Finance, and Islamic Corporate Governance: An International Overview*, Emerald Publishing Limited, Bingley, pp. 13-35.

Abdul-Rahman, A., S. Mohd Nor. and M.F. Salmat. (2020) The Application of Venture Capital Strategies to Musharakah Financing. *Journal of Islamic Accounting and Business Research* 11, no. 4: 827-44.

Abdurakhmonovich, S.G. (2023) Ways to develop literacy skills of primary school students by learning about the heritage of our ancestors. *American Journal of Science on Integration and Human Development*. Vol. 01, Issue 05, 2023.

Abubakar, M. (2018) Determinants of Customers' Engagement with Islamic Banking, *Management of Islamic Finance: Principle, Practice, and Performance (International Finance Review, Vol. 19)*, Emerald Publishing Limited, Bingley, pp. 223-237.

Agha, E. (2018) What makes Riba (interest) different from Profit in a Credit Sale? *International Journal of Islamic Finance*. (Available free online via LinkedIn,

accessed on 15 December 2019). <https://www.linkedin.com/pulse/what-makes-rib%C4%81-interest-different-from-profit-credit-ehsanullah-gha/>

Ahmad, G., Widyastuti, U., Susanti, S., and Mukhibad, H. (2020) Determinants of the Islamic financial literacy. *Accounting*, 6(6), 961-966. <https://doi.org/10.5267/j.ac.2020.7.024>

Ahmad, E. F.; Shihama, M.; Mohamad Tarmizi, N. A.; Jibril, S. M.; Djama, S. I. and Muneeza, A. (2017) Tawarruq as a Product for Financing within the Islamic Banking System: A Case Study of Malaysian Islamic Banking System, *International Journal of Management and Applied Research*, Vol.4, No.1, pp.31-43.

AHMED, M.R. (2019) Growth and Challenges of the Islamic Banking System: A Perspective of the British Bangladeshi Muslim Community in London, United Kingdom, University of Wales Trinity Saint David (United Kingdom).

Aidrus, I. A. (2014) Islamic finance development: a role of the Kingdom of Bahrain, *Finance & Credit*, no. 47, pp. 39–47.

Ajzen, I. (2020), "The theory of planned behavior: frequently asked questions", *Human Behavior and Emerging Technologies*, Vol. 2 No. 4, pp. 314-324.

Ajzen, I. (2015) Consumer attitudes and behavior: the theory of planned behavior applied to food consumption decisions. *Rivista Di Economia Agraria*, 70(2), 121–138.

Akbar, S., Zulfiqar Ali Shah, S. and Kalmadi, S. (2012) An investigation of user perceptions of Islamic banking practices in the United Kingdom, *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 5 No. 4, pp. 353-370.

Akhtar M. and Fadillah M. (2021) Value based Islamic banking and reporting in Bahrain. *International Journal of Ethics and Systems*, vol. 37 no.4.

Akkas, E., and Asutay, M. (2022) Intellectual capital disclosure and financial performance nexus in Islamic and conventional banks in the GCC countries. *International Journal of Islamic and Middle Eastern Finance and Management*, 1–24. <https://doi.org/10.1108/IMEFM-01-2021-0015>

Alam, I. and Seifzadeh, P. (2020) Marketing Islamic Financial Services: A Review, Critique, and Agenda for Future Research. *Journal of Risk and Financial Management*. 2020, 13, 12; doi:10:10.3390/jrfm13010012.

Alam, N., Gupta, L., Shanmugam, B. (2017) Comparative Analysis: Islamic Banking Products and Services in Different Countries in Islamic Finance. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-319-66559-7_7.

Alam, M. (2012) *Success Business Process Engineering (BPR) Project at XYZ Company Saudi Arabia: Evaluation of Employee Participation and Management Commitment*. MBA. University of Leicester.

Alam, M. (2018) *Impact of Spotify's Online Branding on Consumer Perception*. MSc. University of Ulster.

Alam, M. (2019a) Promotion of Islamic banking products and services through digital media: Kingdom of Bahrain Perspective. *Paper presented at: University of Bolton Post Graduate Research Student Society (PGRSS) Annual Conference*. University of Bolton, 4 April 2019.

Alam, M. (2019b) Islamic Financial Products and Services: Theory and Practice in Contemporary Britain. *Paper presented at: University of Sarajevo International*

Conference. University of Sarajevo, 25 October 2019.

Alam, M. (2020) The role of Customer Relationship Management (CRM) in promoting Islamic financial products and services. *Paper presented at: University of Bolton Post Graduate Research Student Society (PGRSS) Annual Conference*. University of Bolton, 20 February 2020.

Alam, M. (2023) Customers perceptions towards Islamic banking services, are they positive? *Paper submitted at: International Conference on Advances in Communication Technology and Computer Engineering (ICACTCE'23)*. University of Bolton 25 February 2023.

Alam, M.K., Ab Rahman, S., Tabash, M.I., Thakur, O.A. and Hosen, S. (2021) Shariah supervisory boards of Islamic banks in Bangladesh: expected duties and performed roles and functions, *Journal of Islamic Accounting and Business Research*, Vol. 12 No. 2, pp. 258-275. <https://doi.org/10.1108/JIABR-02-2020-0035>

Alam, N., Gupta, L., Shanmugam, B. (2017) Comparative Analysis: Islamic Banking Products and Services in Different Countries in Islamic Finance. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-319-66559-7_7.

Alandejani, M. and Asutay, M. (2017) Nonperforming loans in the GCC banking sectors: Does the Islamic finance matter? *Research in international business and finance*, 42, pp.832-854.

Al-Awlaqi, M. A., and Aamer, A. (2022) Islamic financial literacy and Islamic banks selection: An exploratory study using multiple correspondence analysis on banks' small business customers. *International Journal of Emerging Markets*, ahead-of-print <https://doi.org/10.1108/IJOEM-09-2021-1354>

Albrecht, S.L., Furlong, S. and Leiter, M.P. (2023) The psychological conditions for employee engagement in organizational change: Test of a change engagement model. *Frontiers in Psychology*, 14, p.18.

Aldaihani, FM. and Bin Ali NA. (2018) Impact of Social Customer Relationship Management on Customer Satisfaction through Customer Empowerment: A study of Islamic Banks in Kuwait. *International Research Journal of Finance and Economics*, Issue 170.

Alharbi, A. (2015) Development of the Islamic Banking System. *Journal of Islamic Banking and Finance*. Vol. 3, No. 1, pp. 12-25.

Ali, S.A., Loussaief, A. and Ahmed, M. (2022), A comparative analysis of employees' and customers' attitude towards Islamic banking, *International Journal of Ethics and Systems*, Vol. 38 No. 2, pp. 209-234.

Ali, S.F. and Naeem, M. (2019) Does service quality increase the level of banks performance: Comparative analysis between conventional and Islamic banks, *Journal of Management Development*, Vol. 38 No. 6, pp. 442-454.

Ali, S. N., and Syed, A. R. (2010) Post-9/11 Perceptions of Islamic Finance. *International Research Journal of Finance and Economics*, No. 39, pp. 29-37.

Al Karim, R., Alam, M.M.D. and Al Balushi, M.K. (2023), "The nexus between CRM and competitive advantage: the mediating role of customer loyalty", *Nankai Business Review International*, Vol. ahead-of-print No. Ahead-of-print. <https://doi.org/10.1108/NBRI-04-2022-0040>.

Al-Omari, Z., Alomari, K., and Aljawarneh, N. (2020) The role of empowerment in improving an internal process, customer satisfaction, learning, and growth. *Management Science Letters*, 10(4), 841-848.

AlShattarat, W.K. and Atmeh, M.A. (2016) Profit-sharing investment accounts in Islamic banks or mutualization, accounting perspective, *Journal of Financial Reporting and Accounting*, Vol. 14 No. 1, pp. 30-48. <https://doi.org/10.1108/JFRA-07-2014-0056>.

Antonio, L.Q. (2019) Customer relationship management: *digital transformation and sustainable business model innovation*, *Economic Research-Ekonomska Istraživanja*, 33:1, 2733-2750.

Arshed, N. and Kalim, R. (2021) Exploration of the equilibrium level of Musharakah financing in full-fledged Islamic banks, *Journal of Islamic Accounting and Business Research*, Vol. 12 No. 3, pp. 340-361.

Arwa, A. (2018) A Comparative Study to Improve the Legal and Financial System of Mortgages in the Royal Kingdom of Saudi Arabia with a Regulatory Analysis of the US and the UK, and Case Analyses of the UK, Sharjah, Dubai and Saudi Arabia. Page 4, submitted to University of Westminster, 2018.

Ashraf, Badar Nadeem, Mosab I. Tabash, and M. Kabir Hassan. (2022) Are Islamic banks more resilient to the crises vis-à-vis conventional banks? Evidence from the COVID-19 shock using stock market data. *Pacific-Basin Finance Journal* 73: 101774.

Aslam, E., Ashraf, M.S. and Iqbal, A. (2023) Impact of corporate image on customer loyalty of Islamic banks: the role of religiosity, collectivism, sight cues and CSR, *Journal of Islamic Marketing*, Vol. 14 No. 5, pp. 1310-1324.

Asni, F. (2021) Management of fatwa standardization on the practice of bay' 'inah contract in Malaysia: an analysis according to usul al-Fiqh and mura'ah al-Khilaf method, *Qualitative Research in Financial Markets*, Vol. 13 No. 1, pp. 118-

139. Available from: <https://doi.org/10.1108/QRFM-11-2021-0195> [Accessed on 1st August 2023].

Asutay, M. (2018) *Islamic political economy and IME: rationale, foundations and philosophy*, Working Paper, Durham Centre for Islamic Economics and Finance, Durham University Business School, Durham.

Asutay, M., Wang, Y. and Avdukic, A. (2022) Examining the Performance of Islamic and Conventional Stock Indices: A Comparative Analysis. *Asia-Pac Financial Markets* 29, 327–355 (2022). <https://doi.org/10.1007/s10690-021-09351-7>

Asutay, M. and Yilmaz, I. (2021) Constituting an Islamic social welfare function: an exploration through Islamic moral economy", *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 14 No. 3, pp. 524-540.

Asutay, M. (2011) An Introduction to Islamic Moral Economy. *Durham Centre for Islamic Finance Autumn School 2011*. University of Durham, p.3-4.

Avdukic, A. (2016) *Essays In Islamic Political and Moral Economy: Explorations in Microeconomic Foundations of Islamic Economics* (Doctoral dissertation, Durham University).

Ayachi, R. A. Saidane, D. & Mansouri, F. (2017) Potential of Islamic finance: a survey of Tunisian Northwest companies, *Journal of Emerging Economies & Islamic Research*, vol. 5, no. 2, pp. 28–42.

Ayyadi, A. (2018) Sharia's Control for the Development of Islamic Banking Products. *Journal of Economics and Sustainable Development*. Vol.9, No.8.

Azam, M., Akhtar, J., Ali, S.A. and Mohy-Ud-Din, K. (2019) The moderating role of Shariah compliance on the relationship between firm profitability and CSR activities: An ethical obligation, *International Journal of Ethics and Systems*, Vol. 35 No. 4, pp. 709-724.

Bambore, P. L & Singla, V. (2017) Factors affecting e-banking adoption and its impact on customer satisfaction: a case study of Ethiopian Banks, *International Journal of Marketing & Business Communication*, vol. 6, no. 1, pp. 16–28.

Bansal, P. Smith, W. K. & Vaara, E. (2018) New ways of seeing through qualitative research, *Academy of Management Journal*, vol. 61, no. 4, pp. 1189–1195.

Baydoun, N. Sulaiman, M, Willett, R.J, and Ibrahim, S. (2018) Principles of Islamic Accounting, John Wiley & Sons, Incorporated, Somerset. Available from: ProQuest Ebook Central. [19 August 2023].

Bedoui, E. H. (2016) Overview Of Islamic Finance Regulatory Framework and Development. Accessed on 11 October 2020, available on [https://www.researchgate.net/publication/326832316_Overview_Of_Islamic_Finance_Regulatory_Framework_And_Development].

Belouafi, A., and Chachi, A. (2014) Islamic finance in the United Kingdom: Factors behind its development and growth. *Islamic Economic Studies*, 22(1), 37–78.

Belwal, R., and Al Maqbali, A. (2019) A study of customer's perception of Islamic banking in Oman, *Journal of Islamic Marketing*, 10(1), pp.150-167.

Bell, E., Bryman, A. and Harley, B. (2022) *Business research methods*. Oxford university press.

Bell, E., Bryman, A., (2018). *Business research methods*. Oxford University Press.

Benati, I. and Coccia, M. (2018) Rewards in Bureaucracy and Politics. In Global Encyclopedia of Public Administration, Public Policy, and Governance –section Bureaucracy (edited by Ali Farazmand) Chapter No: 3417-1, https://doi.org/10.1007/978-3-319-31816-5_3417-1, Springer International Publishing AG.

Berry, Leonard, and Parasuraman Zeithaml. (1991) *Marketing Services: Competing through Quality*. New York.

Bilal, M. and Mydin, M. (2015) Al-Muqassah model: An alternative Shariah-compliant Islamic credit card model for Islamic financial institutions in Malaysia, *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 8 No. 4, pp. 418-438.

Blackwell, R. D., Miniard, P. W. and Engel, J. F. (2006) *Consumer behavior*. 10th edition. Mason, OH: Thomson Business and Economics.

Burrell, G. and Morgan, G. (2017) *Sociological paradigms and organizational Analysis: Elements of the sociology of corporate life*. Routledge.

Butt, M.A., Ayub, H., Latif, B., Asif, F., Shabbir, M.S. and Raja, A.A. (2022) Financial risks and performance of conventional and Islamic banks: do reputational risk matters, *Journal of Islamic Accounting and Business Research*, Vol. 13 No. 4, pp.581-595.

Buttle, F. and Maklan, S. (2019), *Customer Relationship Management: Concept and Technologies*. 4th ed., Routledge.

Central Bank of Bahrain (CBB). (2020) Fact Sheet, Banking and Finance. Available on: <https://www.cbb.gov.bh/fact-sheet/> [Accessed September 2 2020].

Curwin, J., Slater, R. and Eadson, D. (2013) Management science for business decisions.

Dan, C. (2023) The Silicon Valley Bank Failure: Historical Perspectives and Knock-on Risks. Available at SSRN: <https://ssrn.com/abstract=4392931> or <http://dx.doi.org/10.2139/ssrn.4392931>. [Accessed on 13 August 2023].

Choudhury, M.A. (2018) Micro-money, finance and real economy interrelationship in the framework of Islamic ontology of unity of knowledge and the world-system of social economy, *International Journal of Social Economics*, Vol. 45 No. 2, pp. 445-462. <https://doi.org/10.1108/IJSE-11-2016-0340>

Cohen, L; Manion, L; Morrison, K. (2013) Research Methods in Education [online]. Routledge. Available from: <http://www.mylibrary.com?ID=459890> [Accessed on 2 April 2021].

Creswell, J., (2022) *Research design: Qualitative, Quantitative and Mixed Methods approaches*. 7th ed. London: Sage.

Creswell, J.W. and Creswell, J.D. (2018) *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. Sage, Los Angeles

Daly, S. and Frikha, M. (2016) Islamic finance: basic principles and contributions in financing economic, *Journal of the Knowledge Economy*, Vol. 7 No. 2, pp. 496-512.

Danny, C.U Jr., Marcia, H. & Phil, H. (2018) PROJECTIVE RESEARCH: USING THE PAST TO TEACH IN THE PRESENT, *Marketing Education Review*, 28:2, 115-119.

Darley, W. K., Blankson, C. and Luethge, D. J. (2010) Toward an integrated framework for online consumer behavior and decision making process: A review. *Psychology & Marketing*, 27 (2), 94-116.

Deborah, P., Victor, O., Zita, U., Deborah, P., Victor, O., & Zita, U. (2019) Determinants of shopping mall patronage among consumers in Enugu metropolis. *International Journal of Academic Research in Business & Social Sciences*, 9(11), 400–420.

Dibb, S., (2012) *Marketing concepts and strategies*. 6th edition Andover: Cengage Learning.

Effendi, I., Murad, M., Rafiki, A. and Lubis, M.M. (2021) The application of the theory of reasoned action on services of Islamic rural banks in Indonesia, *Journal of Islamic Marketing*, Vol. 12 No. 5, pp. 951-976

Eleyan, D., Hyams-Ssekasi, D., Assaf, N. (2023) Exploring Customer Awareness and Experience in Banks. A Case Study of UK Commercial vs Islamic Bank. In: Alareeni, B., Hamdan, A. (eds) *Innovation of Businesses, and Digitalization during Covid-19 Pandemic*. ICBT 2021.

El-Chaarani, H., Ismail, T.H., El-Abiad, Z. and El-Deeb, M.S. (2022) The impact of Covid-19 on financial structure and performance of Islamic banks: A comparative study with conventional banks in the GCC countries”, *Journal of Economic and Administrative Sciences*.

Elhajjar, S. (2020) Examining Lebanese consumers' negative attitudes toward banks, *International Journal of Bank Marketing*, Vol. 38 No. 7, pp. 1511-1528. <https://doi.org/10.1108/IJBM-05-2020-0265>
[Accessed 2 August 2023].

Engel, J., Kollat, D. and Blackwell, R. (1968) *Consumer Behavior*. New York: Holt, Rinehart and Winston.

Farooq, O. and AbdelBari, A. (2015) Earnings management behaviour of Shariah-compliant firms and non-Shariah-compliant firms: Evidence from the MENA region, *Journal of Islamic Accounting and Business Research*, Vol. 6 No. 2, pp. 173-188.

Farooq, O. and Pashayev, Z. (2020) Shariah compliance and information transmission: evidence from an emerging market, *Journal of Islamic Accounting and Business Research*, Vol. 11 No. 8, pp. 1583-1597.

Federal Deposit Insurance Corporation (FDIC, 2023) Failed Failures in Brief – Summary 2001 through 2023. Available from:
<https://www.fdic.gov/bank/historical/bank/> [Accessed 10 August 2023].

Field, A.P. (2018) *Discovering Statistics Using IBM SPSS Statistics*. 5th Edition, Sage, Newbury Park.

Fishbein, M., and Ajzen, I. (1975) Belief, attitude, intention and behavior: *An introduction to theory and research*.

Fishbein, M., and Ajzen. (1980) *Understanding Attitudes and Predicting Social Behavior*: Eagle-Wood-Cliffs, Prentice Hall.

Financial Conduct Authority (FCA) (2023) available
[\[https://www.fca.org.uk/publication/final-notice/al-ryan-bank-plc-2023.pdf\]](https://www.fca.org.uk/publication/final-notice/al-ryan-bank-plc-2023.pdf),
[Accessed 16 September 2023].

Financial Service Authority, (FSA). (2007) *Islamic Finance in the UK: Regulation and Challenges*, Report Published by the FSA, London. Gartner Research. Accessed on 17 September 2020, available on the web. <<http://www.gartner.com>>.

Fotis, J. (2015) *The use of social media and impacts on consumer behaviour. 'The Context of Holiday Travel*. Ph.D. thesis submitted to the University of Bournemouth. Accessed on 15 August 2020, available on [<https://ethos.bl.uk/OrderDetails.do?uin=uk.bl.ethos.667839>].

Franzoni, S, and Asma A.A. (2018) Principles of Islamic Finance and Principles of Corporate Social Responsibility: What Convergence?" *Sustainability* 10, no. 3: 637. <https://doi.org/10.3390/su10030637>

GIFR (2019) Available from: <https://gifr.cambridge-ifa.net/order>. [Accessed on 26 October 2019].

GIFR (2020) Available from: <https://gifr.cambridge-ifa.net/order>. [Accessed on 26 October 2020].

Goldkuhl, G. (2012) Pragmatism Vs Interpretivism in Qualitative Information Systems Research. *European Journal of Information Systems*, 21(2), pp. 135-146.

Habib, S.F. (2018) *Fundamentals of Islamic finance and banking*. John Wiley & Sons.

Hadjon, R.P., Wisnubhadra, I., & Julianto, E. (2016). *DESIGNING E-CRM SYSTEM FOR BANKING INDUSTRY BASED ON WEB 2.0 TECHNOLOGY: A PROPOSAL*.

Hair, J.F., Black, W.C., Babin, B.J. and Anderson, R.E. (2014) *Multivariate Data Analysis*. 7th Edition, Pearson Education, Upper Saddle River.

Hair Jr, J.F., Hult, G.T.M., Ringle, C.M., Sarstedt, M., Danks, N.P., Ray, S., Hair, J.F., Hult, G.T.M., Ringle, C.M., Sarstedt, M. and Danks, N.P. (2021) An introduction to structural equation modeling. *Partial least squares structural equation modeling (PLS-SEM) using R: a workbook*, pp.1-29.

Harahap, B., & Risfandy, T. (2022) Islamic Organization and the Perception of riba (Usury) and Conventional Banks Among Muslims: Evidence From Indonesia. *SAGE Open*, 12(2).

Hassan, A., Chachi, A, Latif, S.A, (2018) Islamic Marketing Ethics and Its Impact on Customer Satisfaction in the Islamic Banking Industry. *Journal of King Abdulaziz University: Islamic Economics*, Vol. 21, No. 1.

Hasan M and Doddy S. (2022) Shariah supervisory board attributes and corporate risk-taking in Islamic banks, *Cogent Business & Management*, 9:1, DOI: 10.1080/23311975.2022.2158607.

Hasan, Z. (2014) In search of the perceptions of the Shari'ah scholars on Shari'ah governance system, *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 7 No. 1, pp. 22-36.

Hasan, Z. (2012) Shari'ah Governance in Islamic banks. Edinburgh University Press.

Hasan, Z. (2018) Academic sociology: the alarming rise in predatory publishing and its consequences for Islamic economics and finance, *Journal of Islamic Banking & Finance*, vol. 35, no. 3, pp. 11–25.

Hasmawati, A. and Mohamad, A. (2019) Potential application of Istisna' financing in Malaysia, *Qualitative Research in Financial Markets*, Vol. 11 No. 2, pp. 211-226.

Hazeem, H. (2021) CRM in the Banking Industry in Bahrain: How To Utilise CRM To Influence HNWI in the Banking Industry in Bahrain, University of South Wales (United Kingdom).

Hidayat, S.E. and Rafiki, A. (2021) Comparative analysis of customers' awareness toward CSR practices of Islamic banks: Bahrain vs Saudi Arabia, *Social Responsibility Journal*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/SRJ-05-2020-0174>.

Hidayat, S.E. and Rafiki, A. (2022) Comparative analysis of customers' awareness toward CSR practices of Islamic banks: Bahrain vs. Saudi Arabia, *Social Responsibility Journal*, Vol. 18 No. 6, pp. 1142-1171.

Gary H, Andrew P, Mitchel L. (2022) Investigating the impact of bank branch closures on access to financial services in the early stages of the COVID-19 pandemic, *Journal of Rural Studies*, Volume 95, 2022, Pages 1-14, <https://doi.org/10.1016/j.jrurstud.2022.07.012>.

Hoque, M.E., Nik Hashim, N.M.H. and Azmi, M.H.B. (2018) Moderating effects of marketing communication and financial consideration on customer attitude and intention to purchase Islamic banking products: A conceptual framework, *Journal of Islamic Marketing*, Vol. 9 No. 4, pp. 799-822.

Holland, G. (2017) Bahrain to host inaugural Islamic Finance Innovation Day next month, *Reseller Middle East*, p. 1.

Hosen, M.N., Lathifah, F. and Jie, F. (2021) Perception and expectation of customers in Islamic bank perspective, *Journal of Islamic Marketing*, Vol. 12 No. 1, pp. 1-19. <https://doi.org/10.1108/JIMA-12-2018-0235>

Housby, E. S. (2013) Islamic financial services in the United Kingdom, Edinburgh,

Edinburgh University Press.

Howard, J. A. and Sheth, J. N. (1969) *The theory of buyer behavior*. New York: Wiley & Sons.

IBM website, (2023) available from: <http://www-01.ibm.com/software/au/data/bigdata/> [Accessed 10th July 2023].

Imam, P., and Kpodar, K. (2016) Islamic banking: Good for growth? *Economic Modelling*, 59, 387-401.

Inoua, S. and Smith, V. (2023) The classical theory of supply and demand. arXiv preprint arXiv:2307.00413.

Inoua, S. M., and Smith, V. L. (2020a) Adam Smith's Theory of Value: A Mathematical Statement of his Market Price Discovery Process. *ESI Working Papers*, February 2020(20-10).

Islamic Financial Services Stability Report (2020) available from: file:///Users/Macbook/Downloads/Islamic%20Financial%20Services%20Industry%20Stability%20Report%202020_En.pdf [accessed on 30 July 2021].

Islam, R., Ahmed, S. and Razak, D.A. (2015) Identifying the gaps between customer expectations and perceptions on service quality dimensions of Islamic banks in Malaysia, *International Journal of Quality and Service Sciences*, Vol. 7 No. 4, pp. 424-441. <https://doi.org/10.1108/IJQSS-12-2014-0053>

Islam, J.U. and Rahman, Z. (2017) Awareness and willingness towards Islamic banking among Muslims: An Indian perspective, *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 10 No. 1, pp. 92-101.

Islahi, A.A. (2015) The Genesis of Islamic Economics' Revisited. *Islamic Economic Studies*, Vol. 23, No. 2. Available at SSRN: <https://ssrn.com/abstract=3156983> [Accessed 6 August 2023].

Jackson, J., and Khaleel, F. (2021) Exploring the Brand Effect of Islamic Bank on the General Population of Scotland. *Global Review of Islamic Economics and Business*, 9(1), 119-138.

Janah, N., Medias, F. and Pratiwi, E.K. (2020) The intention of religious leaders to use Islamic banking services: the case of Indonesia, *Journal of Islamic Marketing*.

Jobber, D. (2013) *Principles and practice of marketing*. 7th edition. Maidenhead: McGraw-Hill Higher Education.

Joshua, O., Mbonu, C., and Oke, O. (2018) An empirical study of the relationship between the theory of reasoned action and buyers preference. *International Journal of Business and Management Invention (IJBMI)*, 7(3), 14–19.

Junaidi, J., Wicaksono, R. and Hamka, H. (2022) The consumers' commitment and materialism on Islamic banking: the role of religiosity, *Journal of Islamic Marketing*, Vol. 13 No. 8, pp. 1786-1806.

Kachkar, O. and Yilmaz, M.K. (2022) How diverse are Shariah supervisory boards of Islamic banks? A global empirical survey, *International Journal of Ethics and Systems*, Vol. ahead-of-print No. Ahead-of-print. <https://doi.org/10.1108/IJOES-10-2021-0195>.

Khan, T. N. (2011) A Study of Customers Perceptions and Attitudes to Islamic Banking: Products, Services, Staff, Shariah Board and Marketing in Five Countries: Pakistan, UAE, UK, Saudi Arabia and Malaysia. University of Aberdeen, UK.

Khalid, A.A., Haron, H.H. and Masron, T.A. (2017) Relationship between internal Shariah audits characteristics and its effectiveness. *Humanomics*, Vol. 33, No. 2, pp.221-238.

Khoo, G. S. (2023) Commentary: Lessons from SVB's collapse on sustainability and sustainable finance: ensuring resilience from “unsustainability, *Journal of Risk Finance*, Vol. 24 No. 3, pp. 386-389. <https://doi.org/10.1108/JRF-05-2023-245>

Killam, L. (2013) *Research terminology simplified: Paradigms, axiology, ontology, epistemology and methodology*. Laura Killam.

Kotler, P, and Keller, K. (2016), *Marketing Management*. Global Ed. Pearson Education Limited, England.

Kotler, P. and Armstrong, G. (2018). *Principles of marketing* (17th ed.). Pearson Europe, Middle East & Africa.

Kotilaine, J. (2016) Bahrain’s evolution as a financial centre, *Banker Middle East*, no. 184, pp. 28–32.

Kulshrestha, P. and Ali, M.A. (2019) An Overview of the Islamic Banking Development in the United Kingdom, Malaysia, Saudi Arabia, Iran, Nigeria, Kenya and Uganda. *International Journal of Economics and Management Engineering*, 13(4), pp.374-388.

Kumar, S., Trehan, M and Joorel, JPS. (2018) A simulation study: estimation of population means using two auxiliary variables in stratified random sampling, *Journal of Statistical Computation & Simulation*, vol. 88, no. 18, pp. 3694–3707.

Lai, J., Rethel, L and Steiner, K. (2017) Conceptualizing dynamic challenges to global financial diffusion: Islamic finance and the grafting of Sukuk, *Review of International Political Economy*, vol. 24, no. 6, pp. 958–979.

Lebdaoui, H. and Chetioui, Y. (2020) CRM, service quality and organizational performance in the banking industry: a comparative study of conventional and Islamic banks, *International Journal of Bank Marketing*, Vol. 38 No. 5, pp. 1081-1106.

Ling, P., D'Alessandro, S and Winzar, H. (2015) *Consumer behaviour in action*. Oxford University Press, Melbourne.

Litvin, S. W., Goldsmith, R. E., and Pan, B. (2018) A retrospective view of electronic word-of-mouth in hospitality and tourism management. *International Journal of Contemporary Hospitality Management*, 30(1), 313-325.

Liu, Y., Segev, S. and Villar, M.E. (2017) Comparing two mechanisms for green consumption: cognitive-affect behavior vs theory of reasoned action, *Journal of Consumer Marketing*, Vol. 34 No. 5, pp. 442-454. <https://doi.org/10.1108/JCM-01-2016-1688>.

Lone, F. A., and Rehman, A. U. (2017) Customer satisfaction in full-fledged Islamic banks and Islamic banking windows: a comparative study, *Journal of Internet Banking and Commerce*, 22(7), pp. 1-20.

Long, A. and Ascent, D. (2020) World economic outlook. *International Monetary Fund*, 177.

Lorenza, K. and Nurohman, D. (2022) Analysis of Customer Relationship Management In Influencing Customer Satisfaction And Loyalty of Bank Muamalat

Indonesia In Tulungagung, *Islamic Banking : Jurnal Pemikiran dan Pengembangan Perbankan Syariah*, 8(1), pp. 81-96. doi: 10.36908/isbank.v8i1.483.

Lubis, A; Dalimunthe, R; Absah Y; Fawzee, B.K. (2020) *The Influence of Customer Relationship Management (CRM) Indicators on Customer Loyalty of Sharia Based Banking System*. *J. Mgt. Mkt. Review* 5(1) 84 – 92, Doi.org/10.35609/jmmr.2020.5.1(8).

Lucianetti, L., Battista, V. and Koufteros, X. (2019), "Comprehensive performance measurement systems design and organizational effectiveness", *International Journal of Operations & Production Management*, Vol. 39 No. 2, pp. 326-356. <https://doi.org/10.1108/IJOPM-07-2017-0412>

Maha A, Ali, M. Kutan, N. (2017) Do Islamic banks fail more than conventional banks?, *Journal of International Financial Markets, Institutions and Money*, Volume 50, Pages 135-155, ISSN 1042-4431, <https://doi.org/10.1016/j.intfin.2017.05.007>.

Mahmood, J., Hassan, M.K. and Muneeza, A. (2022) Internationalization of Zakat to Serve Humanity in the Midst of COVID-19: Using International Organizations as Intermediaries of Zakat. *Towards a Post-Covid Global Financial System*, Emerald Publishing Limited, Bingley, pp. 105-127. <https://doi.org/10.1108/978-1-80071-625-420210006>

Mahmud, B., Islam, M., and Naher, K. (2015) Empirical Study of the Use of Automated Teller Machine (ATM) among Bank Customers in Dhaka City, Bangladesh. *European Journal of Business and Management*. Vol. 7 No. 1.

Mahyudin, W.A. and Rosman, R. (2022) Performance of Islamic banks based on Maqāṣid Al-Sharī‘ah: a systematic review of current research, *Journal of Islamic Accounting and Business Research*, Vol. 13 No. 4, pp. 714-735.

Kura, K. (2021) Linking Customer Relationship Management to Behavioral Intentions in Islamic Banking System: Evidence from Nigeria, *Journal of Entrepreneurship and Business (JEB)*, 4(1), pp. 15–25. doi: 10.17687/jeb.v4i1.91.

Mangala, D. and Soni, L. (2022) A systematic literature review on frauds in banking sector, *Journal of Financial Crime*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/JFC-12-2021-0263>

Mansour, Ilham Hassan F. (2018) Patronage Behavior of Islamic Bank's Consumers: The Importance of Shariah Compliance within Total Islamic Banking System. International Conference on Advances in Business, Management and Law (ICAMBL), Available at SSRN: <https://ssrn.com/abstract=3389581>.

Martensen, A., and Gronholdt, L. (2016) The effect of word-of-mouth on consumer emotions and choice: findings from a service industry. *International Journal of Quality and Service Sciences*, 8(3), 298–314.

Marwene, R. Zied, F. and Abdelwahed, O. (2023) The impact of displaced commercial risk on the performance of Islamic banks, *Pacific-Basin Finance Journal*, Volume 79, 102022, ISSN 0927-538X.

Maulan, S., Omar, N.A. and Ahmad, M. (2016) Measuring halaal brand association (HalBA) for Islamic banks, *Journal of Islamic Marketing*, Vol. 7 No. 3, pp. 331-354.

McLean, C. and Bibi, M. (2021) Consider Islamic finance for UK lenders and borrowers. Available from <https://www.grantthornton.co.uk/insights/consider-islamic-finance-for-uk-lenders-and-borrowers/#:~:text=Barclays%2C%20HSBC%2C%20Standard%20Chartered%2C,compliant%20financing%20to%20their%20clients>. [Accessed on 1 August 2023].

Melo, A.J., Hernandez-Maestro, R.M. and Munoz-Gallego, P.A. (2017) Service quality perceptions, online visibility, and business performance in rural lodging establishment, *Journal of Travel Research*, Vol. 56 No. 2, pp. 250-262.

Mercier, D. (2022) A MANUAL OF MODERN SCHOLASTIC PHILOSOPHY. India: MJP Publisher.

Miah, M.D. and Suzuki, Y. (2020) Murabaha syndrome of Islamic banks: a paradox or product of the system?, *Journal of Islamic Accounting and Business Research*, Vol. 11 No. 7, pp. 1363-1378.

Migdadi, M.M. (2020) Knowledge management, customer relationship management and innovation capabilities, *Journal of Business & Industrial Marketing*.

Mikhailov, O.V. (2023) Gelatin as It Is: History and Modernity. *International Journal of Molecular Sciences*. Available at: doi:10.3390/ijms24043583. [Accessed on 3rd July 2023].

Ministry of Information Affairs (2020) Kingdom of Bahrain. Population and demographics. Available at: [<https://www.mia.gov.bh/kingdom-of-bahrain/population-and-demographics/?lang=en>], [Accessed 5 February 2020].

Modan, C and Hassan, R. (2018) The possible inclusion of legal provisions in Islamic banking and finance, *International Journal of Law & Management*, vol. 60, no. 2, pp. 662–680.

Mohammed, M., and Taib, M. F. (2015) DEVELOPING ISLAMIC BANKING PERFORMANCE MEASURES BASED ON MAQASID AL-SHARI'AH FRAMEWORK: CASES OF 24 SELECTED BANKS. *Journal of Islamic Monetary Economics and Finance*, 1(1), 55-77.

Muhammad Saleem Ashraf, Muhammad Nawaz, Muhammad Kashif Durrani, Umar Farooq. (2020) Role of CRM components in creation of Customer Loyalty in Islamic Banks: examining the moderating effect of Muslim Religiosity. *PalArch's Journal of Archaeology of Egypt / Egyptology*, 17(11), 205-228.

Mukhlisin, M., Ismail, N. and Jamilah Fikri, R. (2022) Mind the gap: theories in Islamic accounting and finance, Islamic economics and business management studies, *ISRA International Journal of Islamic Finance*, Vol. 14 No. 3, pp. 333-348. <https://doi.org/10.1108/IJIF-11-2019-0175>.

Müller, T. (2022) Conscripts of secularism: nationalism, Islam and violence. *Religion, State & Society*, 50(5), pp.513-531.

Munawar, H., Shabb, A., Iqbal, A., Yaseen, M. and Mahmood, S. (2023) International Monetary Fund (IMF) and Islamic Finance. *Russian Law Journal*, Vol XI (2023) Issue 3.

Muryanto, Y.T. (2022) The urgency of sharia compliance regulations for Islamic Fintechs: a comparative study of Indonesia, Malaysia and the United Kingdom, *Journal of Financial Crime*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/JFC-05-2022-0099>.

Nandeesh, H.G. and Venkatesh, S. (2019) Critical Success Factors in Implementation of CRM in Rural Banking Sector. *International Journal of Research in Commerce & Management*. 10(1), pp.1-5.

Naim, A.M., Bakar, M.A., Hussein, M.D., Habibi, L. (2016) Issues and challenges in offering Mudarabah and Musharakah products in Islamic finance, *Journal Pengurusan*, vol. 46, pp. 1–17.

Nicosia, F. M. (1966) Consumer decision processes: marketing and advertising implications. Englewood Cliffs, N.J: Prentice-Hall.

Nomran, N.M. and Haron, R. (2020) A systematic literature review on Shari'ah governance mechanism and firm performance in Islamic banking, *Islamic Economic Studies*, Vol. 27 No. 2, pp. 91-123.

Nwankwo, C. A., and Kanyangale, M. I. (2023). Customer Relationship Management and Survival of Manufacturing Small and Medium Enterprises in Nigeria. *Journal of Economy and Social Development (JESD) – Resilient Society* Vol. 10, No. 2.

Orhan, Z.H., Zaheer, S. and Kazancı, F. (2023) Evaluating the current interest-free monetary policy tools and suggesting a new one: case of Turkey via examples of Malaysia, Pakistan, and Bahrain, *Qualitative Research in Financial Markets*.

Office for National Statistics (2021), Census 2021. Available from [https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/religion/articles/religionbyageandsexenglandandwales/census2021#:~:text=Download%20the%20data,-.xlsx&text=It%20is%20important%20to%20note,\(3.9%20million\)%20in%202021.](https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/religion/articles/religionbyageandsexenglandandwales/census2021#:~:text=Download%20the%20data,-.xlsx&text=It%20is%20important%20to%20note,(3.9%20million)%20in%202021.) [Accessed 1 August 2023].

Osborne, J.W. and Waters, E. (2019) Four assumptions of multiple regression that researchers should always test. *Practical assessment, research, and evaluation*, 8(1), p.2.

Otieno, O. C., Liyala, S., Odongo, B. C., Abeka, S., and Ogara, S. (2018) Validation of extended theory of reasoned action to predict mobile phone money usage. *World Journal of Computer Application and Technology*, 6(1), 1–13.

Parasuraman, A., Zeithaml, V. A. and Berry, L. L. (1985) 'Re-assessment of Implications for Further Research', *Journal of Marketing*, 49(4), 41-50.

Parrag, D. (2012) The role of "Shariah" in shaping Egyptian consumers' behaviour towards sales promotion tools, *African Journal of Business & Economic Research*, vol. 7, no. 1, pp. 64–84.

Patel, R.J. and Siddiqui, A. (2023) Banking service quality literature: a bibliometric review and future research agenda, *Qualitative Research in Financial Markets*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/QRFM-01-2022-0008>.

Peppers, Don, Rogers Martha, and Dorf Bob. (1999) "Is Your Company Ready for One to One Marketing?" *Harvard Business Review* 77:3-160.

Payne, A. and Frow, P. (2013). *Strategic customer management: Integrating CRM and relationship marketing*. Cambridge: Cambridge University Press, p.211.

Paz, M.D.R. and Rodríguez-Vargas, J.C. (2023) Main theoretical consumer behavioural models. A review from 1935 to 2021. *Heliyon*.

Pireh, M. (2022) COVID-19 Pandemic and Islamic Social Finance Products in Iran, Hassan, M.K., Muneeza, A. and Sarea, A.M. (Ed.) *Towards a Post-Covid Global Financial System*, Emerald Publishing Limited, Bingley, pp. 243-259.

Pradeep, K, and Maulana A.A. (2019) An Overview of the Islamic Banking Development in the United Kingdom, Malaysia, Saudi Arabia, Iran, Nigeria, Kenya and Uganda. *International Journal of Business, Human and Social Sciences*, 12.0(4). <https://doi.org/10.5281/zenodo.2643830>.

PWC Middle East. (2018) Bahrain announces information on the phased introduction of Value Added Tax (VAT). Available from

<https://www.pwc.com/m1/en/services/tax/me-tax-legal-news/2018/bahrain-announces-information-on-introduction-vat.html>. [Accessed 3 September 2020].

Raab, G., Ajami, A and Goddard G. (2016) *Customer Relationship Management: A Global Perspective*, Routledge, New York.

Rafiki, A. (2019) Customer Relationship Management Practices in Islamic Banks. Customer Relationship Management and IT, Danil Dintsis, IntechOpen. Available from: <https://www.intechopen.com/books/customer-relationship-management-and-it/customer-relationship-management-practices-in-islamic-banks>. [Accessed on 10 October 2020].

Rahman, MK., Hoque, N., Yusuf. S., Yusoff, B. and Begum, F. (2023) Do customer's perceptions of Islamic banking services predict satisfaction and word of mouth? Evidence from Islamic banks in Bangladesh. PLoS ONE 18(1): e0280108. <https://doi.org/10.1371/journal.pone.0280108>.

Ramli, H.S., Abdullah, M.F. and Alam, M.K. (2023) Islamic crowd funding practices in Malaysia: a case study on Nusa Kapital, *Asian Journal of Accounting Research*, Vol. 8 No. 2, pp. 145-156.

Rasool, N.H. (2018) Towards establishing an Islamic retail bank in a Muslim-minority country: Prospects and challenges in Mauritius, *ISRA International Journal of Islamic Finance*, Vol.10 No.1, pp.78-84.

Ratchford, B. T. (2020) The history of academic research in marketing and its implications for the future, *Spanish Journal of Marketing - ESIC*, Vol. 24 No. 1, pp. 3-36.

Raza, S.A., Ahmed, R., Ali, M. and Qureshi, M.A. (2020) Influential factors of Islamic insurance adoption: an extension of theory of planned behavior, *Journal of Islamic Marketing*, Vol. 11 No. 6, pp. 1497-1515.

Rehman, A. (2012) Customer satisfaction and service quality in Islamic banking: A comparative study in Pakistan, United Arab Emirates and United Kingdom, *Qualitative Research in Financial Markets*, Vol. 4 No. 2/3, pp. 165-175.

Reuters, T. (2020) State of the Global Islamic Economy Report 2019/20 Thomson Reuters, Dinar Standard. Available at: <https://www.salaamgateway.com/SGIE19-20> [Accessed 3 October 2020].

Riaz, U. A. (2014) Perceptions and Experiences of British Based Muslims on Islamic Banking and Finance in the UK. University of Dundee, UK.

Richey, R.C. and Klein, J.D. (2014) *Design and development research: Methods, strategies, and issues*. Routledge.

Risfandy, T., Harahap, B., Arif, H., Sutaryo, N., Trinugroho L. (2019) Equity Financing at Islamic Banks: Do Competition and Bank Fundamentals Matter? *Emerging Markets Finance and Trade*. 56. 1-15.

Rudnyckyj, D. (2017) Subjects of debt: financial subjectification and collaborative risk in Malaysian Islamic finance, *American Anthropologist*, vol. 119, no. 2, pp. 269–283.

Safiullah, M (2023) Funding liquidity in Islamic banks: Does the Shariah supervisory board's higher educational attainment matter?, *Pacific-Basin Finance Journal*, Volume 78, 2023, 101976, ISSN 0927-538X, <https://doi.org/10.1016/j.pacfin.2023.101976>.

Saifullah, H., Nawaz, A., Lashari, M. N., and Zafar, F. (2015) Effect of Customer Relationship Management on Customer Satisfaction. *Procedia Economics and Finance*, 23, 563–567. [http://doi.org/10.1016/S2212-5671\(15\)00513-4](http://doi.org/10.1016/S2212-5671(15)00513-4)

Salleh, M. S. (2012) Religiosity in Development: A Theoretical Construct of an Islamic- Based Development. *International Journal of Humanities and Social Science* Vol. 2 No. 14 pp 266, 274.

Salokhe, V., Pawar S., and Gundawar, P. (2023) Gap analysis between passengers expectations and perception of KMT Kolhapur service quality using servqual approach. *The Online Journal of Distance Education and e-learning*, Volume11, Issue 1.

Sarea, A. ed. (2020) Impact of Zakat on Sustainable Economic Development. IGI Global.

Saunders, M.N.K., Lewis, P. and Thornhill, A. (2019) *Research Methods for Business Students*. 8th Edition, Pearson, New York.

Sayers, P., Penning-Rowsell, E.C. & Horritt, M. (2018) Flood vulnerability, risk, and social disadvantage: current and future patterns in the UK. *Reg Environ Change* 18, 339–352.

Sekaran, U. and Bougie, R. (2016) *Research methods for business: A skill building approach*. John Wiley and Sons.

Shahzad, F. Zia, A., Ahmed, N., Fareed, Z. and Zulfiqar, B. (2014) Growth of Islamic banking in the Middle East and South Asian countries, *International Journal of Management, Accounting & Economics*, vol. 1, no. 3, pp. 215–228.

Shaikh, S.A. (2017) Analysis of minor proposals outside the mainstream Islamic finance in Pakistan, *Journal of Islamic Banking & Finance*, 34(3): pp. 11–21.

Shirazi, N.S., Ali, S.S. and Obaidullah, M. (2017) Practical Means of Integrating Zakāt and Waqf Into Poverty Reduction Agenda of OIC Member Countries. *Islamic Economic Studies*, 25(2).

Simmonds, R. (2014) A move towards the digital age for Islamic banking. *Islamic Finance News Supplements*, pp. 10-12. 'StanChart offers Islamic trade finance in Bahrain' 2014, *Trade Finance*, vol. 17, no. 1, p.67.

Sindhu, K. P. and Kumar, S. R. (2014) Influence of Risk Perception of Investors on Investment Decisions: An Empirical Analysis. *Journal of Finance and Bank Management*, 2(2), pp. 15-25.

Smaranda, O.E, and Jacob, I.U. (2022) Reformation of Nigerian Legal and Regulatory Framework for Islamic Banking Sector: Lessons from the UK and Malaysia, 2022 *International Conference on Sustainable Islamic Business and Finance (SIBF)*, Sakhir, Bahrain, 2022, pp. 175-181, doi: 10.1109/SIBF56821.2022.9940041.

Sobol, I., Dopierala, L., Wysinski, P. (2023) Is the profitability of Islamic and conventional banks driven by the same factors? —A study of banking in the Middle East. *PLoS ONE* 18(8): e0289264. <https://doi.org/10.1371/journal.pone.0289264>

Souiden, N. and Rani, M. (2015) Consumer attitudes and purchase intentions toward Islamic banks: the influence of religiosity, *International Journal of Bank Marketing*, Vol. 33 No. 2, pp. 143-161.

S&P Global Ratings. (2020) Islamic Finance Outlook 2020 Edition. Available on: https://www.spglobal.com/_assets/documents/ratings/research/islamic_finance_2020_screen.pdf [Accessed 25 September 2020].

S&P Global Ratings (2023), Available from <https://www.spglobal.com/ratings/en/research/articles/230501-islamic-finance-2023-2024-growth-beyond-core-markets-remains-elusive-12712350> [Accessed on 12 August 2023].

State of the Global Islamic Economy Report. (2019/20) Available on <https://www.mindfulblog.xyz/global-islamic-economy-2019-24/> [Accessed 1 June 2021].

Suandi, E., Herri, H., Yuliharsi, Y. and Syafrizal, S. (2023) An empirical investigation of Islamic marketing ethics and convergence marketing as key factors in the improvement of Islamic banks performance, *Journal of Islamic Marketing*, Vol. 14 No. 6, pp. 1438-1462.

Suhartanto, D., Farhani, N.H., Muflih, M. and Setiawan, S. (2018) Loyalty intention towards Islamic bank: the role of religiosity, image and trust, *International Journal of Economics and Management*, Vol. 12 No. 1, pp. 137-151.

Suharto, U. (2018) Riba and interest in Islamic finance: semantic and terminological issue, *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 11 No. 1, pp. 131-138. <https://doi.org/10.1108/IMEFM-08-2016-0109>.

Tabrani, M., Amin, M. and Nizam, A. (2018) Trust, commitment, customer intimacy and customer loyalty in Islamic banking relationships, *International Journal of Bank Marketing*, Vol. 36 No. 5, pp. 823-848.

Tahir, H. (2015) Fresh evidence of growth and optimistic outlook despite market challenges', *Islamic Finance News Supplements*, pp. 67–68.

Tekdemir, O. (2021) *Constituting the Political Economy of the Kurds: Social Embeddedness, Hegemony, and Identity*. London: Routledge.

Tekdemir, O. (2015) Critical approach on Polanyian embeddedness through Kurdish moral economy: fictitious commodity, reciprocity and redistribution, in Ayaka Kuroda ed. *Political/Social Developments and Economic Challenges in the Middle East and Asia*. Kyoto: Kyoto University, (pp. 53-64).

The Banker (2022) available from <https://www.thebanker.com/Islamic-banks-struggle-to-gain-ground-in-the-UK-1666597404>. [Accessed on 6 August 2023].

The Global Islamic Economy Report (2017/18) published by Thomson Reuters and the Islamic Corporation for the Development of the Private Sector. [Accessed on 24 September 2020].

The Islamic Financial Services Industry Statistics (2022) Available from <https://www.qardus.com/news/the-islamic-financial-services-industry-statistics>, [Accessed 1 August 2023].

Thomas, K. (2022) *Science Education*. <https://doi.org/10.1007/s11191-022-00408-1>.

Uddin, M.A. (2018) Can Shariah governance framework be the way forward for Islamic finance? *Journal of Islamic Banking & Finance*, vol. 35, no. 3, pp. 55–63.

Riaz, U., Burton, B. and Monk, L. (2017) Perceptions on Islamic banking in the UK. Potentialities for empowerment, challenges and the role of scholars, *Critical Perspectives on Accounting*, Volume 47, 2017, Pages 39-60.

Varol, F. (2018) From developmentalism to neoliberalism the changing role of the state and the development of Islamic business and finance in Turkey, *Turkish Journal of Islamic Economics*, vol. 5, no. 1, pp. 1–18.

Winsen, V.F., Wauters, E., Lauwers, L., Mey, Y., Passel, V.S. and Vancauteran, M. (2011) Combining risk perception and risk attitude: A comprehensive individual risk behaviour model. *EAAE 2011 Congress, Zürich, Switzerland, August 30 - September 2, 2011*.

Wahla, A.E., Hasan, H. and Bhatti, M.I. (2018) Measures of customers' perception of car Ijarah financing, *Journal of Islamic Accounting and Business Research*, Vol. 9 No. 1, pp. 2-16.

Wang, Y., Lu, H. and Wang, D. (2020) Buy or not: how the presence of others affects the occurrence of consumers' impulsive buying behavior, *Journal of Contemporary Marketing Science*, Vol. 3 No. 2, pp. 207-224. <https://doi.org/10.1108/JCMARS-01-2020-0002>

World Bank Group (2018) March 2018, Issue number 33. World Economic Forum (2016). Available on <https://www.weforum.org/agenda/2016/06/do-economists-underestimate-the-impact-of-social-factors-on-behaviour> [Accessed 2 October 2020].

World Population View (2020) available on [<https://worldpopulationreview.com/country-rankings/muslim-population-by-country>]. [Accessed 5 October 2020].

Yenice, A. C., Ozdemir, M., and Koc, A. (2022) Looking at the 'big picture' in Islamic economics and finance literature: A bibliometric analysis of WoS indexed documents. *Turkish Journal of Islamic Economics*, 9(1), 59-93.

Yerpude, S. and Singhal, T. (2018) Internet of things based customer relationship management: A research perspective. *International Journal of Engineering & Technology*, 7(2.7), 444-450.

Yousaf, S. (2016) Promotion mix management: a consumer-focused Islamic perspective, *Journal of Marketing Communications*, vol. 22, no. 2, pp. 215–231.

Yusof, R. and Bahlous, M. (2013) Islamic banking and economic growth in GCC & East Asia countries. *Journal of Islamic Accounting and Business Research*, 4, 151-172.

Zaki, R.M. and Elseidi, R.I. (2023) Religiosity and purchase intention: an Islamic apparel brand personality perspective, *Journal of Islamic Marketing*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/JIMA-09-2022-0257>

Zhang, S., Zhou, C., & Liu, Y. (2020) Consumer Purchasing Intentions and Marketing Segmentation of Remanufactured New-Energy Auto Parts in China. *Mathematical Problems in Engineering*, 2020.

Zhao, C., Noman, A.H.M. and Hassan, M.K. (2023) Exploring the reasons for bank-switching behavior in retail banking, *International Journal of Bank Marketing*, Vol. 40 No. 2, pp. 242-262, doi: 10.1108/ IJBM-01-2021-0042.

Zinser, B.A. (2019) Retail Islamic banking and financial services: Determinants of use by Muslims in the USA, *Journal of Islamic Marketing*, Vol. 10 No. 1, pp. 168-190.

Zouari, G., Abdelhedi, M. (2021) Customer satisfaction in the digital era: evidence from Islamic banking. *J Innov Entrep* 10, 9, <https://doi.org/10.1186/s13731-021-00151-x>

APPENDIX – I: Survey Questionnaires

Questionnaires

SECTION 1: Participants information sheet: This research is conducted to explore perceptions and attitudes on Islamic banking (IB) satisfaction.

SECTION 2: DEMOGRAPHIC INFORMATION

(Gender, age, marital status, education, income and current residence)

1. What is your gender?

Female Male Prefer not to say

2. What is your age? (Please tick on the right box)

18-29 30-39 40-49 50-59
60-69 70/above Prefer not to say

3. What is your marital status?

Single Married Widowed
Divorced Prefer not to say

4. What is your education level of education?

High school or below Secondary or equivalent
Diploma or equivalent Bachelor or equivalent
Masters or equiv. PhD or equivalent. Prof. degree

5. Which one of the following categories best describes your yearly income? (Please tick income range and appropriate currency).

Your currency: GBP BHD
0-5000 5001-10000 10001-20000 20001-30000 30001-40000 40001
to 50000 50001 to 70000 70001 and above Prefer not to say

6. What is your profession? _____ **7. Your religion?** _____

8. What is your ethnicity and nationality? (I.e., Bahraini British) _____

9. Country of residence

The UK: Bahrain:

SECTION 3: MAIN BANKING PRODUCTS AND SERVICES

(Satisfaction, experience, and preference of products & services)

10. What is your main bank name?

11. What are the types of bank you use?

(CB, Islamic, CB with IB branch International IB Branch, Local)

12. What type of products you use?

13. Level of satisfaction with main bank (1-very dissatisfied, 2-dissatisfied, 3-neutral, 4-satisfied and 5-very satisfied). (1, 2, 3, 4, 5)

- 14. Preference of main banking services** (1-no preference, 2-somewhat preferred, 3-neutral, 4-preferred and 5-highly preferred)
- a. Counter service (1, 2, 3, 4, 5) b. ATM machine (1,2, 3, 4, 5)
c. Phone banking (1, 2, 3, 4, 5) d. Online banking (1, 2, 3, 4, 5)
- 15. Satisfaction on counter services** (1-very dissatisfied, 2-dissatisfied, 3-neutral, 4-satisfied and 5-very satisfied).
- a. Efficient & quick (1, 2, 3, 4, 5) b. Always queue (1, 2, 3, 4, 5)
c. Reflective on mistakes (1, 2, 3, 4, 5)
- 16. Phone banking experience.** (1-strongly disagrees, 2-disagree, 3-neutral, 4-agree and 5-strongly agree).
- a. Efficient & quick (1, 2, 3, 4, 5) Long queue (1, 2, 3, 4, 5)
- 17. Internet banking service** (Please tick ONE why you use OR why not use it)
- a. No direct contact/slow response? b. Low security confidence
c. Not know how to apply d. No Internet banking provided
e. Convenient 24 hours online services f. High service fee
g. High security service h. Mobile app complex/not works well
- 18. Would you recommend your bank?** (1-definitely not, 2-probably not, 3-not sure, 4-probably and 5-definitely).
- a. Would you recommend your bank to others? (1, 2, 3, 4, 5)
b. Any plan to change your bank? (1, 2, 3, 4, 5)
- 19. What are the factors influence you to decide to switch your bank?** (1-definitely not, 2-probably not, 3-not sure, 4-probably and 5-definitely).
- a. When change location? (1, 2, 3, 4, 5)
b. Looking value for money (1, 2, 3, 4, 5)
c. Doubt on Shariah compliance (1, 2, 3, 4, 5)
d. Lack of personalized services (1, 2, 3, 4, 5)
e. Unclear marketing (1, 2, 3, 4, 5)
f. No phone or Internet banking (1, 2, 3, 4, 5)
g. No customer feedback (1, 2, 3, 4, 5)
h. Lower profit/interest rate (1, 2, 3, 4, 5)
i. Poor reputation (1, 2, 3, 4, 5)

**SECTION 4: PERCEPTIONS AND ATTITUDES ON ISLAMIC BANKING PROVIDERS.
(Products, Services, Staff, Management, and Marketing)**

- 20. Please state your position on the below questions** (Islamic banking-IB and conventional banking-CB). (1-strongly disagree, 2-disagree, 3-neutral, 4-agree and 5-very agree)
- a. You have good understanding on IB (1, 2, 3, 4, 5)
b. You understand difference between IB and CB (1, 2, 3, 4, 5)
c. Interest is Haram (1, 2, 3, 4, 5)

- d. IB pay interest in the name of profit (1, 2, 3, 4, 5)
- e. IB is expensive and have hidden charges (1, 2, 3, 4, 5)
- f. Customer should use IB regardless of cost (1, 2, 3, 4, 5)
- g. IB provide high value than CB (1, 2, 3, 4, 5)
- h. Objective of IB is to make profit (1, 2, 3, 4, 5)
- i. IB comply Quran & Sunnah in marketing. (1, 2, 3, 4, 5)
- j. Shariah advisors are qualified (1, 2, 3, 4, 5)
- k. Need more qualified Shariah advisor (1, 2, 3, 4, 5)
- l. Customer prefer banks based on high qualified Shariah board members (1, 2, 3, 4, 5)
- m. IB use Arabic name and use CB products (1, 2, 3, 4, 5)
- n. The staff of IB are not well informed of its products (1, 2, 3, 4, 5)
- o. Marketing of IB's products are not clear (1, 2, 3, 4, 5)
- p. Online marketing of IB are not authentic (1, 2, 3, 4, 5)

21. What are the following reasons that attract you to Islamic banking? (1-Strongly disagrees, 2-disagree, 3-neutral, 4-agree and 5-strongly agree).

- a. To avoid sin and get favour of Allah (1, 2, 3, 4, 5)
- b. Products with more info on Shariah compliance (1, 2, 3, 4, 5)
- c. Halal and ethical investment (1, 2, 3, 4, 5)
- d. Zakat administration (1, 2, 3, 4, 5)
- e. Because family/friends use IB (1, 2, 3, 4, 5)
- f. CB branch of IB offer is attractive (1, 2, 3, 4, 5)
- g. Full fledge IB is attractive (1, 2, 3, 4, 5)

22. The familiarity of IB terms (1-never heard, 2-unfamiliar, 3-neutral, 4-familiar and 5-very familiar).

- a. Murabaha (1, 2, 3, 4, 5)
- b. Mudarabah (1, 2, 3, 4, 5)
- c. Musharakah (1, 2, 3, 4, 5)
- d. Wadiah (1, 2, 3, 4, 5)
- e. Ijarah (1, 2, 3, 4, 5)
- f. Istisna (1, 2, 3, 4, 5)
- g. Tawarruq (1, 2, 3, 4, 5)

23. Please could you indicate the most important factors of IB marketing (1-not important, 2-somewhat important, 3-neutral, 4-very important and 5-extremely important)?

- a. IB mktg. is in compliance of Shariah law (1, 2, 3, 4, 5)
- b. All online/offline adverts should be genuine (1, 2, 3, 4, 5)
- c. Unique slogan of IB (1, 2, 3, 4, 5)
- d. Authentic color, design and structure of website (1, 2, 3, 4, 5)
- e. Reflection of social justice in bank's mission (1, 2, 3, 4, 5)
- f. Regular update with products on website (1, 2, 3, 4, 5)

24. How do you get info on Shariah advises on banking products and services

(Please tick ONE only).

- a. Family and friends b. News paper c. Friend
d. TV/Radio/Social Media e. Billboards f. Brochure
g. Bank media h. Banking staff i. None of the above

25. In which aspect do you think great challenge for IB's expansion? (1-strongly disagrees, 2-disagree, 3-neutral, 4-agree and 5-strongly agree).

- a. Lack of awareness on IB's products & services (1, 2, 3, 4, 5)
b. Standardization of Shariah ruling (1, 2, 3, 4, 5)
c. Lack of branch networks expansion (1, 2, 3, 4, 5)
d. Lack of product differentiation from CB (1, 2, 3, 4, 5)
e. Lack of innovation in products & services (1, 2, 3, 4, 5)
f. Effective training to staffs for IB's true ethical values (1, 2, 3, 4, 5)
g. Harmonizing mission and vision with Zakat and Riba (1, 2, 3, 4, 5)
h. Focusing on profit & reducing operation cost (1, 2, 3, 4, 5)
i. Unable to maintain loyal customers or bring new (1, 2, 3, 4, 5)
j. Unable to create unique brand of IB (1, 2, 3, 4, 5)
k. Lack of marketing on Shariah based products (1, 2, 3, 4, 5)

26. Would you prefer to see more Shariah-based products as mentioned below?

(1-strongly disagrees, 2-disagree, 3-neutral, 4-agree and 5-strongly agree).

- a. Interest free student loan (1, 2, 3, 4, 5)
b. Interest free micro credit for poor (1, 2, 3, 4, 5)
c. Products and services for disable (1, 2, 3, 4, 5)
d. Other

27. Please state if you have any other comments on IB: _____

28. Follow-up Interview: (Optional)

Upon completion of this Survey, a follow-up interview will be conducted among 20-30 selected participants remotely (due to Covid-19) by email, phone or on zoom for an in-depth analysis if you agree to participate, which approximately could last 30 minutes. Even though we communicate personally, no name or identification would be mentioned in the thesis. Therefore, your data will remain confidential. Are you willing to participate in a follow-up interview?

Yes No

29. If yes, please mention your email address below:

Your email ID:

THANK YOU

APPENDIX – II: Semi-Structured Interview Questionnaires

Participant's Information Sheet

Dear participants,

My name is Mohammed Alam, a 3rd year PhD student at the University of Bolton, UK. My research title is "Customers' perceptions and attitudes towards Islamic Banking in the UK and Bahrain. This exclusive interview is a part of my PhD thesis and expected to collect data approximately from 15-20 participants. A participant can be professional of Islamic bank (IB) or conventional bank (CB) within from the UK and Bahrain only. This is a second stage of my data collection. In the first stage, customers were surveyed among 351 online participants. In this second stage, the interview among banking professionals/scholars will be conducted to get professional opinions.

This survey will take approximately 15-20 minutes to complete. All the data that I will collect will be secured in a password-protected file accessible only to my supervisor (Dr. Omer Tekdemir – O.tekdemir@bolton.ac.uk) and me. The University of Bolton research ethics committee has already approved my research techniques to proceed with data collection.

There is no right or wrong answer, but your opinion is matter. If you are willing to take part in this interview, will be considered as informed consent. This interview will be recorded for requirements of the data collection and analysis only, which will be accessed by my supervisor and me. However, you can withdraw your consent any time during or even after the interview.

Thank you so much for your kind help. However, if you have any concern or require any further clarification about this survey, please contact me at the address below.

Yours sincerely,

Mohammed Alam (BSS, MSS, MBA, MSc), PhD candidate at the University of Bolton

- 2.3 Do you think Islamic banking products are Shariah compliant? If not, do you expect any drastic changes in marketing aligning with Shariah?

Section 3: Shariah principles, challenges and opportunity of IB

Shariah principles compliances

- 3.1 What are key factors that make you consider Islamic banking?
(Also other factors that enable you to choose one Islamic banks?)

Challenges and opportunities

- 3.2 Do you see some Islamic banking providers are better among others?
(Where are the areas you see IB need improvements? And what are your experiences with Islamic banks (Negative, or positive?).

Section 4: Attitudes and perceptions on Islamic scholars

- 4.0 How easier for you to get knowledge of Islamic laws and related to banking? (And how do you think more convenient ways to access IB products info to customers?)

Section 5: Customers expectation from Islamic bank

- 5.0 Do you see needs of drastic changes in Islamic banking practices?
(Do you think negative perceptions can cause adverse impact on IBs growth? Also what in your opinion major issues hindering Islamic banking growth? Are non-Muslims attracting to Islamic banking services?).

Independent feedback

Please would you share your individual thought on Islamic banking improvement, if any?

Thank you for your kind help and valuable contribution to this research.

APPENDIX – III: Exploratory Factor Analysis (EFA)

Exploratory Factor Analysis (EFA)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.790
Bartlett's Test of Sphericity	Approx. Chi-Square	12063.809
	df	2556
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	
1	9.165	12.730	12.730	9.165	12.730	12.730	7.258
2	5.675	7.882	20.612	5.675	7.882	20.612	5.662
3	4.185	5.813	26.425	4.185	5.813	26.425	4.154
4	3.793	5.267	31.692	3.793	5.267	31.692	5.998
5	3.191	4.431	36.124	3.191	4.431	36.124	3.900
6	2.523	3.505	39.628	2.523	3.505	39.628	4.536
7	2.473	3.435	43.063	2.473	3.435	43.063	2.966
8	2.166	3.008	46.071	2.166	3.008	46.071	3.269
9	2.079	2.887	48.958	2.079	2.887	48.958	4.363
10	1.839	2.554	51.512	1.839	2.554	51.512	2.690
11	1.706	2.369	53.881				
12	1.471	2.043	55.923				
13	1.380	1.917	57.840				
14	1.312	1.823	59.663				
15	1.289	1.790	61.453				
16	1.154	1.602	63.055				
17	1.112	1.544	64.599				
18	1.082	1.503	66.102				
19	1.003	1.393	67.495				
20	.984	1.367	68.861				
21	.927	1.287	70.149				
22	.895	1.244	71.392				

23	.866	1.203	72.595				
24	.835	1.159	73.754				
25	.821	1.140	74.894				
26	.771	1.071	75.965				
27	.754	1.048	77.012				
28	.725	1.007	78.020				
29	.695	.965	78.984				
30	.687	.954	79.939				
31	.645	.896	80.835				
32	.624	.866	81.701				
33	.610	.847	82.548				
34	.586	.814	83.362				
35	.569	.791	84.153				
36	.551	.765	84.918				
37	.538	.747	85.665				
38	.517	.718	86.383				
39	.504	.700	87.083				
40	.485	.674	87.757				
41	.455	.632	88.389				
42	.446	.619	89.008				
43	.419	.582	89.590				
44	.413	.574	90.163				
45	.398	.552	90.716				
46	.384	.533	91.249				
47	.377	.523	91.773				
48	.365	.507	92.280				
49	.353	.490	92.770				
50	.344	.477	93.247				
51	.329	.457	93.704				
52	.314	.436	94.140				
53	.301	.419	94.558				
54	.294	.408	94.967				
55	.288	.400	95.367				
56	.279	.388	95.754				
57	.260	.361	96.115				
58	.254	.353	96.468				
59	.244	.339	96.807				
60	.239	.332	97.139				

61	.229	.318	97.457				
62	.216	.300	97.757				
63	.207	.288	98.045				
64	.195	.271	98.316				
65	.183	.254	98.570				
66	.171	.238	98.808				
67	.163	.227	99.035				
68	.160	.222	99.257				
69	.149	.206	99.463				
70	.141	.196	99.659				
71	.131	.182	99.840				
72	.115	.160	100.000				

Extraction Method: Principal Component Analysis.

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Structure Matrix

	Component									
	1	2	3	4	5	6	7	8	9	10
q14_1	.239	.045	.109	.041	.137	.007	.232	-.055	.089	.528
q14_2	.071	.051	.202	.123	.163	.039	.115	.063	.068	.788
q14_3	.112	-.044	.049	.036	.140	.057	.070	.096	-.021	.616
q14_4	-.114	.048	.282	.011	.076	-.048	.358	.063	.172	.313
q15_1	.128	.033	.068	.101	.051	.151	.658	.114	.056	.089
q15_2	.058	.078	.156	-.096	-.150	-.105	.313	.062	.096	.070
q15_3	.113	.033	.016	.135	.102	.113	.560	.115	-.108	-.147
q16_1	.017	.047	.037	.046	.170	.084	.686	-.015	.002	-.045
q16_2	.009	-.016	.217	-.194	.017	-.171	.380	.051	.023	-.063
q17	-.002	.016	.014	.084	.024	-.015	.448	.082	.187	.173
q18_1	.014	-.070	.095	.050	.164	.022	.651	-.013	.083	.236
q18_2	.029	.018	.091	-.002	-.046	-.064	-.436	-.152	-.036	-.124
q19_1	.177	.084	.343	.047	-.034	.049	-.075	-.146	-.297	-.061
q19_2	.112	.080	.534	.086	.019	.079	-.077	-.064	-.256	.076
q19_3	.315	.047	.419	.280	.022	.021	-.053	-.140	.187	-.075
q19_4	-.006	-.027	.677	-.025	.074	.031	.037	-.050	.095	-.153

q19_5	.065	.062	.739	-.086	-.073	-.024	.035	-.083	-.009	.104
q19_6	-.119	.016	.609	-.138	.007	-.038	.271	-.004	.081	-.072
q19_7	.096	.028	.752	.027	-.126	-.002	-.044	-.045	.037	.301
q19_8	.108	.066	.712	.020	.009	.093	.018	.020	-.013	.312
q19_9	.009	.039	.766	-.029	-.087	.028	.137	.012	.049	.085
q20_1	.658	.002	.073	.392	.036	.172	-.065	-.057	.418	.230
q20_2	.625	-.014	.042	.352	.035	.154	.013	.024	.423	.189
q20_3	.317	-.065	.090	.252	.162	.081	.077	.102	.553	.050
q20_4	-.212	.227	-.146	-.046	.410	-.333	.063	.201	-.201	.109
q20_5	-.139	.247	-.091	-.114	.368	-.427	.001	.159	-.275	.154
q20_6	.054	.118	-.112	.155	.476	.006	-.023	-.049	-.216	.359
q20_7	.140	.051	-.037	.289	.491	.099	.037	.044	.119	.122
q20_8	-.130	.173	-.120	.074	.620	-.073	.112	.095	-.122	.079
q20_9	.275	-.081	.010	.219	.529	.306	.020	.127	.329	.300
q20_10	.328	-.084	.057	.342	.514	.318	.031	.025	.304	.250
q20_11	.274	-.122	.100	.241	.420	.244	-.005	.062	.427	.153
q20_12	.168	-.043	-.014	.171	.596	.133	-.013	.117	.090	.198
q20_13	-.125	.067	-.106	-.114	.568	-.129	.157	.033	-.085	-.080
q20_14	.031	.106	.012	-.081	.415	-.256	.170	-.046	-.118	-.126
q20_15	.263	-.105	.099	.220	.510	.164	.055	-.007	.256	.125
q20_16	.184	.018	.120	.027	.480	.117	.047	-.035	-.081	.002
q21_1	.341	-.073	-.003	.668	.195	.260	-.094	.141	.362	.086
q21_2	.473	-.037	.036	.680	.120	.185	-.173	.134	.402	.085
q21_3	.295	-.063	-.002	.642	.183	.201	-.029	.152	.428	-.028
q21_4	.468	.029	.092	.728	.107	.240	-.067	.152	.395	.204
q21_5	.300	.097	-.014	.705	.038	.256	.061	.009	.068	.048
q21_6	.208	.030	-.021	.720	.041	.176	.063	.112	.032	.115
q21_7	.374	-.023	.092	.790	.173	.286	.095	.060	.210	-.036
q22_1	.810	-.033	.116	.344	.063	.311	-.033	-.089	.248	.047
q22_2	.788	.046	.112	.362	.207	.301	.043	.009	.108	.123
q22_3	.782	.062	.169	.348	.035	.287	-.084	.072	.235	.177
q22_4	.784	.075	.092	.352	.116	.209	-.054	.061	.101	.188
q22_5	.736	.045	.116	.380	.117	.260	-.018	.078	.355	.046
q22_6	.735	-.053	-.002	.320	.113	.235	.009	.116	.138	.062
q22_7	.728	.062	.061	.317	.102	.251	.072	-.008	.299	-.048
q23_1	.365	-.005	.087	.398	.021	.584	.061	.071	.508	-.017
q23_2	.265	.039	.035	.356	.058	.625	.026	.121	.463	.011
q23_3	.176	.069	.047	.175	.123	.726	-.045	.101	-.105	.147

q23_4	.175	.052	.027	.148	.085	.792	.014	.067	-.087	.063
q23_5	.281	.027	.048	.255	.090	.777	.120	.205	.266	-.056
q23_6	.244	-.022	.121	.301	.053	.440	.125	.030	.467	-.251
q25_1	.081	.506	.047	.081	-.176	.005	-.088	.216	.449	-.029
q25_2	.171	.557	.043	.205	-.126	.065	-.086	.161	.438	.066
q25_3	.100	.617	.077	.006	-.052	.047	-.122	.138	.218	.033
q25_4	.065	.681	.089	.000	-.072	-.037	-.107	.118	.124	.112
q25_5	.092	.706	.163	.060	-.017	.026	-.102	.093	.139	.094
q25_6	.066	.776	.070	.041	-.026	-.043	-.026	.073	.020	.033
q25_7	-.008	.718	-.015	.020	.174	.080	.170	.053	-.269	-.142
q25_8	-.007	.793	-.055	.002	.109	.006	.085	.095	-.259	.042
q25_9	.002	.817	-.039	.020	.136	.045	.114	.109	-.268	-.067
q25_10	.010	.782	-.020	.038	.173	.032	.147	.102	-.236	-.062
q25_11	.006	.597	.037	.061	.136	-.035	.169	.143	.011	.023
q26_1	.034	.082	-.055	.124	.041	.127	.040	.782	.211	-.105
q26_2	.071	.094	-.014	.133	.010	.188	.076	.832	.234	.063
q26_3	.085	.097	-.025	.163	.046	.112	.044	.867	.149	.230
q26_4	.081	.136	.037	.206	.137	.106	.113	.743	.102	.080

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

APPENDIX – IV: Confirmatory Factor Analysis (CFA)

Confirmatory Factor Analysis (CFA)

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	123	1155.223	738	.000	1.565
Saturated model	861	.000	0		
Independence model	41	7039.093	820	.000	8.584

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.033	.864	.841	.741
Saturated model	.000	1.000		
Independence model	.155	.370	.338	.352

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.836	.818	.934	.925	.933
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.900	.752	.840
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	417.223	328.914	513.457
Saturated model	.000	.000	.000
Independence model	6219.093	5954.528	6490.197

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	3.301	1.192	.940	1.467
Saturated model	.000	.000	.000	.000
Independence model	20.112	17.769	17.013	18.543

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.040	.036	.045	1.000
Independence model	.147	.144	.150	.000

file:///E:/UK-BAN/FINAL/AMOS/MODEL.AmosOutput

MODEL.amw

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.040	.036	.045	1.000
Independence model	.147	.144	.150	.000

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
q14_3	<---	F1	.891	.117	7.646	***	par_1
q14_2	<---	F1	1.000				
q14_1	<---	F1	.898	.127	7.061	***	par_2
q16_1	<---	F2	.906	.128	7.060	***	par_3
q15_1	<---	F2	1.000				
q19_5	<---	F3	.715	.060	11.857	***	par_4
q21_1	<---	F5	1.000				
q21_2	<---	F5	.905	.065	13.954	***	par_5
q21_3	<---	F5	.726	.057	12.626	***	par_6
q21_4	<---	F5	.802	.064	12.497	***	par_7
q22_1	<---	F6	.844	.052	16.273	***	par_8
q22_2	<---	F6	1.000				
q22_3	<---	F6	.937	.057	16.450	***	par_9
q22_4	<---	F6	.922	.060	15.378	***	par_10
q23_1	<---	F7	.949	.075	12.580	***	par_11
q23_2	<---	F7	1.000				
q18_1	<---	F2	.579	.093	6.253	***	par_12
q19_6	<---	F3	.537	.060	8.927	***	par_13
q19_7	<---	F3	1.000				
q19_8	<---	F3	.951	.063	15.198	***	par_14
q19_9	<---	F3	.945	.065	14.455	***	par_15
q20_9	<---	F4	1.000				
q20_10	<---	F4	.949	.074	12.758	***	par_16
q20_11	<---	F4	.812	.078	10.468	***	par_17
q20_12	<---	F4	.686	.080	8.567	***	par_18
q20_15	<---	F4	.621	.065	9.558	***	par_19
q21_7	<---	F5	.752	.073	10.324	***	par_20
q22_5	<---	F6	.862	.065	13.196	***	par_21
q22_6	<---	F6	.814	.064	12.683	***	par_22
q22_7	<---	F6	.765	.058	13.260	***	par_23
q23_5	<---	F7	.830	.083	10.020	***	par_24
q25_10	<---	F8	.937	.041	22.699	***	par_25
q25_11	<---	F8	.527	.049	10.727	***	par_26
q25_9	<---	F8	1.000				
q25_8	<---	F8	.947	.041	23.064	***	par_27

			Estimate	S.E.	C.R.	P	Label
q25_7	<---	F8	.847	.048	17.699	***	par_28
q25_6	<---	F8	.676	.047	14.260	***	par_29
q26_4	<---	F9	.828	.199	4.161	***	par_30
q26_3	<---	F9	1.052	.227	4.642	***	par_31
q26_2	<---	F9	1.000				
q26_1	<---	F9	.729	.051	14.372	***	par_32

Standardized Regression Weights: (Group number 1 - Default model)

			Estimate
q14_3	<---	F1	.591
q14_2	<---	F1	.702
q14_1	<---	F1	.630
q16_1	<---	F2	.652
q15_1	<---	F2	.739
q19_5	<---	F3	.630
q21_1	<---	F5	.726
q21_2	<---	F5	.793
q21_3	<---	F5	.737
q21_4	<---	F5	.751
q22_1	<---	F6	.773
q22_2	<---	F6	.834
q22_3	<---	F6	.783
q22_4	<---	F6	.738
q23_1	<---	F7	.804
q23_2	<---	F7	.794
q18_1	<---	F2	.513
q19_6	<---	F3	.502
q19_7	<---	F3	.803
q19_8	<---	F3	.809
q19_9	<---	F3	.782
q20_9	<---	F4	.762
q20_10	<---	F4	.758
q20_11	<---	F4	.627
q20_12	<---	F4	.507
q20_15	<---	F4	.566
q21_7	<---	F5	.604
q22_5	<---	F6	.750
q22_6	<---	F6	.644

	Estimate
q22_7 <--- F6	.672
q23_5 <--- F7	.588
q25_10 <--- F8	.838
q25_11 <--- F8	.528
q25_9 <--- F8	.923
q25_8 <--- F8	.853
q25_7 <--- F8	.748
q25_6 <--- F8	.654
q26_4 <--- F9	.591
q26_3 <--- F9	.804
q26_2 <--- F9	.834
q26_1 <--- F9	.695

Implied (for all variables) Covariance (Group number 1 - Default model)

	F9	F8	F4	F7	F6	F5	F3	F2	F1
F9	0.374								
F8	0.047	0.6							
F4	0.072	-0.017	0.32						
F7	0.104	0.003	0.126	0.407					
F6	0.057	0.022	0.194	0.236	0.748				
F5	0.103	-0.029	0.173	0.211	0.291	0.466			
F3	-0.01	0.007	0.004	-0.006	0.058	-0.006	0.489		
F2	0.046	0.027	0.058	0.065	0.045	0.036	0.031	0.347	
F1	0.038	0.011	0.106	0.003	0.119	0.045	0.124	0.101	0.389
q26_1	0.273	0.034	0.053	0.076	0.042	0.075	-0.008	0.034	0.028
q26_2	0.374	0.047	0.072	0.104	0.057	0.103	-0.01	0.046	0.038