

A STUDY ON CONSUMERS' PREFERENCES OF ISLAMIC BANKING PRODUCTS AND SERVICES IN SUNGAI PETANI

Barathy Doraisamy
Lecturer

AIMST University,
Malaysia

barathy_ravin@hotmail.com

Arunagiri Shanmugam
Lecturer

AIMST University,
Malaysia

arunagiri15@gmail.com

Ravindran Raman
Lecturer

University Utara Malaysia,
Malaysia

ravindr9@gmail.com

ABSTRACT

The aim of this paper is to investigate consumers' preferences on Islamic Banking product and services in Sungai Petani, Kedah. More specifically, to examine the reasons of consumers for selecting Islamic Banking services rather than Conventional Banking services. A self administered questionnaire was carried out on respondents to collect the raw data. This data were processed using SPSS, tool V.13 package. The findings revealed that consumers were aware of Islamic banking products and services to certain degree and the reasons for preferring them are because of the profitability and quality. However, most of them are not utilizing the Islamic facilities fully. This study will be useful to Bankers mainly Islamic Bankers on consumers' preferences towards Islamic products and service, hence, will improve the efficiency in marketing, product innovation and operating Islamic Finance.

Keywords: Islamic banking, awareness, profitability, quality