

ABSTRACT

In relation to cultural influences on service quality, religion is one of the cultural elements that influence customers' perception on service quality. Religious values shape an individual's emotional experience, cognition and psychological well-being, which in turn, affect the consumption choices that consumers make. There have been several investigations on the relationship between religiosity and consumer behaviour with the general conclusion that the association is real. It was further argued that religiousness or religiosity would influence decision made by an individual. This study examines the relationship between religiosity and the perception on the service quality in Islamic banking industry in Malaysia. In particular, this study focuses on the impact of different levels of religious commitment among Malay Muslims and their perception on the service quality dimensions. The study investigates if there is any difference between the perception on service quality of the devout, the moderately religious and the casually religious Malay Muslims in the context of the Islamic banking industry in Malaysia. Consequently, the study seeks to examine which service quality attribute is significant and highly related to the level of religious commitment among the Muslim customers. Findings from this study provide evidence that there is a positive relationship between Islamic religiosity and perception on service quality. Looking at each dimension of service quality revealed that the level of religious commitment among the Muslim customers has positive relationship with five out of six dimensions of service quality namely; compliance, assurance, reliability, tangibility and responsiveness. Furthermore, findings from this study indicated that among the six dimensions, the compliance to *Shariah* attribute has shown the highest positive correlation with religiosity. For the three religious groups, the results showed that there are significant differences on their perceptions of service quality provided by the Islamic banking industry in Malaysia.