

**UNIVERSITI TEKNOLOGI MARA**

**ADOPTING & MEASURING CUSTOMER  
SERVICE QUALITY (SQ) IN ISLAMIC BANKS: A  
CASE STUDY IN BANK ISLAM MALAYSIA  
BERHAD IN SEGAMAT, JOHOR.**

**NUR INSYIRAH BINTI ANUWAR**

**2015832062**

**Bachelor of Business Administration (Hons)**

**Islamic Banking**

**December 2017**

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Thesis submitted in fulfillment of the requirements for the degree of

**Bachelor of Business Administration (Hons)**

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## AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA Johor. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA Johor, regulating the conduct of my study and research.


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Programme : Bachelor of Business Administration (Hons) Islamic Banking

Faculty : Faculty of Business and Management

Thesis : Adopting & Measuring Customer Service Quality (SQ) In Islamic Banks: A Case Study In Bank Islam Malaysia Berhad In Segamat, Johor.

Signature of Student :  .....

Date : 04 December 2017

## LETTER OF SUBMISSION

21<sup>st</sup> December 2017

Madam Zuraidah Binti Sipon,  
Thesis Coordinator,  
Faculty of Business Management  
Universiti Teknologi MARA,  
Johor Branch,  
Segamat Campus.

Dear Madam,

### SUBMISSION OF PROJECT PAPER (ISB672)

I attached my project paper titled “Adopting & Measuring Customer Service Quality (SQ) In Islamic Banks: A Case Study in Bank Islam Malaysia Berhad in Segamat, Johor” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you,

Yours sincerely,

.....  


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Bachelor of Business Administration (Hons) Islamic Banking

## ABSTRACT

This paper is conducted to identify the relationship between service quality and customer satisfaction in the Bank Islam Malaysia Berhad (BIMB), Segamat, Johor. This study employed an improved SERQUAL model by developing a unique dimension of compliance in the context of service Islamic bank industry. This paper use CARTER instrument questionnaire. The variable include in this paper are Compliance, Assurance, Tangible, Empathy, and Responsiveness (CARTER) as independent variable and Customer Satisfaction as dependent variable. A sample size of 306 respondents is conducted in BIMB, Segamat, Johor. Although Islamic banks' principal activities are based on Islamic Law, their banking businesses are no different from other banks or financial institutions. Thus Islamic banks face competition not only from conventional banks, but from new market entrants as well (Shahril, Wan Nursofiza, & Sudin, 2004). It is for this reason that there exists a need for Islamic banks to adopt service quality program to boost up their market share and profit position (Othman & Owen, 2001). The question, which Islamic banking institution is at its best providing better services to the customers as well as providing competitive products. This study adds to the existing literature by examining the adopting and measuring customer service quality in the Islamic banking industry through a case study conducted on Bank Islam Malaysia Berhad (BIMB) in Segamat, Johor by using the supporting facts and evidence from the previous studies. So, at the end of this research we can get to know the adopting and measuring customer satisfaction by using Pearson Correlation towards the services quality on the basis six dimensions or factors in BIMB, Segamat, Johor. The findings reveal that six dimensions are positive high correlation or marked relationship and also all variable in correlation are significant at the 0.01 level.