



UNIVERSITI TEKNOLOGI MARA

**CUSTOMER'S EXPECTATION ON SERVICE
QUALITY OF ISLAMIC BANKS: A CASE STUDY
IN BANDAR TUN ABDUL RAZAK JENGKA,
PAHANG**

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ABSTRACT

Banking system nowadays seems to be very important to all of us. It is a part of economic activity. Almost all country in this world has their owned bank that run to help the country economically. So, each and every bank that is existed in this world wants to give their contribution to the surrounding economies other than thinking the profitability factor. So, all the banks want to give their best service to be served to their customer. Before the existing of the Islamic banking institution, there was only conventional banking institution in this country and even in the world. The conventional banking institutions has no competition with the Islamic banking system, they just compete with each other. The Muslims also has no choice to choose because there is no Islamic banking institutions existed. So, the users choose to be the customer of conventional banking institutions. Nowadays, we can see many existing of the Islamic banking institution in this country and even in this world. Actually, our beloved country, Malaysia is among the first country in this world whose has started the Islamic banking institutions with the systematic of the products, system and organisations. So, today we can proudly said that many country's eyes in this world are looking forward in developing their Islamic banking system and they make our country to be their reference. So, today there are actually two banking system had existed, the Islamic banking system and the conventional banking system. There are also many banks that exist in this world. So, the competition among the banks is high. Therefore, the banks will try to provide the best service to their customer. Well, in this study the researcher will focuses to the customer's expectation of service quality in Islamic banking.

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Table of Contents

LETTER OF SUBMISSION	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
LIST OF TABLES	ix
LIST OF FIGURES	x
CHAPTER 1: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of Study	2
1.3 Problem Statement	3
1.4 Research Objectives	4
Main research objectives	4
Specific research objectives	4
1.5 Research Questions	5
Main research question	5
Specific research questions	5
1.6 Significant of the Study	5
Researcher	6
Society	6
Islamic banking institutions	6
1.7 Scope of Study	7
1.8 Limitation of Study	7
1.9 Definition of term	8
Service Quality	8
Customer's Expectations	8
Islamic Value	9
Reliability	9
Public Responsibility	9
1.10 Summary	11

CHAPTER 1: INTRODUCTION

1.1 Introduction

In this chapter of the study, the background of the study, the problem statement, research question, research objective, significant of the study, scope of the study and limitation of the study are going to be discussed. All of this is the introduction of the study and will be explain more in this chapter. The reader can get the first view regarding the study after get to know this content of the chapter.

This chapter also help the reader to get to know the basic needs in the area of study. It can be said that the first chapter is the most important chapter in any study. This is because the reader can “read” the mind of the researcher in the beginning. So, the first idea can make up the mind of the reader regarding the study and what is it all about.

In the background of the study, it will discuss about the overview of Islamic Banking sector in and outside of the country (Malaysia). The reader can get the overview about the history of the formation of the Islamic Banking Institution and the worth values of this business in the world. It also tells us about the development of the Islamic Banking over this few years. It also touched about the development of the service quality that is important in this business area. Measuring the service quality in this business is important these days to determine the level of quality of Islamic Banking Institution.

This chapter will also discuss about the problem statement which talk about the idea and the reason this research is implemented. In the problem statement the reader can know a bit about the original idea of this research in the researcher perspectives. The reader can get the basic idea and also can get the issues that are related to the research.

Other than that, in this chapter also, the research will include about the objectives of the study, questions of the study, significant of the study, scope and limitation of the study. All this points are important in a study like this, so that the reader can go through all this and get the overall idea of the study. This is because the