

FACTORS AFFECTING CUSTOMERS' PREFERENCE TOWARDS ISLAMIC BANKING

By

**SANA MAQSOOD
19630**

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Name of Student	Sana Maqsood.
Registration No.	19630
Thesis Title	Factors affecting customers' preference towards I-B

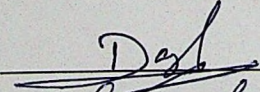
Supervisor-Student Meeting Record

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
5	25-may	office	SPSS work discussion	
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APPROVAL FOR EXAMINATION

Candidate's Name: Sana Maqsood Registration No. 19630
 Thesis Title: Factors affecting customers' preference towards Islamic banking

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Supervisor's Signature:  Date: 29/06/15
 Name: Danish Iqbal

ABSTRACT

Purpose

The purpose of this study is to see how attractive the Islamic activities are among the Muslims. It is important to know that whether Muslim consumers are engaged in Islamic financial activities or not and if they do, what are the factors which influence them? The main purpose is to find out the variable which influence consumers while choosing Islamic banking. There were four independent (riba factor, friends and family influence, awareness, product and service quality) and one dependent variable (preference).

Methodology

The methodology which is used in this research to collect the data is questionnaire. The questionnaire contains more than fifteen questions. There were two parts, one for demographic questions and other were about the influencing factors. Total respondents were hundred.

Findings

Four hypothesis were made out of which one was accepted. The findings of this research shows that among four independent variables. Only one variable shows statistically that it have a positive impact on the dependent variable. In other ways product and service quality have positive effect on preference. Which concluded that if the quality of product and service of Islamic bank is good there are more chances that people will prefer the Islamic bank instead of conventional bank.

Practical implications

The outcomes of this research may help the Islamic banks to find out the main factor why people attract towards Islamic bank. This research also reflects the awareness level of people. It will help them out to find out the opportunities.

The limitation of this study was that it was conducted only in Karachi. And people are not much aware bout the Islamic banking as it requires.

Key words

Key words which are used in this study: Islamic banking, preference, product and service, conventional banks, awareness, Riba, customer satisfaction, deposit.

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