

Awareness strategies of islamic banking system: Evidence from Malaysia

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Abstract

The foundation for the growth and success of every firm is awareness. Unquestionably, the active awareness that may motivate customers to comprehend and apply Islamic financing products in the Islamic banking sector is a key factor in the success of the Islamic banking industry. The study examined the Islamic banking system's awareness-raising tactics using information from Malaysian experience. Face-to-face interview was used in a manner of qualitative method. The data were analysed using descriptive and thematic approaches. The findings indicate that customer awareness, knowledge of Islamic financing products and services, public awareness, and national and international awareness are all methods of Islamic banking awareness practice in Malaysia. The findings also demonstrate that the fundamental objective of the Islamic banking sector primarily relates to patronage and investment, which might be achieved by raising awareness of Islamic financing solutions. Additionally, the outcome shows that Islamic banks, Malaysia's central bank, and the government must step up their efforts to raise awareness in the nation. Therefore, the study has implications for Malaysian Islamic banks specifically and the global Islamic banking industry generally by increasing the capital base of the banks and increasing banking business activities through the adoption of new customers who became aware of Islamic banking modalities, operations, and products. These capital increases and boosts in the Islamic banking industry and have an impact on the profitability, banking performance, Islamic micro investments, SMEs, and new businesses from an economic perspective.
