

## **THE IMPACT OF CORPORATE BRAND EQUITY AND BRAND CREDIBILITY ON CUSTOMER SATISFACTION IN ISLAMIC BANKS**

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**M. Shoukat Malik<sup>1</sup>, Muhammad Irfan<sup>2</sup>, Fakhara Shahzadi<sup>3</sup>, The Impact Of Corporate Brand Equity And Brand Credibility On Customer Satisfaction In Islamic Banks, Palarch's Journal Of Archaeology Of Egypt/Egyptology 17(10). ISSN 1567-214x.**

**Key Items: Brand credibility, brand equity, service quality and customer satisfaction.**

### **ABSTRACT:**

With the liberalization of the economic sector of Pakistan and introduction of Islamic banking system, the industry becomes more competitive as the consumer has more choices and thus their preference changed toward banking and religious obligations. In this increasing high competitive industry, Bankers are more focus on customer satisfaction and service quality to gain competitive advantages. The purpose of this study is to investigate the relationship between brand credibility, brand equity and customer satisfaction in banking sector of Pakistan. This study also examines service quality as moderating variable between brand credibility, brand equity and customer satisfaction. This study was descriptive in nature and used convenient sampling using quantitative research methods. The researcher targeted 10 enlisted Islamic banks in Southern Punjab in Pakistan. A total of 327 questionnaires were returned and used for analysis using SPSS statistical software. The finding have revealed that there is a significant relationship between corporate brand credibility, brand equity and customer satisfaction. Moreover, it was also found that service quality moderates between corporate brand credibility, brand equity and customer satisfaction. This might be due to the banking sector in Pakistan is getting complex and molding their services according to Islamic banking customers and now Islamic banking customers have concern over return on investements and distribution of profits and losses. The customer is also beoming sensitive over transparent Islamic banking financial mechanisims. Therefore, this paper address Islamic banking brands which meet the customer expectation leading to their satisfaction and do not breach Islamic financial principls. This paper further recommended to have more similar or mix method studies with bigger sample the paper also suggested to critically

investigate other unexplored attributes encompassing Islamic banking services and mechanisms such as one introduced and practiced in Bangladesh and other Islamic developing countries.

## **INTRODUCTION:**

The Islamic banking system has been practiced and was realized in the banking industry in the last quarter of the twentieth century, while the concept of Islamic banking system is quite old. Suharni, (2016), informed that across 75 countries worldwide, there are about 300 Islamic financial institutions, including Islamic banks, with total assets of projection about US\$300 billion. Basically the Islamic banking system was introduced due to the reason that there was a severe need for banking platform which addresses Muslim customer's requirement that could satisfy their banking demands and needs. The reason due to conventional banking industry is entirely based on the interest inclusion and this is not allowed in the Islamic Shari'ah rules and procedures. Therefore, the Muslim need such institutes which are reserved in term of interest and operate according to Shari'ah standard operating procedures. Islamic financial transaction platforms or banking system is explained as a financial product or services principally implemented to comply with Islamic law (Khattak and Kashif-ur-Rehman, 2010). As the Islamic law is mainly based on the guidance of the Holy Quran, Hadith, Sunna, Ijma, Qiyas and Ijtihad (Gait and Worthington, 2007). Islamic banking is based on Islamic laws which do not permit interest to be included in banking transactions. The customers of the Islamic banking have limited knowledge about the passive investments, which most of the time banks do not disclose to their customers.

Many studies are conducted to see the attitude towards Islamic Banking. This study tells us why customer chooses Islamic Banking. The result of this study is directly affecting the service quality & service product with customer satisfaction. In today's highly competitive corporate environment, quality of services is an essential element of increase enhancing customer satisfaction. However, brand credibility is also an important attribute which explain the variation in customer satisfaction. Erdem and Swait, (1998) defined brand credibility as the cornerstone of a company to build and manage their brand equity, highlighting the importance credibility plays on building a strong brand. The role of corporate credibility is extremely important as investment in building corporate credibility has become a strategic aspect of firm's marketing strategy to ensure long-term sustainability (Zhang and Rezaee, 2009).

Brand equity appears when consumers are willing to pay more for better-known brands with the same level of quality than not so recognizable product or services. The concept is still in continuous development and companies have been given increasing attention to it. With a general tendency for increasing competition in all major markets, companies, among others, seek brand valorization. Brand equity is the value which a brand name brings to all shareholders. Together, producers, retailers and consumers will all benefit from the value that the brand adds (Farhana and Islam, 2012). This research aims to study the factors affecting customer satisfaction in Islamic banks As a result the quality of service and maintaining customer based brand equity has been a major challenge for various banks specially in developing countries Customer satisfaction occurs in the case when the products or services exceed customer expectations (Berman and Evans, 2010).. This study reviewed various articles about brand equity, brand credibility ,customer satisfaction and service quality in Islamic Banking Pakistan. Most of the studies conduct on the Islamic Banking service qualities, satisfaction, trust and loyalty. A few studies are conducted on the brand equity ,brand credibility in Islamic Banking. So in light of previous studies and my own interest I

want to conduct the research on corporate brand equity, brand credibility towards customer satisfaction with the influence of service quality.

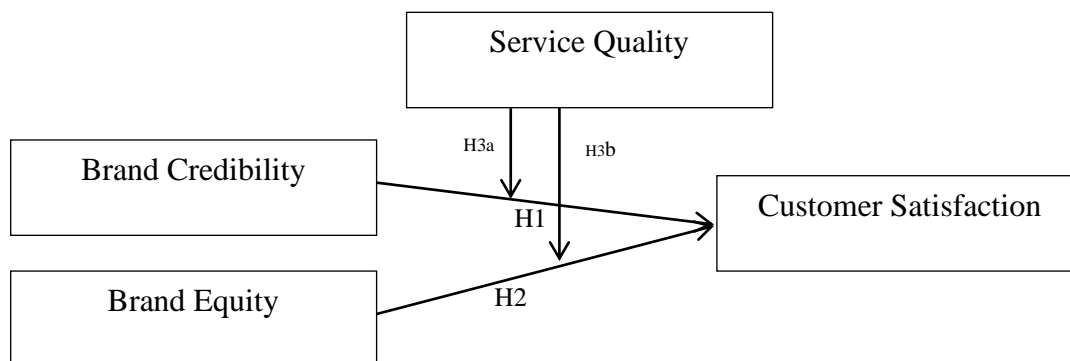
### RESEARCH OBJECTIVE:

The key research objectives of this study are:

1. To examine the relationship between brand credibility and Islamic banking customer satisfaction.
2. To examine the relationship between brand equity and Islamic banking customer satisfaction.
3. To investigate the moderating role of service quality between brand credibility, brand equity and Islamic banking customer satisfaction.

### CONCEPTUAL FRAMEWORK:

According to the conceptual model in figure 1 brand credibility and brand equity has significant influence on the customer satisfaction. These relationships help the customers to take right decision about Islamic banking product & services. With developed and supportive evidences following conceptual hypothesized research model is developed.



**Figure 1: Conceptual Research Framework**

### LITERATURE REVIEW:

Customers perform some evaluations in post-purchase stage to analyse how much the retailer can meet their expectations (Saarijärvi, Kuusela, Rintamäki, 2013). Satisfaction is a judgment before deciding on a particular transaction, which can directly described as directly felt, generally defined and the perceived quality performance (Kim, W. & Cha, Y. 2002). Customer satisfaction also plays an important role in shaping the attitude / intention / desire of customers to behave (Natalia, Valonia & Handrimurtjahjo, 2016).

### CUSTOMER SATISFACTION:

Customer satisfaction has been defined as an evaluation of the perceived discrepancy between prior expectations and the actual performance of the product as perceived after its consumption (Hidayat, Saifullah & Ishak, 2016). Basically satisfaction is a speedy or quick experience of the customers after using the product through which the overall satisfaction can be assessed (Tian, 1998; Vogelsong, 2003; Yang, 2004 & Lam, et al, 2004). If the customer is satisfied he/she buys the product again and again. It is one of the very important elements that affect customers. Satisfaction is an element which fulfills the need of the customer associated with that product. Consumer satisfaction which is given by client administration is

influenced by clients' desires, involvement, and evaluation (Barry, 2007). Customer satisfaction can be seen as a fulfillment of consumers' consumption goals as experienced and described by consumers (Oliver, 2006). The research conducted by Dimiyati (2011) inferred that customer satisfaction has a significant and positive impact on customer trust. However, Kaura et al. (2015) showed that customer satisfaction intensifies the relationship between service quality dimensions, perceived price and fairness, service convenience aspects, and customer loyalty. Athanassopoulos (2000) showed significant correlations between customer satisfaction and intention to switch and Stahl et al. (2012) positioned it as a precursor to customer acquisition and retention. Given the strong empirical support, we expect that customer satisfaction with the banks will be related to their favorable behavioral intentions.

### **BRAND CREDIBILITY:**

The brand implies respect of an organization and to the expression of the organization. Setting the brand has been as an approach to recognize the products of one producer to alternate makers along time, while current branding is being from the nineteenth century. The brand can be frightening lawful, logo, company, personality frameworks, reputation, character, esteems included or relationships (Konecnik and Gartner, 2007). Brands are intangible resources of a company that make a high incentive for the company. The brand is considered as a shared favorable position in perspective of free market activity (Pike, 2009). For progress and more profitability, the brand ought to have a positive reputation, improvement of brand credibility is after customer satisfaction and the company will earn it during the time, it infers that how do buyers assess brand (Moutinho and Veloutsou, 2009). Brands resemble individuals and regardless of what garments they wear, others will see them for what they are through their behavior (Arnold, 2009).

In terms of credibility, Newell and Goldsmith (2001) characterizes the company's credibility is the degree to which consumers feel that organizations have the information or capacity to meet cases and whether the company can be trusted to come clean. Maathuis (2004) says that credibility is a basic resource for a man, organization, political gathering, or media items to accomplish their objectives.

What is Brand Credibility? Brand Credibility is characterized as the authenticity of a substance's goal at a specific time, and it is set to have two principle parts: reliability and ability (Moore and Seymou, 2005). Brand credibility is characterized as the level to which the product or service position data is thought to be trustworthy.

It entails the consistent delivery of what has been promised to the customers and it represents the cumulative effect of all marketing attempts of the past (Erdem et al., 2002). From the definition conducted by Sternthal, Craig, Erdem and Swait, 2004; Brand credibility is defined as "the believability of the product information contained in a brand, which requires that consumers perceive that the brand has the ability (i.e., expertise) and willingness (i.e., trustworthiness) to continuously deliver what has been promised (in fact, brands can function as signals since, if and when they do not deliver what is promised their brand equity will erode)". This definition has three main dimensions; trustworthiness, expertise and attractiveness (Erdem & Swait, 2004).

A brief description as represented by (Erdem et al., 2004) of those 3 parts is given as under:

- 1) Trustworthiness: To what extent a brand is taken into account a reliable supply of data.
- 2) Expertise: The extent to that a selected brand has sensible data and skills.

- 3) Attractiveness: To what extent a brand is evaluated in term of temperament determinants.

### **THE IMPACT OF BRAND CREDIBILITY ON CUSTOMER SATISFACTION:**

Ameer Atarodian, (2013), brand image and credibility of a brand is a vital quality of company dependability of the brand, brand validity, proof of the brand and brand communications encompasses a positive impact on customer satisfaction. Ghorban & Tahernejad (2012), the credibility of the corporate encompasses a positive influence on customer satisfaction. Brands have a critical impact on consumer decision-making, purchasing process, and choice behavior (Erdem and Swait 2004; Rather 2017, 2020), Recently, the study conducted by Bougoure et al. (2016) demonstrated that brand credibility is affected by overall satisfaction and as overall satisfaction increases, brand credibility increases.

Erdem et al. (2002) indicated that there are negative relationships among brand credibility of a product or service and customer's supposed risks; besides, quality is another subject that is influenced by credibility. As a whole, Erdem et al. (2002) highlighted brand credibility to include two main important factors which lead to raise customers' expectation: swelling perceived quality and declining perceived risks. Andreassen and Lindestad (1998) claimed that quality; brand name and image (credibility) are factors that form customer expectation of a brand. The negative experiences regarding to these factors can reduce customer satisfaction level. On the basis of above literature review this study hypothesized as:

**H1:** Brand credibility has significant impact on customer satisfaction.

### **BRAND EQUITY:**

Keller (2003), defines consumer-based brand equity (CBBE) (a term that he coined to separate it from not the same economic modelling of brand equity), as "the differential influence that brand figures have on buyer reaction to the selling of that brand". Helen Keller (2013) states that, "CBBE ensues once the sponsor contains a high level of mindfulness and awareness with the brand and grips some secure, positive, and distinctive brand links in memory". A powerful brand likes a high level of customer awareness and honesty, and it forms the idea for structure secure and cost-effective customer dealings (Aaker, 1996; Helen Keller, 1993, 2013). As a key sign of the state of health of an ample (Keller, 1993; Kim and Kim, 2004), full equity is made through a good administration of the brand. Examination of complete equity, from the angle of the sponsor, is marked to analyze the sponsor reaction to a brand (Shocker et al. 1994; Keller, 2003). Brand awareness is that the results of consumer's coverage to a brand (Alba and Hutchinson, 1987) and it's from time to time measured through brand respect and recall (Aaker, 1996; Keller, 2003). Associations must be unique, strong and favourable to own a positive guidance on brand equity (Keller, 2003). Osselaer and Alba (2000) imagine that complete associations might block consumer's search of different selections of info for the achievement call.

### **BRAND EQUITY DIMENSIONS:**

Consumer-based brand equity has been measured with various ideas, similar to brand awareness (Aaker, 1991), real quality (Aaker, 1991, 1996; Yoo e trustworthiness (Yoo et al., 2000; Yoo and Donthu, 2001), brand link and brand nature t al., 2000), brand (Aaker, 1997), assembly association (Aaker, 1996), and brand trust (Aekuru and Mat, 2008; Liao and Shanghai dialect, 2009Aaker (1991), in his conceptualization of CBBE model, identified five

dimensions (Aaker, 1996a, b, c; Yoo et al., 2000) known as brand awareness; association; loyalty; perceived quality and other proprietary assets.

### **THE IMPACT OF BRAND EQUITY ON CUSTOMER SATISFACTION:**

Some researchers promote customer satisfaction as a leading antecedent of brand equity (Pappu & Quester, 2006; Torres & Tribó, 2011). Studies show that satisfied customers are not always loyal customers (Sivadas & Baker-Prewitt, 2000) and therefore contradict the notion that satisfaction is a leading antecedent to brand equity. (Nam et al, 2011) says that every dimension of brand equity has a direct effect on customer satisfaction. On the basis of above literature review this study hypothesized as:

**H2:** Brand equity has significant impact on customer satisfaction.

### **SERVICE QUALITY AS MODERATOR:**

Baran & Kenny, (1986), in general terms explained, a moderator is a qualitative (e.g., sex, race, class) or quantitative (e.g., level of reward) variable that affects the direction and/or strength of the relation between an independent or predictor variable and a dependent or criterion variable. Moderator variables are typically introduced when there is an unexpectedly weak or inconsistent relation between a predictor and a criterion variable (e.g., a relation holds in one setting but not in another, or for one subpopulation but not for another). Snyder, cf. Sherman & Fazio,( 1983) the self-monitoring variable as a means to improve the ability of personality traits to predict behavioral criteria is illustrative. The moderator arises from their ability to enhance understanding of the relationship between relevant independent variables and dependent variables, as well as seemingly established relationships.

Further, moderator-interaction effect also would be said to occur if a relation is substantially reduced instead of being reversed, moderator variables always function as independent variables. According to Walsh, Evanschitzky, Wunderlich, (2008), The importance of moderators arises from their ability to enhance understanding of the relationship between relevant independent variables and dependent variables, as well as seemingly established relationships. Moderators of the quality / satisfaction relationship in services . Baker et al. (2009) found a significant relationship between perceived service quality and satisfaction as moderated by consumer involvement but the study did examine these relationships in the context of service “line” extensions.

In addition, a quantitative research was arranged by Parasuraman et al in 1988 in which an instrument was developed for measuring the perception of consumers regarding service quality and after that research it became known as SERVQUAL. The dimensions of SERVQUAL model were:

1. Tangibles – physical attributes.
2. Reliability –to give promised service.
3. Responsiveness – showing interest to help customers and provide prompt services.
4. Assurance –guarantee competence, courtesy, credibility, and security to customers of an organization’s employees using their knowledge.
5. Empathy –the ability to understand and share the feelings of customers. (Parasuraman et al., 1988).

In the current study, service quality modrate the relationship between brand equity, brand credibility and customer satisfaction. As there are various studies such as Sulieman (2013), the service quality of banking services provided to customers has been enhanced and it can be used as a foundation for realizing service excellence to meet competition, where

distinguished service has become the basis for differentiation between the banks, Al-Mahiaoi (2006) defines service quality as: the standard for a match between the actual performance of service with customer expectations for this service. Under the alteration of the business environment, banks are seeking to reach beyond the quality by providing a distinguishing banking services, creating a sense of satisfaction to the customer through the service acquired and met their anticipation.

The foundation philosophy underlying Islamic banking is important to add compliance dimension under service quality dimensions. Othman and Owen (2001, 2002) used the SERVQUAL dimensions in examining service quality in Islamic banking. In order to provide useful insights into how the service might be improved, they attempted to develop an alternative model, called CARTER. Their studies have established the compliance factor as dimension of service quality. The result revealed that the Islamic banking customers placed more emphasis on the compliance dimension, because 93 percent of them said that it is important for Islamic banks to run Islamic law principles.

**THE IMPACT OF SERVICE QUALITY ON CUSTOMER SATISFACTION:**

There are many studies have shown that service quality has a significant impact on customer satisfaction (Lee, 2013). The research on KTV ( Karaoke television ) shows that there is positive relationship between service quality and customer satisfaction. (Zeithaml et al., 2006). Research proves that tangibles and assurance has the most significant effect while empathy has the least significant customer satisfaction (Ahmed et al., 2010). On the basis of above literature review this study hypothesized as:

**H3a:** Service quality has a significant moderating effect between brand credibility, and customer satisfaction.

**H3b:** Service quality has a significant moderating effect between brand equity and customer satisfaction.

**METHODOLOGY:**

This study focuses on the opinion of Islamic banking customers on their satisfaction regarding brand equity and brand credibility. The research approach is a correlational study will be conducted under quantitative and exploratory-descriptive research methods techniques.

Parahoo (1997:218) states population as “the total number of units from which data can be collected”, such as individuals (Islamic Banking customers), and organization (Islamic Banks). Burns and Grove (2003:213) define population as the entire elements that fullfills the standards or condition for individual to be included in a study.

**Table1: Population**

Sr. No.	NAME OF ISLAMIC BANK	TOTAL NO OF BRANCHES COVERED
1	Meezan Islamic Bank	7
2	Al-Baraka Islamic Bank	4
3	Dubai Islamic Bank	5
4	Al-Falah Islamic Bank	7
5	Bank Al-Habib Islamic	2
6	United Bank Ameen	2

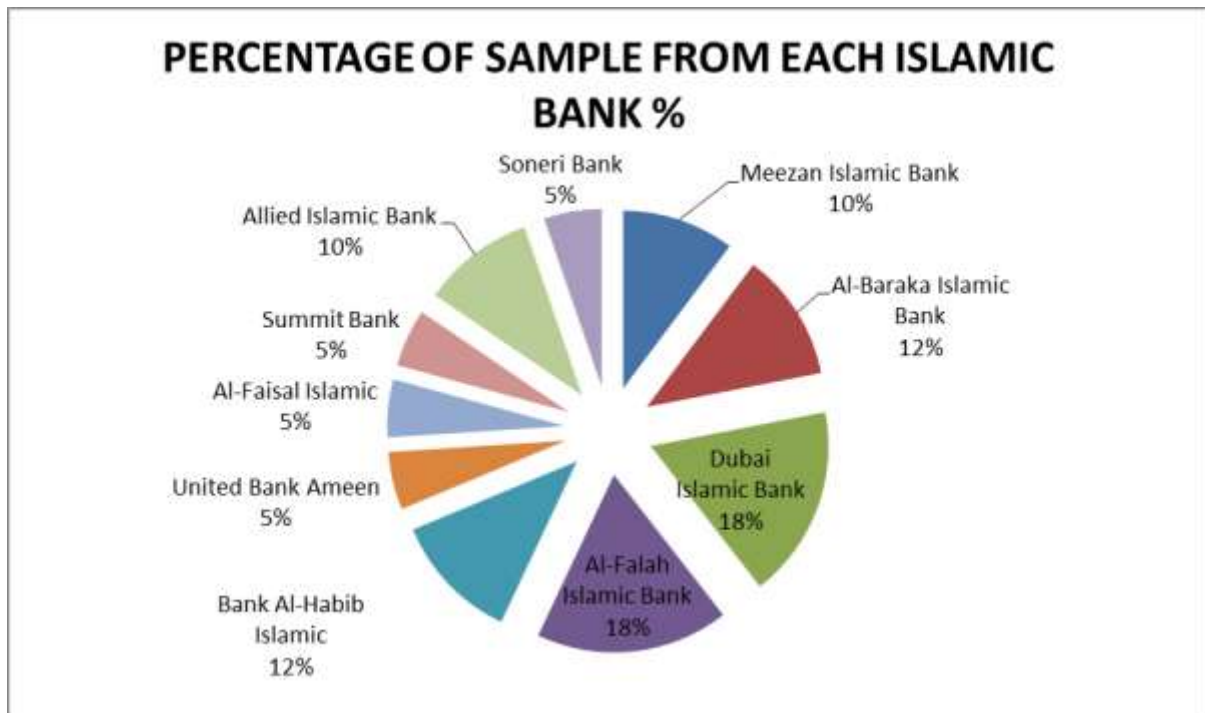
7	Al-Faisal Islamic	2
8	Summit Bank	1
9	Allied Islamic Bank	5
10	Soneri Bank	3

Polit et al (2001:234) define a sample as “a proportion of a population”. The sample was chosen from Islamic banking customers Multan, Souther- Punjan - Pakistan. A cautiously selected sample can deliver data representative of the population from which it is drawn. In this study the total 320 Islamic Banking Customer was included from the listed Islamic Banks as mentioned in Table 2. The researcher worked on the criteria by investigating the respondents are active and practicing Islamic Banking.

**Table2: Sample Size**

Sr. No .	NAME OF ISLAMIC BANK	TOTAL NO OF BRANCHES COVERED	TARGET ED CUSTO MERS	REQUI RED SAMPL E	PERCENTAGE OF SAMPLE FROM EACH ISLAMIC BANK %
1	Meezan Islamic Bank	3	35	30.70	10.23%
2	Al-Baraka Islamic Bank	2	40	35.09	11.70%
3	Dubai Islamic Bank	4	60	52.63	17.54%
4	Al-Falah Islamic Bank	5	60	52.63	17.54%
5	Bank Al-Habib Islamic	2	40	35.09	11.70%
6	United Bank Ameen	1	18	15.79	5.26%
7	Al-Faisal Islamic	1	18	15.79	5.26%
8	Summit Bank	1	18	15.79	5.26%
9	Allied Islamic Bank	2	35	30.70	10.23%
10	Soneri Bank	1	18	15.79	5.26%
<b>Total</b>		<b>22</b>	<b>342</b>	<b>300</b>	<b>100%</b>





**Figure1: Percentage of Sample from each Islamic Bank**

As reflected in frequency percentage table, about 10% respondents were Meezan Islamic Bank, Al-Baraka Islamic Bank 12%, Dubai Islamic Bank 18%, Al-Falah Islamic Bank 18%, Bank Al-Habib Islamic 12%, United Bank Ameen 5%, Al-Faisal Islamic 5%, Summit Bank 5%, Allied Islamic Bank 10%, Soneri Bank 5%.

**DATA COLLECTION:**

This study used survey or quantitative (Primary) data collection method to collect the data from Islamic banking customers which were the unit of analysis of this study.

Data analysis means to organize, provide structure and elicit meaning. Analysis of quantitative data is an active and interactive process (Polit et al 2001:383). SPSS software is use in this study. Initially data is coded and put into the software. To investigate the data statistical tools are used such as descriptive statistic, missing value examination, reliability and validity test, correlation, F-test, ANOVA, hierarchal, regression analysis SPSS Version 23.

**Table 3: Result for Reliability Analysis**

Reliability Statistics	Cronbach's Alpha	N of Items
Brand Equity	0.822	6
Brand Credibility	0.851	6
Customer Satisfaction	0.822	6
Service Quality	0.851	6

Internal consistency (reliability) of measures is evaluated by calculating Cronbach's alpha. The statement for each attribute has been tested using the reliability test. As shown in Table, all of the constructs have values more the 0.70, and this indicates that the constructs have an acceptable range of reliability. Specifically, Table shows the alpha value for Brand Credibility (0.851), alpha value for Brand equity is (0.882), alpha value for Customer satisfaction (0.822), alpha value for Service quality (0.851).

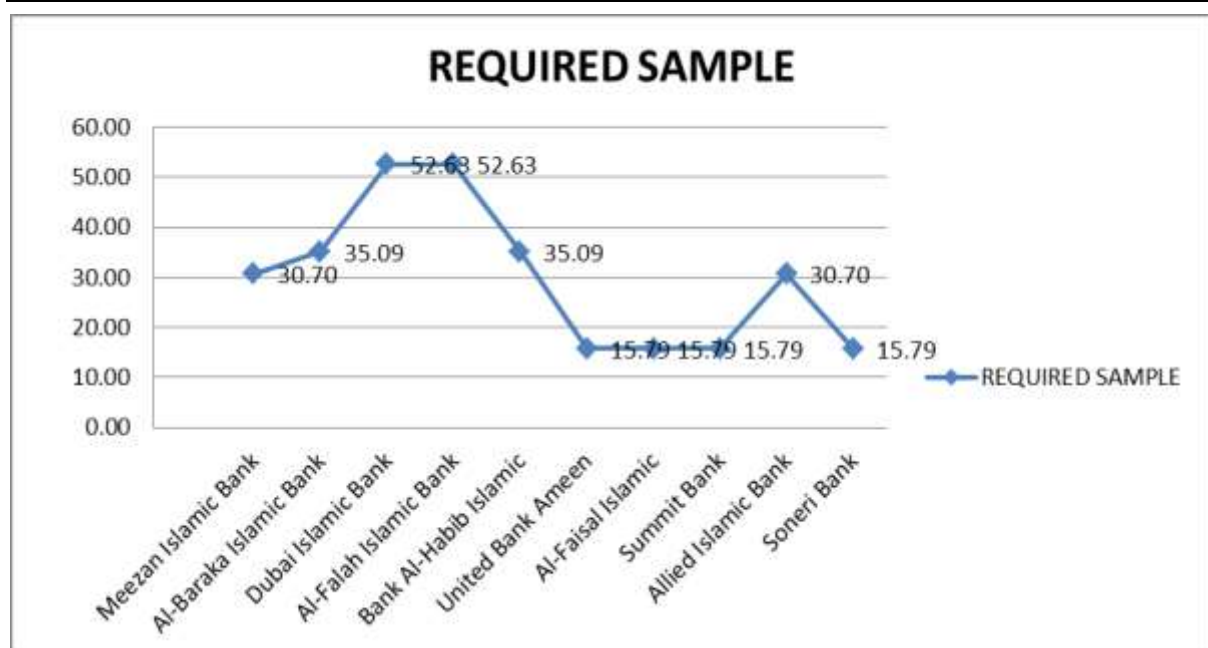
**ANALYSIS AND RESULTS:**

**Table 4: Descriptive Statistics for Demographic Variables**

Sr. No.	NAME OF ISLAMIC BANK	TOTAL NO OF BRANCHES COVERED	TARGETED CUSTOMERS	REQUIRED SAMPLE	PERCENTAGE OF SAMPLE FROM EACH ISLAMIC BANK (%)
1	Meezan Islamic Bank	3	35	30.7	10.23%
2	Al-Baraka Islamic Bank	2	40	35.09	11.70%
3	Dubai Islamic Bank	4	60	52.63	17.54%
4	Al-Falah Islamic Bank	5	60	52.63	17.54%
5	Bank Al-Habib Islamic	2	40	35.09	11.70%
6	United Bank Ameen	1	18	15.79	5.26%
7	Al-Faisal Islamic	1	18	15.79	5.26%
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<b>Total</b>		<b>22</b>	<b>342</b>	<b>300</b>	<b>100%</b>

Table presents the quantity and percentage of respondent’s involvement in this study which bases on gender, age, income, qualification and occupation.

**Graph 2**



**5.4 CORRELATIONS ANALYSIS:**

Presents means, standard deviations and correlations among the variables. A statistically significant correlation is indicated by a probability value of less than 0.05. This means that the probability of obtaining such a correlation coefficient by chance is less than five times out of 100, so the result indicates the presence of a relationship. A correlation between brand credibility, brand equity, service quality and customer satisfaction indicated the presence of a relationship. It was noted that mean scores for customer satisfaction was (60.266); brand credibility was (44.603); brand equity was (39.696) and service quality was (60.953). However, it was found that standard deviation for customer satisfaction was (7.939); brand credibility was (7.275); brand equity was (5.278) and service quality was (8.368).

**Table 5: Correlations**

Variables	Mean	Standard Deviation	Customer Satisfaction	Brand Credibility	Brand Equity	Service Quality
Customer Satisfaction	60.266	7.939	1			
Brand Credibility	44.603	7.275	.684**	1		
Brand Equity	39.696	5.278	.817**	.631**	1	
Service Quality	60.953	8.368	.877**	.677**	.784**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Correlation coefficients can vary numerically between 0.0 and 1.0 and in this study it was found between a strong relationships between customer satisfaction and service quality 877, which indicated a stronger the relationship between the constructs. On the other hand, it was found moderate relationship between brand equity and brand credibility (.631).

**REGRESSION ANALYSIS:**

Multiple regression analysis explains the change in the value of dependent variable due to two or more independent variables (Zikmund, 2003). It helps us understand how much change occurs in dependent variable due to the independent variables.

**Table 6: Hypothesis Testing**

Hypothesis	Predictors	Constant β	β	Customer Satisfaction R <sup>2</sup>	Adjusted R <sup>2</sup>	T-Value	Sig (P-Value)
H1	Brand Credibility → Customer Satisfaction	26.986	0.746	0.467	0.466	16.175	0.00**

H2	Brand Equity → Customer Satisfaction	11.456	1.23	0.668	0.667	24.50 2	0.00**
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\*p<0.05, \*\*p<0.01, \*\*\*p<0.001

This table shows the regression analysis of brand credibility, brand equity and customer satisfaction .It shows that there is positive relationship between brand credibility, brand equity and customer satisfaction with significant value is>0.05. Brand credibility has positive relationship with customer satisfaction with  $\beta$  value 0.746,the value of  $t=16.175$  and significance level is <0.05 and  $R^2$  0.467. Brand Equity has positive relationship with customer satisfaction with  $\beta$  value1.23 ,the value of  $t=24.502$ and significance level is <0.05 and  $R^2$  0.668.

**THE IMPACT OF BRAND CREDIBILITY ON CUSTOMER SATISFACTION THROUGH SERVICE QUALITY:**

**Table7: Moderation**

Hypothesis	Predictors	Constant $\beta$	Brand Credibility $\beta$	Service Quality $\beta$	Customer Satisfaction $R^2$	Adjusted $R^2$	T-Value	Sig (P-Value)
H3	Brand Credibility → Service Quality → Customer Satisfaction	7.984282	0.181674	.725	0.783606	0.782149	20.82929	0.000***
H4	Brand Equity → Service Quality → Customer Satisfaction	4.725182	0.507629	.581	.812	.811	15.108	0.000***

\*p<0.05, \*\*p<0.01, \*\*\*p<0.001

The impact of brand credibility and brand equity on customer satisfaction through moderating effect of service quality is positive. .It shows that there is positive relationship between brand credibility, brand equity on customer satisfaction through moderating effect of service quality is positive with significant value is>0.05. Brand credibility has positive relationship with customer satisfaction through moderating effect of service quality with  $\beta$  value .725,the value of  $t=20.82929$  and significance level is <0.05 and  $R^2$ 0.783606. Brand Equity has positive relationship with customer satisfaction through moderating effect of service quality

is positive. with  $\beta$  value.581 ,the value of  $t=15.108$  and significance level is  $<0.05$  and  $R^2.812$ .

## **CONCLUSION:**

Banking sector is deviating from its tradition banking service which was one platform for all banking consumers (Sarker, M. A. A. (1999).). But now days like other industry banking products and services are customized according to needs and priorities of their customers (Karbhari, Y., Naser, K., & Shahin, Z. (2004).)

Therefore, measuring customer satisfaction is one of the issues as the need of Islamic banking product type and descriptions is completely different from one another. As the customer is treated differently and is being served differently.

It is timely to address Islamic banking customer satisfaction problems which are due to Islamic banking service quality and due to misalignments in core product, non-standardize systematic service delivery and limited service capability in Pakistani Islamic banking sector.

It was quite obvious to have these set of findings to know that respondents of this paper have already realized the importance of Islamic banking equity and credibility impact on satisfaction which can never be improve if the service delivery to these Islamic customer are not made to fit their needs and exact obligation of Islamic banking and Sharia principles and value.

The finding of this study has indicated that brand credibility and brand equity are the major factors predicting Islamic banking customer satisfaction. Satisfied customers will definitely have implication on the profitability and growth of Islamic banks in the short as well as long run. Nowadays, most of the Islamic banking institutions in Pakistan are coming to conclusion that an Islamic banking product is the most important segment of banking market. The banking is getting complex and challenging and banks needed to redesign their product from time to time to meet the specific demand and choice of their customers. Accordingly, the role of Islamic banking brands in simplifying customer decisions, providing halal compliance products, interest free solution, reducing risk and defining their expectations (it term of time and future value) is valuable and significant to be address and redefine from time to time. In this study, the research tends to address the issues related to brand credibility and equity which play a positive incremental role in Islamic banking customer satisfaction. This research argued that band credibility and equity could magnificently increase the customer satisfaction if a better service quality is provided by Islamic bank practices in Pakistan. We further argued that the Islamic banking brands represents the credibility of the Islamic banks essentially beliefs about the Islamic bank's trustworthiness and expertise regarding possibilities made about Islamic products or services (like loans, leasing, mortgae, car loans, personal loan, etc.) made through clients' experience of the Islamic brand over time. The purpose of this study was to investigate the effect of brand credibility, brand equity, service quality (as moderator) on customer satisfaction. The following session is discussing the recommendation of this study.

## **RECOMMENDATIONS:**

There is very limited research on brand credibility and brand equity particularly explaining the variation in customer satisfaction. In addition Islamic banking products in Pakistani context need greater attention to fulfill the needs or the demands of their customers. The Islamic banking is growing in Pakistan, India, Bangladesh and other regional countries. Therefore, the Islamic banking needed to be further rectified and molded according to the Islamic banking customers' specific needs, which is quite sensitive in term of interest, investment in Halal compliance businesses. Government of Pakistan should increase its

efforts to promote the Islamic banking practices in rural and urban areas, which is again a great challenge at government level to initiate. Government should encourage and configure Islamic banking activities to support regional harmony, employment opportunities, Riba – free (interest – free) loans for either genders and Halal profit / loss sharing Islamic banking schemes. In term of dimension of brand credibility and equality it is recommended that future research should investigate and performs the analysis of sub-dimensions namely; trust, expertise, and attractiveness to further know the impact of each sub-dimensions on customer satisfaction. It is also recommended that similar research should be triggered in other cities of Pakistan with a bigger sample size to further understand issues related to Islamic brand credibility, equality, and Islamic banking service quality and customer satisfaction. Moreover it is recommended that similar research should be carried out with other software's such as AMOS, SMART-PLS-SEM and E-Views to further critically understand the nature of data collected and best possible analysis techniques.

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