

Original Research

Customers' Awareness, Perceptions and Satisfaction from Islamic Banking Products and Services: Evidence from Nigeria

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Abstract

This study investigated the awareness, perceptions and satisfaction of bank customers over Islamic bank products and services within the Benin metropolis. The specific objectives of the research were to examine the relationship between awareness and Islamic bank products and services; find out if customers' perception affects Islamic banks' products and services; and investigate if there is a relationship between customers' satisfaction and Islamic bank products and services in Nigeria. Structured questionnaires were used to elicit responses from one hundred respondents. The data collected was analyzed using the ordinary least squares (OLS) multivariate regression estimation method. Findings from the analyses revealed that customers' awareness and satisfaction exerted negative and non-significant influence on Islamic banking products and services. Customers' perception about Islamic banking products and services was positive and not significant. The study therefore recommends that operators and regulators of Islamic banks need to pay due attention to public awareness and perception with a view to enhancing patronage of the Islamic banking products and services and enabling the sector to effectively compete with its already well-established conventional counterpart.

Keywords: Awareness, Perception, Satisfaction, Religion, Islamic Bank.

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Introduction

The awareness, perceptions, and satisfaction of customers regarding Islamic banking products and services in Nigeria have been the subject of several scholarly studies (Akinsanya & Adediran, 2018; Oseni, 2019; Hassan, Shaikh & Aliyu, 2020). Awareness of Islamic banking in Nigeria is relatively low among the general public. Many people are not familiar with the concept of Islamic banking, its principles, and the range of products and services it offers in Nigeria (Adeyemi, 2018; Azeez & Mohammed, 2019; Aigbovo & Idolor, 2021). Islamic banking is a financial institution that operates based on Sharia principles and practices, which are mainly concerned with Islamic ethics (Adeyemi, 2018; Aigbovo & Idolor, 2021; Asaolu, 2022). This type of banking provides access to finances to businesses and individuals while maintaining ethical financing procedures and practices. Islamic banks are more concerned with conforming to the norms of Islamic ethics that dominate every financial operation. Islamic banking requires transactions to be governed by norms of Islamic ethics as highlighted in Sharia and the Holy Quran. The chief principle of Islamic banking is that interest-taking is forbidden or haram, but this does not mean that non-Muslims are denied access to the products as long as they are willing to abide by the provisions of their ethics (Aigbovo & Idolor, 2021).

Islamic banks mainly engage in non-interest banking, unlike conventional banks that engage in interest banking, which is taken as unethical from the perspective of Islamic religion. Islamic banks operate side by side with conventional banks in countries with loose Islamic rules. Some Muslim countries like Arab that are adopting Sharia practices, and in non-Muslim countries, particularly in the western world. Islamic banking has the potential to bolster economic growth by providing comfortable access to finance in an ethical manner (Soud & Sayilir, 2017). Non-interest finance instruments, assets, and products issued and owned by Islamic banks are catalysts for leading and developing economies worldwide. However, despite its increasing popularity, there is a dearth of awareness in both Muslim and Non-Muslim countries, which slows the pace of development of the system. Research on Islamic banking has mainly evolved in Islamic practicing countries, and there are very scanty researches about Islamic banking in Sub-Saharan African countries (Sonko, 2020). There are limited studies that have examined the awareness and perception of bank customers about Islamic banking in Nigeria, thus opening up a research gap in this study (Asaolu, 2022; Botis, 2013).

Since the emergence of Islamic banks in Nigeria, there have been concerns by a large segment of the banking public on the sustainability of Islamic banks like the Jaiz Bank Plc, but her consistent churning out of attractive products and services coupled with sterling performance over the years has laid to rest fears on its going concern status (Tijjani et al. 2021). Prominent instruments and products of Islamic financial institutions are Sukuk, Murabaha, Musharakah, Ijarah, Istisna, Qard Hasan, Mozara'h, and Mogharasah, Tawarroq, Modarabah, Irrigation, Bay 'Salam and Wadi'ah. The first six products are already prominent in the balance sheet of Jaiz Bank and Sukuk (Islamic bond) is fast gaining traction in the country as well. However, how much of the awareness, perception the customers of banks have about these Islamic products and services and the satisfaction they derive from the Islamic banks' product and services particularly in the Benin metropolis remained uninvestigated and unknown.

This is so because the spread of both Islamic commercial banks and microfinance finance banks in the South-South geopolitical zone is slow, unlike in the North-West, North Central and North-East geopolitical zones in Nigeria. Apart from the study of Aigbovo and Isibor (2022) which assessed the awareness of Islamic banks in Benin City, the researcher found no other studies which have been carried out to examine the subject matter.

The Innovation of the Study

The innovation of this research lies in its specific focus on Nigeria, exploring customers' awareness, perceptions, and satisfaction with Islamic banking products and services. By examining these factors, future researchers are able to gain insights into the acceptance and effectiveness of Islamic banking in Nigeria, identify areas of improvement, and contribute to the development of the Islamic finance industry in the country. This study is quite innovative with respect to its focus on Islamic banking, the aptness of the research in the context of Nigeria, its investigation of the awareness of, perception of and satisfaction from Islamic banking in a developing country like Nigeria.

By focusing on Islamic banking, it makes the research unique and a departure from previous study like Tijani et al. (2021); Aigbovo and Isibor (2022) conducted on only the awareness and perception of Islamic Banking in Nigeria which failed to examine the satisfaction customers get from patronizing the products and services offered by Islamic banks in the Benin City metropolis. Islamic banking operates based on principles derived from Shariah law, which prohibits the payment or receipt of interest (riba). It emphasizes ethical and socially responsible financial practices. Studying customers' awareness, perceptions, and satisfaction with Islamic banking products and services is important because it provides insights into the adoption and acceptance of this alternative banking system. In terms of Nigerian Context, Nigeria is a country with a significant Muslim population, and Islamic banking has gained traction as an alternative to conventional banking in recent years. By focusing specifically on Nigeria, this research recognizes the unique characteristics and challenges associated with Islamic banking in the Nigerian market. It allows for a better understanding of how customers in Nigeria perceive and engage with Islamic banking products and services.

Investigating customers' awareness of Islamic banking products and services is crucial as it sheds light on the level of knowledge and understanding of the principles and offerings of Islamic finance among the Nigerian population. This research revealed gaps in awareness and provide insights into the effectiveness of marketing and educational efforts by Islamic financial institutions. Examining customers' perceptions of Islamic banking products and services helps to understand their attitudes, beliefs, and expectations. This research topic may delve into customers' opinions regarding the compatibility of Islamic banking with their religious and ethical values, the perceived level of transparency, the credibility of Islamic financial institutions, and the overall trust in the system. Assessing customer satisfaction with Islamic banking products and services provides valuable feedback on the quality and effectiveness of offerings. It allows for an evaluation of customers' experiences with Islamic banks, including factors such as customer service, product features, accessibility, convenience, and overall satisfaction

levels. Understanding customer satisfaction can help Islamic financial institutions identify areas for improvement and enhance customer loyalty.

Literature Review

Conceptual Review

Concept of Islamic Banking

Islamic banking is rooted in the principles of Islamic law, or Sharia. One of the fundamental principles is the prohibition of interest, or *riba*. Islamic banking promotes the concept of profit-sharing and risk-sharing, aligning the interests of the bank and the customer (Al-Khatib, 2019). Instead of earning interest, Islamic banks generate profit through ethical investment and participation in economic activities. Islamic banking prohibits engaging in activities that are considered *haram* (forbidden) in Islam. This includes avoiding investments in industries such as alcohol, gambling, tobacco, and other activities that are deemed unethical (Saleem, 2020). Islamic banks strive to maintain ethical standards in their operations, making socially responsible investments and adhering to strict ethical guidelines.

Islamic banking utilizes various modes of financing that comply with Sharia principles. Some common modes include *mudarabah* (profit-sharing partnership), *musharakah* (joint venture), *murabahah* (cost-plus financing), *ijara* (leasing), and *sukuk* (Islamic bonds) (Al-Khatib, 2019). These modes of financing are designed to avoid interest and promote equity-based transactions. Islamic banks offer a range of products and services that comply with Sharia principles. These products include Islamic current accounts, savings accounts, home financing (known as *ijara* or diminishing *musharakah*), trade financing, project financing, and Islamic investment funds (Saleem, 2020). These products are structured to avoid interest-based transactions and ensure compliance with Islamic principles. The development and regulation of Islamic banking vary across countries. In countries where Islamic banking has gained prominence, dedicated regulatory bodies have been established to oversee and regulate the operations of Islamic banks (Hasan, 2021). These regulatory bodies work towards creating an enabling environment for Islamic banking and ensuring compliance with Sharia principles.

Non-interest (Islamic) Banking and Its Products/Services

Islamic banking, also known as non-interest banking or Sharia-compliant banking, is a financial system that operates in accordance with Islamic principles. Islamic banks offer current accounts that operate based on the principles of *mudarabah* or *wadiah*. In *mudarabah*, the bank acts as a *mudarib* (entrepreneur) while the account holder is the *rabbul mal* (capital provider). The bank uses the funds for investments and profit-sharing, with the account holder receiving a portion of the generated profits. *Wadiah* accounts, on the other hand, operate as safekeeping accounts where the bank guarantees the return of the deposited funds without providing any share of profits to the account holder (Miah, 2019).

Similar to current accounts, Islamic banks offer savings accounts based on the principles of *mudarabah* or *wadiah*. These accounts provide a secure and Halal way for individuals to save their money while participating in profit-sharing or receiving guaranteed returns on their deposits (Abedifar et al., 2019). Islamic banks provide financing through the *Murabaha* contract, which involves the purchase and subsequent sale of goods at a marked-up price. The bank acquires the asset requested by the customer and sells it to them at an agreed-upon price, payable in installments. Islamic banks offer leasing arrangements where they purchase an asset and lease it to the customer for a specified period. The customer pays regular rental payments, and at the end of the lease term, they may have the option to purchase the asset.

Islamic banks provide investment opportunities through various types of investment funds compliant with Sharia principles. These funds invest in Sharia-compliant assets such as equities, real estate, and *sukuk* (Islamic bonds). Investors benefit from the potential profits generated by these investments while adhering to Islamic ethical guidelines (Abedifar et al., 2019). It operates on the principles of mutual cooperation and shared responsibility. Participants contribute to a common pool of funds, which are used to compensate any losses incurred by members of the pool. *Takaful* offers various types of insurance coverage, such as life insurance, health insurance, and property insurance, in compliance with Islamic principles (Iqbal, 2020).

The Concept of Awareness

Awareness is the state or ability to perceive, to feel, to know, or to be conscious of events, objects, or sensory patterns. Awareness in Islamic banking refers to the understanding and knowledge that individuals, institutions, and communities have regarding the principles, practices, and benefits of Islamic finance. It encompasses both the awareness of the general public and the participants within the Islamic finance industry.

Awareness in the context of Islamic banking refers to the level of understanding and knowledge that individuals, institutions, and society have about the principles and practices of Islamic finance. It encompasses the understanding of the underlying Shariah principles, the unique features of Islamic financial products and services, and the overall goals and objectives of Islamic banking. Awareness plays a crucial role in Islamic banking for several reasons. Awareness is important to ensure that the financial transactions conducted by Islamic banks comply with the principles of Shariah. By having a deep understanding of Shariah principles and guidelines, both customers and financial institutions can ensure that their financial activities are in line with Islamic ethical standards.

Awareness empowers individuals to make informed and ethical decisions regarding their financial activities. Customers who are aware of the principles of Islamic finance can choose products and services that align with their values and beliefs, promoting ethical financial practices. Awareness among investors and stakeholders helps build confidence in the Islamic banking industry. When investors are knowledgeable about the unique features and benefits of Islamic finance, they can make informed investment decisions, leading to increased trust and stability in the industry. Awareness is essential

for promoting financial inclusion and expanding access to Islamic banking services. By raising awareness about Islamic finance and its benefits, individuals and communities who were previously unaware or hesitant to engage with Islamic banks may be encouraged to participate and benefit from the services offered.

The level of awareness plays a crucial role in the growth and development of Islamic banking and finance. Product awareness, therefore, is the degree of knowledge that customers have about a product. This involves developing the knowledge that a product exists, information about its function, benefits, quality, price, compatibility, and usability. The steps involved in product awareness are brand awareness, brand image, discovery, observation, information gathering, and trial. Studies establish that consumers' awareness significantly influences their attitude and intention to use Islamic banking products and services and thus more awareness leads to higher intention to use the Islamic banks (. Therefore, continuous public awareness campaigns that mobilize public interest could contribute to the additional expansion of the industry to bring about financial inclusion and sustainable development.

The Concept of Perception

Customer perception refers to customers' awareness, their impressions, and their opinions about a business, products, and brand; and it is shaped by multiple variables, including direct and indirect interactions with the products and services of a firm (Zach, 2019). It is also defined as a marketing concept that encompasses a customer's impression, awareness, or consciousness about a company or its offerings (Business Dictionary, 2020). It is the process through which consumers select, organize and interpret the information they gather through their senses (mouth, eye, ear, nose and skin) in order to provide themselves with a meaningful and coherent view of the product or service. The ultimate aim of every business is to increase sales by finding out the factors that drive consumers' buying decisions. Therefore, thorough examination of customers' perception and awareness is critical to the success of any business endeavor.

Customer Satisfaction

Customer satisfaction in Islamic banking refers to the level of contentment or happiness experienced by customers who use Islamic financial products and services. Factors influencing customer satisfaction in Islamic banking can include various aspects, such as product offerings, customer service, convenience, and trust in the institution. Research has indicated that customer satisfaction in Islamic banking can positively impact customer loyalty, word-of-mouth recommendations, and the overall reputation of Islamic financial institutions. A dissatisfied consumer, on the other hand, responds differently. As a satisfied customer tells people about a good service experience, dissatisfied customer complains to even more people than a satisfied customer does (Ogunbayi, 2019). Customers are satisfied with the services of a firm if they perceive such services as offering high quality. It therefore becomes necessary that organizations that want to satisfy its customers must step-up the quality of their services offerings to the customers. This is particularly important because customers who are satisfied are likely to become more attracted to the firm's offerings than those who are dissatisfied.

Religion

Religion plays a critical role in the demand for the products and services of Islamic banking generally. A deeper understanding of religion is perhaps more important today than ever before (Carvalho, Iyer, Rubin, 2019). Many factors have contributed to the strong growth of Islamic finance. Nevertheless, religion can be considered as the most important reason why customers prefer Islamic financial institutions, i.e. Islamic banks. Given the above-mentioned, the purpose of The imperative of religion in driving Islamic banking products and services are gaining ascendancy in literature in recent times particularly in the context of Nigeria. For instance, Murtala et al. (2020) examined the role of religion in influencing customers' selection decision to bank without interest in Nigeria. Using a multistage sampling technique, they analyzed the responses of 395 customers of an Islamic bank in Bauchi State. The study found that Bank Selection Decision correlate positively with all independent variables, i.e., Religious Affiliation (RA), Preference for Religion (PR), Staff Religiosity (SR) and Religious Fundamentalism (RF). The result of multiple regression analysis shows that RA, PR and RF are the most significant factors influencing customers' Bank Selection Decision, while SR has an insignificant influence on the predicted variable.

Conceptual Framework

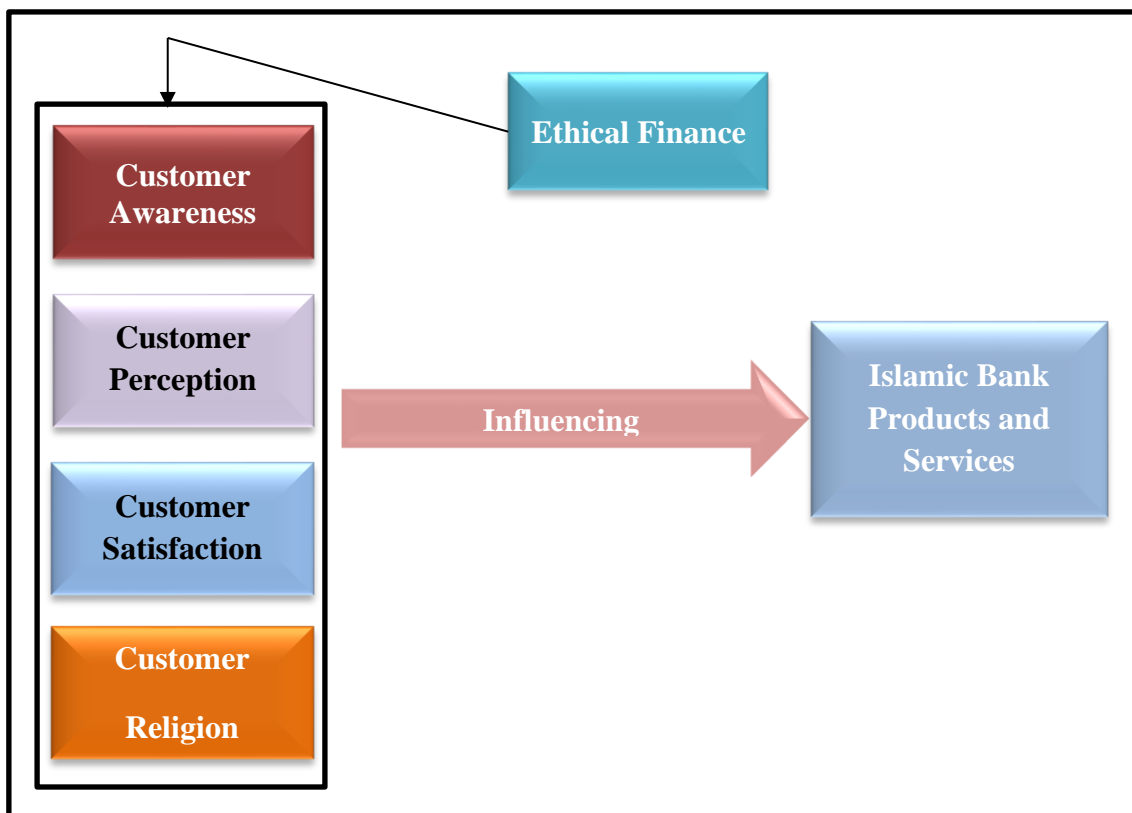


Figure 1. Relationship between Awareness, Perception and Satisfaction on Islamic Banking Products and Services

Empirical Review

While several empirical studies have been carried out concerning customers' awareness and perception about Islamic banking products and services in developed climes. This same cannot be said when it comes to developing countries like Nigeria. In the context of Nigeria, there are not so much studies which have investigated Islamic banking. Some of the few studies carried out so far in Nigeria related to the awareness on Islamic banking include Tijjani et al. (2021); Asaolu (2022); Aigbovo and Isibor (2022). Tijjani et al. (2021), conceptually reviewed the awareness and assumptions of customers on Islamic banking products and services in a form of metal synthesis. The methodology they employed involved critical reviews and synthesis of previous researches on customers' awareness and perception of Islamic banking in the context of Nigeria. The result of the review reveals that good awareness and perception of the public on Islamic banking products and services are critical to the development of Islamic banking and finance. The study concludes that significant progress has been made in Muslim and Non-Muslim countries with the potentials to dominate conventional banking shortly in some jurisdictions.

Aigbovo and Isibor (2022) investigated the extent of the awareness, understanding and willingness to patronize Islamic banking products and services among non-Muslims in Nigeria. The study used purposive sampling method. Structured questionnaire was employed to elicit responses from the respondents who were majorly customers of commercial banks branches. The data was analyzed using descriptive statistics. Findings obtained from the study indicated that over sixty percent of the respondents were unaware and had no or little understanding about Islamic banking products and services; while the willingness to use Islamic banking products and services was low among the customers who are also non-Muslims. One of the major reasons for the unawareness and poor understanding as well as the unwillingness to use Islamic banking products and services by the customers was age factor.

Asaolu (2022) examined the impact of Islamic banking on financial inclusion in Nigeria. The research used primary and secondary sources of data. The findings from the study primary data analysis showed high level of acceptability of Islamic banking and secondary data analyses signal the financial soundness of Jaiz bank to give existing and prospective investors' the needed comfort. The study recommended that economic units in developing economies, private companies and individuals should tap into the vast bouquet of Islamic banking products offered on flexible terms in achieving their broad objectives.

Hosen et al., (2019) examine the perception and expectation of customers in Islamic bank customers in Indonesia. The study intends to analyze the gap between the perception and expectations of quality of services as well as the factors responsible for customer satisfaction in Bank in Muamalat, Indonesia. Using both quantitative and qualitative techniques, the finding of the study revealed that sharia compliance is a critical point of service in Islamic banks. It was also shown that accessibility, price of service, and sophistication in technology contribute significantly to service quality and satisfaction of the customers.

Abdullahi and Shaharuddin (2016) examined the understanding and perception of Islamic banking in Macedonia. The authors used both questionnaire and interview responses. Interestingly they found that the respondents were mainly using conventional banks in the absence of Islamic banks. Similarly, they demonstrated moderate understanding on the concept of Islamic banking. In fact, when asked about the possibility of keeping their deposit in Islamic banks even when no profit was declared for one year, more than 45% of the respondents agreed to remain with Islamic banks as they do not want to deal with interest.

Kewuyemi (2015) examined the awareness, attitude, and patronage of Islamic Banking in Nigeria. The study, using survey technique found that a large number of Muslims and a significant number non-Muslim respondents were willing to adopt Islamic banks. Cheteni (2014) analyzed customer's awareness towards Islamic banking products and services in some cities of South Africa. The researcher administered a questionnaire among 40% Muslims and 59% non-Muslims. From the responses of 140 respondents, it was clear that despite the fact the Islamic banking started since 1989 in the country, there is low adoption of Islamic banking products and services as 70% of the respondents were having accounts with conventional banks. Using descriptive statistics and binary logistic regression, it was revealed that demographic variables such as age and gender were significant in awareness among the respondents.

Ringim (2014) studied the perception of Nigerian Muslim account holders in conventional banks toward Islamic banking products. The author used a cross-sectional survey technique to administer 500 questionnaires out of which 304 were returned and only 286 were found to be valid for the analysis. The findings showed the respondents had a positive perception of Islamic banking. Naser et al., (2013) investigated customer awareness and satisfaction with Islamic financial products and services offered by the Kuwait Finance House (KFH). Primary data was collected from 429 customers through questionnaire administration. The authors used descriptive and inferential statistics to analyze the data. Findings showed that a significant proportion of the respondents were not aware of many products of the bank.

Methodology

This research is quantitative in nature and it used the survey-descriptive research design while four-point scale likert-type questionnaire was employed as the research instrument to elicit responses from one hundred respondents using the simple random sampling method. The respondents in the study mainly consisted of customers of banks in the Benin metropolis. Before administering the structure questionnaire, it was validated and tested for reliability to ensure internal consistency using Cronbach's alpha. The result from the Cronbach's alpha gives 0.765 value. The reliability test value affirms the internal consistency of the instrument and meet the threshold suggested by Nunally and Bernstein (1994) that argue that Cronbach's Alpha greater than 0.6 is acceptable. The study used the ordinary least squares (OLS) multiple regression to show the effect of the independent variables on the dependent variable. The econometric model for the study is presented below.

$$IBPS = \alpha + \beta_1AW + \beta_2PERC + \beta_3SA + \beta_4REL + \varepsilon \quad (1)$$

Where; IBPS represents Islamic banking products and services; AW represents awareness of Islamic banking products and services by customers; PERC represents perception of Islamic banking products and services by customers of banks; SA represents derived from Islamic products and services by bank customers; REL represents religion of the bank customers. β_1 , β_2 , β_3 and β_4 are the predictors. ε - is the error term.

Empirical Analysis

This section concerns the analysis of the data collected from the respondents. The data were analyzed using the multivariate regression estimation methods. The results from the estimation methods are presented and discussion in each of the tables sequentially as follow:

Table 1. Presentation of the Ordinary Least Squares (OLS) Multivariate Regression Result
 Dependent Variable: IBPS

AW	-2.04 (0.078) **
PERC	13.33 (0.083) **
SA	-0.06 (0.22) *
REL	15.67 (0.000) *
R-Square	0.842
Adjusted R-Square	0.763
F-Statistics	16.156
Prob. (F-Statistic)	0.003
Durbin-Watson Statistics	1.981

Table 1 represents the variables in the model. IBPS represents Islamic bank products and services; AW represents awareness of the bank customers; PERC represents perception of the bank customers; SA represents satisfaction derive by the bank customers from the Islamic bank products and services while REL represents the religion of the bank customers towards the Islamic bank products and services. The probability values are in parenthesis at different significance level with * $p < 0.01$ (significant at 5%) and *** $p < 0.1$ (not significant at 5%).

The result of the multivariate regression method in table 1 shows that the adjusted R-square reads 0.763, which approximates 76% systematic variation on Islamic bank products and services. The F-statistics representing goodness of fit of the regression model is observed to be statistically significant at 5%. The Durbin-Watson statistics of 1.981 portrays the absence of serial correlation in the overall result, thus making it fit for policy prescription purpose. The implication of the study finding is that customers' awareness, perception, satisfaction and religion influence the demand for Islamic bank products and services in Nigeria. The research finding is in tandem with Aigbovo and Omoruyi (2022); Tijjani et al. (2021); Kewuyemi (2015); Cheteni (2014).

Awareness of bank customers is negative and not statistically significant at 5% on Islamic bank products and services in the area covered by this study. The null hypothesis (H_{01}) which states that there is no significant relationship between awareness and Islamic bank products and services in Nigeria is accepted. The inverse nexus between the bank customers' awareness and Islamic bank products services demand may be adduced to scantiness of Islamic bank and the high number of conventional banks which the customers are used to particularly in the South-South geopolitical zone of Nigeria. The finding aligns with the research outcome of Aigbovo and Omoruyi (2022); Tijjani et al. (2021) Customers' perception about Islamic bank products and services has a positive coefficient value (13.33) and is statistically not significant at 95% level. The null hypothesis (H_{02}) which states that customers' perception does not significantly affect Islamic banks' products and services in Nigeria is rejected. The non-significant of the variable is also not unconnected with the fact that majority of the respondents have not used the products and services of the Islamic banks and perhaps there are no branches of any of the Islamic banks in the Benin metropolis. The study finding also affirms the research outcome of Kewuyemi (2015); Cheteni (2014); Ringim (2014).

Satisfaction by the customers from the use of Islamic products and services is negative (-0.06) and not significant at 5%. The finding suggests that since majority of the customers are not aware and also do not have a clear perception about Islamic bank products and services, they are not satisfied. Hence, satisfaction on the part of the bank customers does not influence the demand and use of Islamic bank products and services. The null hypothesis (H_{03}) which states that there is no significant relationship between customers' satisfaction and Islamic bank products and services in Nigeria is accepted. Customers' religion had a positive coefficient value of 15.67 and is statistically significant at 95% level. This clearly suggests that customers' religion is a major driver for the demand and use of Islamic products and services in the context of Nigeria. It implies that religion plays a dominant role for the patronage of Islamic bank products and services in Nigeria. The study finding affirms the research outcome of Asaolu (2022).

Conclusion and Recommendations

The aim of this research was to investigate about the awareness, perception and satisfaction of bank customers on the demand and use of Islamic products and services in the Benin metropolis. The study reveals that there has been a little increase in customers' awareness of Islamic banking products and services in Nigeria. This can be attributed to poor concerted efforts made by Islamic banks to educate and inform the public about the principles and benefits of Islamic finance. The low spread availability of information through various channels, including social media, seminars, and community outreach programs, has not successfully reached a large segment of the population, resulting in unheightened awareness. The study demonstrates that customers' perceptions of Islamic banking in Nigeria are predominantly positive. Islamic banking is seen as a viable alternative to conventional banking, with its adherence to Shariah principles being a key driver of trust and confidence.

The emphasis on ethical banking practices, profit-sharing, and avoidance of interest-based transactions resonates with customers who seek financial services aligned with their religious beliefs and values. This positive perception further reinforces the appeal

and acceptance of Islamic banking in the Nigerian market. The study indicates a good level of customer satisfaction with Islamic banking products and services. Customers express satisfaction with the transparency, fairness, and customer-centric approach adopted by Islamic banks. The availability of innovative products tailored to meet the specific needs of customers, such as Islamic home financing, Islamic savings accounts, and Islamic investment options, has contributed to their overall satisfaction. Furthermore, the study highlights the efficiency of Islamic banks in providing prompt and reliable services, leading to a positive customer experience.

In conclusion, the findings of this study provide robust evidence that customers in Nigeria are not only increasingly aware of Islamic banking but also hold positive perceptions towards it and are highly satisfied with the products and services offered. Islamic banking has successfully carved out a niche in the Nigerian financial market by offering ethical and Shariah-compliant alternatives to conventional banking. The growth and success of Islamic banking in Nigeria are expected to continue, as it caters to the unique needs of customers and gains further recognition as a viable and reliable financial system.

Based on the outcome of the study, the following suggestions are put forward:

1. Government should collaborate with Islamic banking institutions and regulatory bodies to develop comprehensive awareness campaigns targeting various segments of the Nigerian population.
2. The government and Islamic banks should frequently conduct workshops, seminars, and community outreach programs to educate customers about the benefits and principles of Islamic banking.
3. Islamic banks should leverage digital platforms, such as social media, websites, and mobile applications, to disseminate information about Islamic banking products and services.
4. Islamic banking institutions need to regularly conduct market research to identify the specific needs and preferences of potential customers and align product development accordingly.
5. Islamic banks should quickly introduce innovative and competitive Islamic banking products, such as Sharia-compliant investment options, profit-sharing accounts, and ethical financing solutions.
6. Islamic banks in Nigeria should customize products to cater to different customer segments, such as individuals, businesses, and nonprofit organizations, addressing their unique financial requirements.
7. Islamic banks should implement rigorous training programs for Islamic banking staff to enhance their knowledge of Islamic finance principles and customer service skills.
8. Islamic banks should develop standardized service protocols and ensure their consistent implementation across all branches and touchpoints.

9. Islamic banks should regularly seek customer feedback through surveys, focus groups, and complaint resolution mechanisms to identify areas for improvement and make necessary changes.

10. The government should collaborate with regulatory authorities to develop a robust and transparent regulatory framework for Islamic banking in Nigeria.

11. The government through the Central of Nigeria should establish clear guidelines and standards for Islamic banking operations, risk management, and customer protection.

12. Central bank of Nigeria monitor compliance with Sharia principles and ensure strict adherence to ethical and Islamic banking practices.

13. There is need to engage reputable Islamic scholars and experts to validate the adherence of Islamic banking products and services to Sharia principles.

14. Central bank of Nigeria should always publish regular reports on the financial performance, social impact, and governance practices of Islamic banking institutions in Nigeria.

15. Islamic banks need to collaborate with religious organizations, community leaders, and opinion influencers to promote trust and credibility in Islamic banking.

16. Islamic banks need to invest in robust and secure technological infrastructure to support efficient and user-friendly digital banking services.

17. Islamic banks need to develop mobile banking applications that provide easy access to Islamic banking products and services, allowing customers to perform transactions, access account information, and receive notifications.

18. Islamic banks need to ensure a seamless and secure online banking experience, including strong authentication mechanisms, data privacy, and protection against cyber threats.

19. Islamic banks need to regularly assess customers' awareness, perceptions, and satisfaction through periodic surveys and research studies to track progress and identify emerging trends.

20. Islamic banks need to frequently monitor changes in customer preferences, demographic shifts, and market dynamics to adapt Islamic banking strategies accordingly.

Author Contributions

Dr Sunday Oseiweh Ogbeide wrote the introduction part, conducted the literature review, and design the methodology. Dr Sunday Nosa Ugbogbo carried out the empirical analysis, discussions of findings, wrote conclusions and recommendations. Both authors framed the research topic, and proofread the entire manuscript.

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