



**DETERMINANTS OF SERVICES QUALITY TOWARDS ISLAMIC BANKING
PERFORMANCE IN MALAYSIA**

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SEGAMAT, JOHOR.

JUNE 2015

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Submitted in Partial Fulfilment of the Requirement for the
Bachelor of Business Administration (Hons) Islamic Banking

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“DECLARATION OF ORIGINAL WORK”

1. AMIRAH SHAHIRAH BINTI MAHMOOD (I/C Number : 921120-04-5550)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of our independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation mark and sources of my information have been specifically acknowledged.

Signature:

Date:

LETTER OF SUBMISSION

21ST JUNE 2015

Madam Suzana Binti Hassan
Advisor for,
Faculty of Business Management,
University Teknologi MARA,
85000 SEGAMAT,
JOHOR DARUL TAKZIM.

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**Determinants of Service Quality towards Islamic Banking Performance in Malaysia**” to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

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AMIRAH SHAHIRAH BINTI MAHMOOD

Bachelor of Business Administration (Hons) Islamic Banking

ABSTRACT

Islamic banking is an emerging global industry which based on Islamic ethical. Malaysia is indeed a leader of Islamic banking, started with Bank Islam Malaysia Berhad (BIMB) on 1983. Islamic banking in Malaysia exists due to help Muslims to invest and save their money in a right way without any corruption. Islamic banking also needs to survive by competing with other conventional banking systems. Hence, this study is to investigate customers' satisfaction towards the service quality provided Islamic banking performance in Malaysia. Customer satisfaction is the degree of satisfaction from some people who are using the product or services provided by one institution. In facing a new technology environment, bank should provide instruments that could satisfy current and future customers to use their product and services as it is the key to success on development and expansion of banks. The aim on this study is to identify the most factors that effect on the customer satisfaction and the relationship of tangibility, reliability, responsiveness, assurance, empathy and convenience towards customer satisfaction in Islamic banking.

All the factors are linked with the customer satisfaction in Islamic banking sector in Malaysia but all the factors become less important as most of the customers are more interested using the online transaction and stayed at home. Hence, more effective strategies should be recommended to attract customers to use services provided by Islamic banking.