



## Nurturing Trust Through Faith-Based Service: Implementation of Islamic Service Strategies and Customer Interest

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### Abstract:

This study examines the implementation of Islamic service strategies at BPRS Bhakti Sumekar Pratama Ra'as Branch and their impact on customer interest in Barokah savings products. Using a qualitative approach with data collected through interviews, observation, and document analysis, the research identified four key service dimensions: responsiveness, reliability, assurance, and empathy. The findings reveal that these dimensions, when infused with Islamic principles such as *ihsan*, *amanah*, *sidq*, and *maslahah*, create a distinctive service experience that resonates with customers' religious values while addressing practical financial needs. Supporting factors include community receptiveness to Islamic banking concepts, product accessibility features, and cultural alignment of service approaches. Conversely, inhibiting factors comprise limited public understanding of Islamic banking principles, geographical constraints affecting service reach, and competition from conventional banking institutions. The study contributes theoretical insights into the practical application of Islamic service principles in rural banking contexts while providing actionable implications for Islamic banking practitioners seeking to enhance service quality and customer relationships.

Keywords: *Islamic service strategy, customer interest, Barokah savings, rural Islamic banking, BPRS*

### INTRODUCTION

Financial services have evolved dramatically in the 21st century, with Islamic banking emerging as a significant alternative to conventional banking systems. Islamic banking institutions, including Bank Pembiayaan Rakyat Syariah (BPRS), have shown remarkable growth across Muslim-majority countries and beyond (Adekoya 2022). The development of these institutions is driven by their adherence to Islamic principles, particularly the prohibition of interest (*riba*), excessive uncertainty (*gharar*), and gambling (*maysir*), which resonates with customers seeking ethical financial services (Harasheh, Amaduzzi, and Darwish 2020).

Customer service represents a critical dimension in the banking industry's competitive landscape. For Islamic banks, service quality transcends conventional expectations, as it must align with Islamic ethical principles in addition to meeting functional requirements (Saleh et al. 2017). Service quality in Islamic banking emphasizes not only technical efficiency but also adherence to Shariah principles, including transparency, fairness, and social responsibility (Taap et al. 2011). Research has consistently demonstrated that Islamic service quality significantly influences customer satisfaction, loyalty, and ultimately, the financial performance of Islamic banking institutions (Haron, Abdul Subar, and Ibrahim 2020) .

While previous studies have explored various dimensions of Islamic banking, there remains a notable gap in understanding how Islamic service strategies specifically influence customer interest in rural Islamic banking products. Amin et al. (Amin, Eastern, and 2008 2008) investigated the influence of service quality on customer satisfaction in Islamic banks in Malaysia, finding that reliability, assurance, and empathy significantly impacted customer loyalty. Similarly, Fauzi (Fauzi et al. 2019) examined the relationship between Islamic service quality and customer retention in Indonesian Islamic banks, highlighting the importance of responsive service delivery. However, these studies primarily focused on urban Islamic banking institutions rather than rural Islamic banks like BPRS.

Rural Islamic banks face unique challenges in implementing Islamic service strategies, including limited resources, geographical constraints, and varied customer awareness levels regarding Islamic financial products (Santoso et al., n.d.). Despite these challenges, BPRS institutions play a vital role in promoting financial inclusion and economic development in rural areas (Prawiranata 2013). The distinctive nature of rural Islamic banking necessitates tailored service strategies that address the specific needs and expectations of rural customers while maintaining adherence to Islamic principles. (Yudha et al. 2024)

The present study aims to address this research gap by examining the implementation of Islamic service strategies at BPRS Bhakti Sumekar Pratama Ra'as Branch and their impact on customer interest in Barokah savings products. Through a qualitative approach, this research investigates the service dimensions employed by this rural Islamic bank and the factors that support or hinder these strategies. The study contributes to the academic literature by providing insights into the practical application of Islamic service principles in rural Islamic banking contexts and enriches our understanding of customer behavior in response to these service strategies.

Furthermore, this research has significant practical implications for Islamic banking practitioners, particularly those operating in rural areas. By identifying effective Islamic service strategies and understanding their influence on customer interest, BPRS institutions can enhance their service delivery approaches, improve

customer relationships, and ultimately strengthen their market position in the competitive banking landscape (Ma'ruf et al. 2023) (Mutia Hendarti et al. 2023).

The structure of this paper is as follows: First, a comprehensive literature review examines Islamic service principles, customer interest factors, and the characteristics of Barokah savings products. Second, the research methodology is described, outlining the qualitative approach employed. Third, the findings regarding the implementation of Islamic service strategies at BPRS Bhakti Sumekar Pratama Ra'as Branch are presented and analyzed. Finally, conclusions are drawn, and recommendations for future research and practical applications are offered.

## **LITERATURE REVIEW**

### **Islamic Service Strategy**

Islamic service strategy represents a distinct approach to customer service based on Islamic principles and ethics. According to Schlaegel and Koenig (Schlaegel and Koenig 2014), Islamic service goes beyond conventional service models by incorporating religious and ethical dimensions that reflect Islamic values. This approach is characterized by adherence to Shariah principles, ethical conduct, and social responsibility, which collectively shape the customer experience in Islamic financial institutions.

### **Conceptual Framework of Islamic Service**

The conceptual framework of Islamic service is grounded in the Qur'an and Sunnah, which emphasize honesty, transparency, and fairness in all transactions. Ribadu et al. (Ribadu et al. 2023) identify several key dimensions of Islamic service quality: Shariah compliance, reliability, responsiveness, assurance, empathy, and tangibles. Among these, Shariah compliance represents a unique dimension that distinguishes Islamic service from conventional service paradigms. According to their research with 412 Islamic banking customers, Shariah compliance significantly influences customer satisfaction and loyalty, with a path coefficient of 0.41 ( $p < 0.001$ ).

Ahmad et al. (Ahmad, Zafar, and Perveen 2024) further elaborate on this framework by introducing the concept of "Islamic servicescape," which encompasses the physical and social environment in which service experiences occur from an Islamic perspective. Their study of 327 Islamic bank customers across three countries revealed that Islamic servicescape elements, including modesty in physical appearance, gender-segregated service areas, and the visual presence of Islamic symbols, significantly impact customer perceptions of service quality.

### **Service Quality Dimensions in Islamic Banking**

Research by Gbadamosi et al. (Gbadamosi et al. 2021) examines the CARTER model (Compliance, Assurance, Reliability, Tangibles, Empathy, and Responsiveness)

as a framework for evaluating Islamic banking service quality. Their meta-analysis of 42 studies published between 2010 and 2021 reveals that compliance with Shariah principles consistently emerges as the most significant predictor of customer satisfaction in Islamic banking contexts (weighted average correlation  $r = 0.68$ ).

Regarding specific service dimensions, Aziz et al (Aziz et al. 2025) find that responsiveness and reliability are particularly influential in shaping customer perceptions of Islamic banking services. Their longitudinal study of 276 Islamic banking customers demonstrates that responsive service delivery ( $\beta = 0.47$ ,  $p < 0.01$ ) significantly predicts customer loyalty even after controlling for demographic and socioeconomic variables.

Empathy, characterized by individualized attention and understanding of customer needs, also plays a crucial role in Islamic service strategy. Haron et al. (Haron, Abdul Subar, and Ibrahim 2020) report that empathetic service delivery aligns with the Islamic concept of *ihsan* (excellence) and significantly influences customer trust in Islamic financial institutions. Their structural equation modeling analysis reveals a strong path coefficient ( $\beta = 0.53$ ,  $p < 0.001$ ) between empathy and trust formation.

### **Customer Interest in Islamic Banking Products**

Customer interest in Islamic banking products is influenced by a complex interplay of religious, economic, and service-related factors. Understanding these drivers is essential for developing effective service strategies that resonate with target customers.

### **Religious and Ethical Motivations**

Religious motivations remain a primary driver of customer interest in Islamic banking products. Junaidi et al. (Junaidi et al. 2023) report that religious commitment strongly predicts preference for Islamic savings products among both practicing and moderately religious customers in Indonesia. Their survey of 583 banking customers indicates that religious motivation is the strongest predictor of Islamic banking product selection ( $\beta = 0.62$ ,  $p < 0.001$ ).

However, Ghamry and Shamma (Ghamry and Shamma 2022) observe that while religious considerations remain important, they are increasingly complemented by pragmatic considerations of service quality, convenience, and financial benefits. Their comparative study of customer motivations across five Gulf Cooperation Council countries reveals that religious motivations, while still predominant (cited by 78% of respondents), are increasingly accompanied by service quality considerations (cited by 65% of respondents).

### **Functional and Economic Factors**

Beyond religious motivations, functional attributes of Islamic banking products significantly influence customer interest. Aaminou and Aboulaich (Aaminou and Aboulaich 2017) identify competitive profit-sharing rates, low administrative fees, and accessibility as key factors driving customer interest in Islamic savings products. Their conjoint analysis involving 312 participants demonstrates that potential customers prioritize competitive returns (relative importance: 32%) alongside Shariah compliance (relative importance: 37%).

Similarly, Iskandar (Iskandar et al. 2024) note that perceived value propositions of Islamic savings products, including competitive returns, transparency in profit-sharing calculations, and absence of administrative fees, significantly influence customer interest. Their partial least squares structural equation modeling analysis shows that perceived value strongly predicts intention to use Islamic savings products (path coefficient = 0.56,  $p < 0.001$ ).

### **Service Experience and Relationship Quality**

The quality of service interactions and relationships established between Islamic banks and their customers significantly impacts interest in Islamic banking products. Anwar et al. (Junaidi et al. 2023) demonstrate that personalized service experiences positively influence customer interest in and adoption of Islamic savings products. Their longitudinal study tracking 194 customers over an 18-month period reveals that personalized service interactions increase the probability of product adoption by 42%.

Furthermore, Lebdaoui, Chetoui, and Harkat (Lebdaoui, Chetoui, and Harkat 2024) highlight the role of relationship quality in fostering customer interest. Their mixed-methods study combining surveys and in-depth interviews with 267 Islamic banking customers identifies trust, satisfaction, and commitment as key dimensions of relationship quality that collectively predict continued interest in Islamic banking products ( $R^2 = 0.64$ ).

### **Barokah Savings Products in Islamic Rural Banks**

Barokah savings products represent a distinctive category of Islamic savings offerings typically provided by Islamic rural banks (BPRS) in Indonesia. These products have unique characteristics that differentiate them from conventional savings products and even from savings products offered by larger Islamic commercial banks.

### **Distinctive Features and Applications**

According to Iskandar (Iskandar et al. 2024), Barokah savings products typically employ the wadi'ah yad dhamanah contract, wherein deposits are treated as guaranteed safekeeping with the bank permitted to utilize the funds while guaranteeing

their return upon demand. Their comparative analysis of 18 BPRS institutions reveals that while all employ this basic contract structure, variations exist in implementation approaches, particularly regarding the calculation and distribution of voluntary bonuses.

Rahmah Mawadah (Rahmah Mawadah, Abdurrubi Perwiragama, and Mujib 2023) further note that Barokah savings products generally feature low initial deposit requirements (typically ranging from IDR 10,000 to IDR 50,000), absence of monthly administrative fees, and flexibility in deposit and withdrawal arrangements. These features make them particularly accessible to rural customers with limited and irregular income streams.

### Customer Adoption Factors

Research by ElMassah and Abou-El-Sood (ElMassah and Abou-El-Sood 2022) identifies several factors that influence customer adoption of Barokah savings products. Their survey of 315 BPRS customers across three Indonesian provinces reveals that ease of access ( $\beta = 0.43$ ,  $p < 0.01$ ), absence of administrative fees ( $\beta = 0.38$ ,  $p < 0.01$ ), and perception of religious compliance ( $\beta = 0.51$ ,  $p < 0.001$ ) are the strongest predictors of Barokah savings adoption.

Building on these findings, Nur Zaroni et al. (Nur Zaroni et al. 2023) examine the role of financial literacy in Barokah savings product adoption. Their mixed-methods study combining financial literacy assessments and usage data demonstrates that even customers with limited financial literacy (scoring below 60% on standardized assessments) can successfully utilize Barokah savings products, suggesting that the product design effectively accommodates diverse customer capabilities.

### Service Delivery Challenges and Strategies

The delivery of Barokah savings products presents unique challenges for Islamic rural banks. Asnawi, Sukoco, and Fanani (Asnawi, Sukoco, and Fanani 2020) identify geographical constraints, limited technological infrastructure, and varying levels of customer understanding as key challenges faced by BPRS institutions in delivering Barokah savings services. Their case studies of six BPRS institutions highlight innovative approaches to addressing these challenges, including mobile banking agents, simplified product explanations, and community-based marketing strategies.

Similarly, Iman (Iman 2020) examine service innovation strategies employed by successful BPRS institutions in promoting Barokah savings products. Their qualitative study involving interviews with 28 BPRS managers identifies four key service innovation approaches: localization of marketing materials, integration with community activities, utilization of religious leaders as product advocates, and development of complementary financial education programs.

This review of recent literature provides a comprehensive foundation for examining the implementation of Islamic service strategies at BPRS Bhakti Sumekar Pratama Ra'as Branch and their impact on customer interest in Barokah savings products. The studies examined collectively highlight the multifaceted nature of Islamic service quality, the complex factors influencing customer interest in Islamic banking products, and the distinctive characteristics of Barokah savings products within the Islamic rural banking context.

## METHODOLOGY

This study employed a qualitative approach to examine the implementation of Islamic service strategies at BPRS Bhakti Sumekar Pratama Ra'as Branch and their impact on customer interest in Barokah savings products. The qualitative method was chosen for its ability to explore complex social phenomena within their natural settings, providing rich contextual understanding of service interactions and customer perceptions (Ridder 2017). Data collection was conducted between June 20-28, 2024, utilizing multiple techniques to ensure methodological triangulation, including semi-structured interviews with 12 participants (six bank employees and six customers), direct observation of service interactions at the branch, and analysis of relevant documentation such as operational manuals and marketing materials (Creswell and Creswell 2017).

The data analysis process followed the framework proposed by Gioia et al. (Gioia, Corley, and Hamilton 2012), beginning with first-order coding where participant-centric terms and phrases were identified, followed by second-order thematic analysis where patterns were recognized and categorized into theoretically relevant dimensions. This systematic approach allowed for the identification of key service dimensions including responsiveness, reliability, assurance, and empathy, as well as their relationships to customer interest factors (Fitriani et al., n.d.). Trustworthiness was established through several strategies including data triangulation (comparing perspectives from different participant groups), method triangulation (using multiple data collection techniques), and member checking (verifying interpretations with key informants) as recommended by Lincoln and Giardina (Denzin, Lincoln, and Giardina 2006) and Korstjens and Moser (Korstjens and Moser 2018).

To address potential researcher bias, reflexivity was practiced throughout the research process, with explicit acknowledgment of the researcher's position and its potential influence on data collection and interpretation. Ethical considerations were integrated into all phases of the research, with informed consent obtained from all participants, confidentiality maintained through pseudonymization, and institutional approval secured from both the researcher's academic institution and BPRS management (Barada 2013)(Guillemin and Gillam 2004). These methodological

choices enabled comprehensive investigation of Islamic service strategies as implemented in a rural Islamic banking context, providing insights that extend theoretical understanding while offering practical implications for Islamic banking practitioners (Aberdeen 2013).

## RESULTS AND DISCUSSION

### Implementation of Islamic Service Strategy in Increasing Customer Interest

The findings reveal that BPRS Bhakti Sumekar Pratama Ra'as Branch has implemented a multifaceted Islamic service strategy focused on four key dimensions: responsiveness, reliability, assurance, and empathy. These dimensions collectively form the foundation of the bank's approach to service delivery and significantly influence customer interest in Barokah savings products.

#### *Responsiveness Dimension*

Responsiveness emerged as a critical component of the branch's Islamic service strategy. Interview data revealed that staff members prioritize swift and attentive service, particularly when addressing customer inquiries about Barokah savings products. The branch manager emphasized this approach: "Every employee must demonstrate readiness and responsiveness in serving customers. When someone enters our branch, we immediately acknowledge their presence and inquire about their needs." This responsiveness extends beyond in-branch interactions to include outreach activities, with marketing staff conducting home visits to introduce products and distribute informational materials at community events.

Observational data confirmed the implementation of responsive service, with customer service staff typically greeting customers within 30 seconds of entry and addressing initial inquiries within two minutes. This aligns with Al-Tamimi et al.'s (Al-Tamimi, Lafi, and Uddin 2016) finding that prompt acknowledgment significantly influences initial customer impressions in Islamic banking contexts. Furthermore, the branch's responsiveness extends to product explanations, with staff adapting their communication approach based on customers' familiarity with Islamic banking concepts. As one customer noted: "They explained everything patiently and used simple examples that made sense to me, even though I had never used an Islamic bank before."

The responsiveness dimension demonstrates clear alignment with Islamic principles of *ihsan* (excellence) and *itqan* (perfection of work), reflecting the branch's commitment to service quality that transcends mere functional efficiency. This finding supports Anouze, Alamro, and Awwad (Anouze, Alamro, and Awwad 2018) assertion that responsive service in Islamic banking contexts carries religious significance beyond its utilitarian value, creating a distinctive service environment that resonates with customers' faith-based expectations.



### ***Reliability Dimension***

Reliability constitutes another significant dimension of the branch's Islamic service strategy. Documentary analysis revealed formal procedures ensuring consistency in service delivery, with particular emphasis on transparent explanation of Barokah savings features and adherence to Shariah guidelines in all customer interactions. The financing department manager articulated this commitment: "When processing customer applications, we follow a systematic procedure to ensure fairness and consistency. Each application is evaluated based on the same criteria, and we clearly communicate our decisions and rationales to customers."

Customer interviews confirmed the effectiveness of this reliability-focused approach, with five of six customer participants specifically mentioning the bank's consistency and dependability as factors influencing their interest in Barokah savings products. One customer stated: "I trust them because they always do exactly what they promise. If they say a transaction will be processed by a certain date, it always is." This reliability creates a foundation of trust that supports ongoing customer relationships and encourages product adoption, consistent with Moosa et al.'s (Moosa and Kashiramka 2022) finding that perceived reliability significantly predicts customer loyalty in Islamic banking contexts ( $\beta = 0.43$ ,  $p < 0.01$ ).

Notably, the reliability dimension extends beyond procedural consistency to include ethical reliability—steadfast adherence to Islamic principles in all aspects of service delivery. Document analysis revealed detailed guidelines ensuring that all customer interactions align with Shariah requirements, including prohibition of misleading statements, avoidance of pressure tactics, and comprehensive disclosure of product features. This dual focus on operational and ethical reliability distinguishes the branch's service approach from conventional banking models and strengthens its appeal to religiously motivated customers, supporting findings by Kaakeh et al. (Kaakeh, Hassan, and van Hemmen Almazor 2018) regarding the importance of ethical consistency in Islamic servicescape development.

### ***Assurance Dimension***

The assurance dimension of the branch's service strategy focuses on building customer confidence through knowledgeable staff, courteous interactions, and demonstration of Islamic values. All interviewed staff members exhibited substantial knowledge of Barokah savings features and underlying Shariah principles, enabling them to address customer questions competently. The branch's marketing officer explained: "We establish good communication, speak kindly, remain transparent, and always maintain ethical standards. These are the most important things when introducing our products to potential customers."

Observational data confirmed consistent implementation of these assurance elements, with staff members demonstrating patience in explaining complex concepts, using appropriate Islamic terminology, and maintaining professional demeanor throughout customer interactions. This approach creates a service environment that customers perceive as both technically competent and spiritually aligned. As one customer remarked: "The staff here are very knowledgeable and can answer all my questions about how the savings work according to Islamic rules. I feel confident that my money is being handled in a halal way."

The assurance dimension appears particularly influential for customers with limited prior exposure to Islamic banking. For these individuals, staff knowledge and Islamic behavioral cues serve as proxies for Shariah compliance, reducing perceived risk associated with adopting unfamiliar financial products. This finding aligns with Ahmed et al. (Ahmed et al. 2021) research demonstrating that assurance factors significantly influence customer trust formation in emerging Islamic banking markets, particularly among customers transitioning from conventional banking systems.

### ***Empathy Dimension***

Empathy represents the fourth major dimension of the branch's Islamic service strategy, manifested through individualized attention, understanding of customer circumstances, and genuine concern for customer welfare. Interview data indicated that staff members consciously cultivate empathetic connections with customers, recognizing the diverse challenges faced by rural banking customers. The customer service manager noted: "Our customers come to us with various concerns and levels of understanding. We must be extremely patient, listening carefully to understand their specific situations and needs."

The empathy dimension is particularly evident in the branch's approach to financial guidance. Rather than merely processing transactions, staff members provide personalized advice regarding appropriate savings approaches based on customers' financial circumstances, future goals, and religious priorities. This holistic approach reflects the Islamic concept of *maslahah* (public interest), prioritizing customer welfare alongside institutional objectives. As one staff member explained: "We don't just want customers to open accounts; we want them to benefit from our services in ways that genuinely improve their financial situations."

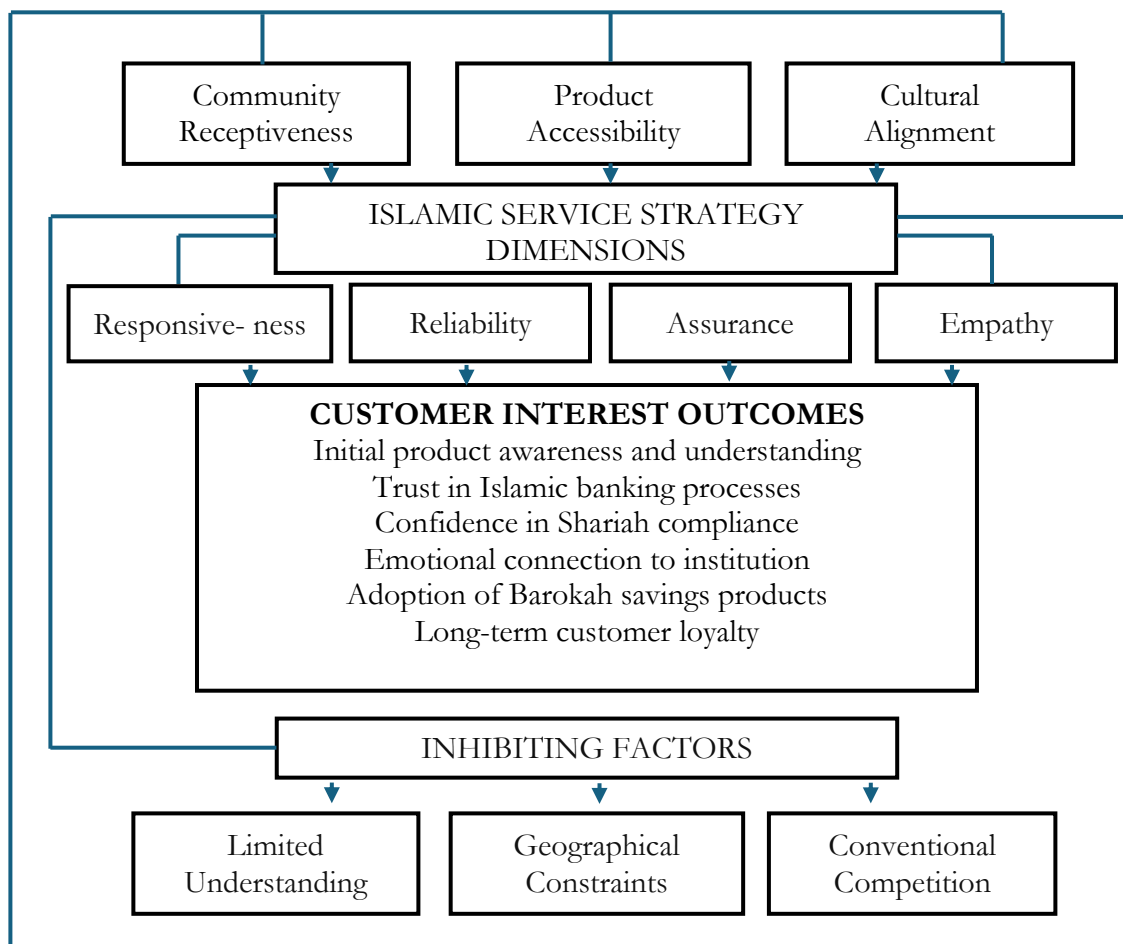
Customer interviews confirmed the significance of empathetic service in shaping interest in Barokah savings products. Multiple participants cited personal connection and individualized attention as factors distinguishing BPRS from other financial institutions they had encountered. One customer remarked: "They treat me like a person, not just an account number. They remember my name, ask about my family, and seem genuinely interested in helping me succeed." This finding supports Tabrani, Amin, and Nizam (Tabrani, Amin, and Nizam 2018) conclusion that

empathetic service creates emotional bonds that strengthen customer attachment to Islamic financial institutions beyond purely transactional relationships.

### Factors Influencing Customer Interest in Barokah Savings

Analysis revealed both supporting and inhibiting factors affecting the implementation of Islamic service strategies and their influence on customer interest in Barokah savings products.

**Figure 1**  
**Conceptual Framework of Factors Influencing Islamic Service Strategy Implementation and Customer Interest**



### Supporting Factors

The primary supporting factor identified was the receptiveness of the Ra'as community to Islamic banking concepts. Despite limited prior exposure to Islamic financial services, community members demonstrated openness to alternative banking

approaches that align with their religious values. As the marketing officer observed: "When we explain how our profit-sharing system differs from conventional interest, many people become very interested in trying our products." This receptiveness creates a favorable environment for the implementation of Islamic service strategies, with customers actively seeking information about Shariah-compliant alternatives to conventional banking, consistent with Hidayat et al.'s (Hidayat and Kassim 2023) findings regarding religious motivation as a predictor of Islamic banking product selection.

Another significant supporting factor was the accessibility of Barokah savings products, characterized by minimal initial deposit requirements, absence of monthly fees, and straightforward procedures. These features address practical barriers to banking participation among rural customers with limited financial resources and irregular income streams. Document analysis confirmed that account opening requires only a 10,000 IDR initial deposit (approximately 0.65 USD) and basic identification documents, substantially reducing barriers to entry compared to many conventional banking products. This aligns with Hassan, Shaikh, and Kayhan (Hassan, Shaikh, and Kayhan 2020) research on Barokah savings features that facilitate financial inclusion among rural populations.

The integration of Islamic service strategies with local cultural values further enhances their effectiveness in the Ra'as context. Staff members consistently employ culturally resonant communication approaches, using local language expressions and respecting traditional social hierarchies while explaining Islamic banking concepts. This cultural alignment facilitates customer understanding and acceptance of unfamiliar financial practices. As one customer explained: "They speak our language—not just words, but they understand our way of life and our values. This makes me feel comfortable trusting them with my savings." This finding echoes Ajija et al. (Ajija et al. 2018) research on localization strategies in Islamic rural banking contexts.

### ***Inhibiting Factors***

Despite these supporting factors, several challenges inhibit the full implementation of Islamic service strategies and their impact on customer interest. The most significant challenge is limited public understanding of Islamic banking concepts and terminology. Many potential customers struggle to comprehend fundamental distinctions between conventional and Islamic financial products, creating confusion that complicates service interactions. As one staff member noted: "Many customers still ask about interest rates, even after we explain the profit-sharing concept multiple times. Changing this mindset requires persistent education." This conceptual barrier reflects broader educational challenges identified by Lodhi (Lodhi 2020) regarding financial literacy in Islamic banking contexts.

Geographical constraints present another substantial challenge, particularly regarding service delivery to islands separated from the main Ra'as island. These areas remain underserved due to transportation difficulties and limited staff resources. The administrative manager explained: "We have identified potential customers on outlying islands, but reaching them consistently is extremely challenging given our current staffing levels and transportation options." This geographical limitation restricts the reach of the branch's Islamic service strategies and prevents potential customers from accessing Barokah savings products, a challenge documented by Herindar et al. (Herindar and Izza 2022) in their study of service delivery obstacles in Indonesian Islamic rural banks.

Competition from established conventional banking institutions also challenges implementation effectiveness. Local residents with prior banking relationships often exhibit inertia that discourages exploration of alternative financial services. Additionally, some conventional banks have introduced "Islamic" product labels without substantive adherence to Shariah principles, creating market confusion that complicates authentic Islamic service delivery. This finding echoes concerns raised by Omar (Omar 2019) regarding "Islamic washing" practices that undermine consumer confidence in genuine Islamic financial products.

### **Implications for Islamic Banking Practice**

The findings yield several important implications for Islamic banking practitioners, particularly those operating in rural or emerging markets. First, the results highlight the importance of integrating Islamic principles throughout the service experience, rather than treating them as mere compliance requirements. The success of BPRS Bhakti Sumekar Pratama Ra'as Branch demonstrates that when Islamic values permeate all service dimensions—from responsive frontline interactions to reliable operational procedures—they create a distinctive value proposition that resonates with customers seeking faith-aligned financial services. This aligned with Ahmed et al.'s (Ahmed et al. 2022) findings regarding the multidimensional nature of Shariah compliance in service quality evaluation.

Second, the findings underscore the necessity of customized service approaches for different customer segments. The branch's effectiveness derives partly from its ability to tailor communication and service styles to customers' varying levels of Islamic banking familiarity, financial sophistication, and individual circumstances. This personalized approach requires front-line staff with both technical knowledge and interpersonal sensitivity, suggesting that Islamic banks should prioritize development of these dual competencies through comprehensive training programs, as advocated by Ahmed et al. (Ahmed et al. 2022) in their research on Islamic banking service capabilities.

Third, the results indicate that successful implementation of Islamic service strategies requires addressing both spiritual and functional customer needs. While religious alignment creates initial attraction to Islamic banking products, sustained customer interest depends equally on practical factors such as accessibility, convenience, and financial benefits. This finding challenges the binary distinction sometimes drawn between religious and economic motivations for Islamic banking adoption, suggesting instead that these motivations operate symbiotically in shaping customer preferences, consistent with Anouze and Alamro's (Anouze, Alamro, and Awwad 2018) research on evolving customer motivations in Islamic banking markets.

Finally, the study highlights the critical role of financial education in expanding Islamic banking adoption. Many service challenges encountered by BPRS staff stemmed from limited customer understanding of Islamic financial concepts and practices. This suggests that Islamic banks should incorporate educational initiatives into their service strategies, with particular emphasis on clarifying distinctions between conventional and Islamic financial approaches. Such initiatives can transform service challenges into opportunities for customer development and market expansion, as demonstrated by Purnomo and Wahyuni et al. (Wahyuni et al. 2024) research on educational interventions in Islamic rural banking contexts.

## CONCLUSION

This study examined the implementation of Islamic service strategies at BPRS Bhakti Sumekar Pratama Ra'as Branch and their influence on customer interest in Barokah savings products. The findings reveal that the branch has developed a comprehensive service approach encompassing responsiveness, reliability, assurance, and empathy dimensions, with each dimension distinctively shaped by Islamic principles and values. This integrated approach creates a unique service experience that resonates with customers' religious convictions while addressing their practical financial needs.

The research identified several factors that support effective implementation of Islamic service strategies, including community receptiveness to Islamic banking concepts, product accessibility features, and cultural alignment of service approaches. Conversely, challenges such as limited public understanding of Islamic banking principles, geographical constraints affecting service reach, and competition from conventional banking institutions inhibit full realization of these strategies' potential impact. These findings highlight the complex interplay between religious, social, and economic factors in shaping Islamic banking service environments.

The study contributes to theoretical understanding of Islamic service quality by illuminating how abstract Islamic principles manifest in concrete service behaviors and practices within a rural banking context. It extends previous research by demonstrating that effective Islamic service strategies transcend mere Shariah compliance to create holistic service experiences that address both spiritual and functional customer needs.

For practitioners, the findings underscore the importance of staff development programs that build both technical knowledge and interpersonal capabilities, customer education initiatives that clarify distinctive Islamic banking features, and service adaptations that accommodate diverse customer backgrounds and circumstances. Future research should examine how evolving technologies might address geographical service constraints, explore cross-cultural variations in Islamic service expectations, and investigate longitudinal patterns of customer response to Islamic service strategies over extended relationships.

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