

**SERVICE QUALITY AND CUSTOMER SATISFACTION IN ISLAMIC
BANKING**

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ABSTRACT

Service quality is a gap between perceptions toward service provided. Customer satisfaction is response by emotion or attitude of customer after use the services and products. Today, researcher wants to identify the level of service quality in Islamic banking at Perak state whether low or high. Researcher also wants to identify the level of customer satisfaction towards products and services provided by Islamic banking. Objectives of this research are to determine customer satisfaction level towards the services provides by Islamic banking, to assess customer perception towards service quality level which is provide by Islamic banking, to determine service quality level in Islamic banking and to identify differential between demographic factor and customer satisfaction. Researcher use quantitative data in order to collect the data and get the result.

ABSTRAK

Kualiti perkhidmatan merupakan jangkaan perbezaan jurang terhadap sesuatu perkhidmatan yang ditawarkan. Kepuasan pengguna pula merupakan tindak balas secara emosi atau sifat pengguna terhadap produk dan perkhidmatan yang telah digunakan. Pada hari ini, penyelidik ingin melihat sama ada kualiti perkhidmatan perbankan Islam di negeri Perak adalah tinggi atau sebaliknya. Penyelidik juga ingin melihat tahap kepuasan pengguna terhadap perkhidmatan dan produk yang disediakan oleh perbankan Islam. Objektif kajian penyelidik adalah untuk menentukan tahap kepuasan pengguna terhadap perkhidmatan yang disediakan oleh perbankan Islam, untuk menilai persepsi pengguna terhadap tahap kualiti perkhidmatan yang disediakan oleh perbankan Islam, untuk menentukan tahap kualiti perkhidmatan perbankan Islam dan untuk mengenalpasti perbezaan di antara kepuasan pengguna dan factor demografi. Bagi menjalankan kajian ini, penyelidik telah menggunakan data kuantitatif dalam pengumpulan data dan mendapatkan hasil kajian.

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LIST OF ABBREVIATIONS

BIMB: Bank Islam Malaysia Berhad

BMMB: Bank Muamalat Malaysia Berhad

DV: Dependent Variable

IV: Independent Variable

PMR : Peperiksaan Menengah Rendah

RM : Ringgit Malaysia

SERVQUAL: Service Quality

SPM : Sijil Pelajaran Malaysia

SPSS : Statistical Package for Social Science

STPM : Sijil Tinggi Pelajaran Malaysia

SWT : Subhawataala

UUM : Universiti Utara Malaysia

CHAPTER ONE

INTRODUCTION

1.1 Antecedent

In development of finance economics, banking system is important in order to give financial service to society such as saving, investment, funding and so on in systematic. Islamic mankind succeeds in developing Islamic banking institution which is can compete with other institution. Islamic bank developed history started from Mesir in 1963 as first modern Islamic bank in the world. Nowadays, Islamic banking system is part of modern finance system to Islamic countries through comprehensive system or old system.

The first Islamic Bank was build up in Malaysia in year 1983. That means the Islamic banking has been in Malaysia started from that time until now in year 2011. Bank Islam Malaysia Berhad (BIMB) was the first Islamic bank established in Malaysia on March 1983. The government implemented measures to provide infrastructure for Islamic bank through Bank Negara Malaysia (BNM).

Malaysia is one of Islamic countries that have potential to make Islamic investment as one of industry and at the same time it can helping in country economic growth. This is base on some factors that Malaysia gained before, for example growth in service industry

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