

Strengthening Islamic Banking Customer Behavioral Intention through Value and Commitment

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Abstract : Consumers' perceptions of value are crucial to ensuring their future commitment and behavioral intentions. As a result, service providers, such as Islamic banks, must provide their customers with products and services that are regarded as valuable, stimulating, collaborative, and competent. Therefore, the value provided to customers must meet or surpass their expectations, which can drive customers' commitment (affective and calculative) and eventually favorably impact their future behavioral intentions. Consequently, Islamic banks in South Africa, as a growing African market, need to obtain a better understanding of the variables that impact Islamic banking customers' value perceptions and how these impact their future behavioral intentions. Furthermore, it is necessary to investigate how customers' perceived value perceptions impact their affective and calculative commitment and how the latter impact their future behavioral intentions. The purpose of this study is to bridge these gaps in knowledge, as the competitiveness of the Islamic banking industry in South Africa requires a deeper understanding of the aforementioned relationships. The study was exploratory and quantitative in nature, and data was collected from 250 Islamic banking customers using self-administered questionnaires. These banking customers resided in the Gauteng province of South Africa. Exploratory factor analysis, Pearson's coefficient analysis, and multiple regression analysis were applied to measure the proposed hypotheses developed for the study. This research will aid Islamic banks in the country in potentially strengthening customers' future commitment (affective and calculative) and positively impact their future behavioral intentions. The findings of the study established that service quality has a significant and positive impact on perceived value. Moreover, it was determined that perceived value has a favorable and considerable impact on affective and calculative commitment, while calculative commitment has a beneficial impact on behavioral intention. The research informs Islamic banks of the importance of service engagement in driving customer perceived value, which stimulates the future affective and calculative commitment of Islamic bank customers in an emerging market context. Finally, the study proposes guidelines for Islamic banks to develop an enhanced understanding of the factors that impact the perceived value-commitment-behavioral intention link in a competitive Islamic banking market in South Africa.

Keywords : perceived value, affective commitment, calculative commitment, behavioural intention

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