

What Attract People to Adopt Islamic Banks? Systematic Literature Review Approach

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Abstract

Islamic banking has been expanding globally, transcending the religious backgrounds of various countries. While several studies suggest that the Islamic banking system exhibits greater stability than its conventional counterpart, but it still lags behind in countries with dual banking systems. The objective of this study is to investigate the critical factors that affect individuals' adoption of Islamic banking. Through a structured systematic review approach grounded in the ADO framework, the paper analyzes the underlying causes, decision pathways, and resulting effects of adopting Islamic banking. Additionally, it offers an overview of the theories, contexts, and methodologies (TCM) employed in prior research, concluding with a discussion on the extent to which these determinants impact the adoption of Islamic banking. The findings show that factors such as knowledge, social influence, psychological aspects, environmental conditions, and specific features of Islamic banking significantly impact customer adoption of Islamic banks.

Keywords: Islamic Bank Industry, Consumer Behavior, Islamic Bank Adoption, Systematic Literature Review

Introduction

The concept of Islamic banking is currently developing almost all over the world regardless of religious background of the countries (Ezeh & Nkamnebe, 2020; Abdullahiadio, 2021). The Islamic financial sector has experienced unprecedented growth over the past decade due to the significant expansion of Islamic banking operations (Jamshidi & Kazemi, 2020). Financial institutions, especially banks based on Islamic principles, have operated in many countries with approximately 300 Islamic banks and assets of approximately \$300 billion (Raza et al., 2021; Abdullahiadio, 2021). According to Reza et al. (2021), countries such as Egypt,

Indonesia, and Malaysia are recognized as leading pioneers in the field of Islamic banking. This banking model operates in accordance with Islamic law, which strictly prohibits the practice of usury in all transactions (*riba*), avoids uncertainty (*gharar*), and restricts investments in prohibited industries such as those involving pork or alcohol (*haram*). Additionally, it emphasizes profit-sharing contracts like *mudharabah* as a key financial principle (Ezeh & Nkamnebe, 2020; Jamshidi & Kazemi, 2020).

Several studies indicate that the Islamic banking system demonstrates greater stability compared to conventional banks. This enhanced stability is partly attributed to its prohibition from engaging in high-risk trading activities (Jamshidi & Kazemi, 2020). Ghenimi et al (2024) added that Islamic banking performed better and tended to be less risky than conventional banks. They also observed that the pandemic caused by covid-19 had a more severe impact on the financial performance and stability of conventional banks than on Islamic banks. From the consumer perspective, although early adoption of Islamic banking was relatively slow, recent trends indicate growing customer interest (Thaker et al., 2020). Moreover, Islamic banking is increasingly being embraced not only by Muslim customers but also by non-Muslims (Jamshidi & Usman, 2020).

Several studies have examined the factors influencing customers' decisions to use Islamic banking products and services. According to Thaker et al. (2020), customers are drawn to Islamic banking due to factors such as convenience, competitive pricing, reliability, responsiveness, security, and the availability of value-added services. Jamshidi and Usman (2020) highlighted the significant impact of relative advantage, compatibility, observability, and customer awareness on customer interest in adopting Islamic banking products. Sayuti and Amin (2020), applying the Theory of Planned Behavior (TPB), identified that attitude, subjective norms, perceived behavioral control, and perceptions of price fairness significantly shape Muslim customers' preferences for Islamic banking. Furthermore, Raza et al. (2021) highlighted that factors such as customer attitude, perceived financial advantages, compliance with sharia principles, religious inclination, and social norms significantly contribute to shaping customer interest in utilizing Islamic banking services.

Although research on the intention to adopt Islamic banking has been expanding, a comprehensive understanding of the factors that influence customer decisions to select Islamic banking products and services is still lacking, primarily due to variations and inconsistencies in previous findings. To bridge this gap, this study seeks to explore and evaluate the key determinants affecting customer adoption of Islamic banking by employing a Systematic Literature Review (SLR) approach. This approach synthesizes empirical findings from various countries, offering a consolidated perspective, which serves as the key novelty of this research. As highlighted by Snyder (2019), the SLR method is instrumental in constructing a theoretical and conceptual model, while also enhancing theoretical, contextual, and methodological contributions to future research (Lim et al., 2021). Additionally, SLR allows for the aggregation of empirical evidence based on specific inclusion criteria to address the research questions comprehensively (Harari et al., 2020; Snyder, 2019). By integrating findings from global studies, this research presents a holistic framework for understanding the key determinants that influence customers to adopt Islamic banking services. This is especially relevant in Islamic and conventional banking coexistence, where Islamic banking often trails behind its conventional banking, despite empirical evidence

suggesting greater stability. Furthermore, the study aims to contribute to the advancement of Islamic financial inclusion by offering actionable insights for policy development and strategic implementation based on its findings.

Methodology

This study seeks to explore the main determinants of Islamic banking adoption by conducting a systematic literature review (SLR) based on the PRISMA framework, as detailed below.

Systematic Review

A systematic literature review serves as a foundation for constructing theoretical frameworks and developing conceptual models (Snyder, 2019). It is instrumental in enhancing the theoretical, contextual, and methodological foundations of future research by synthesizing existing knowledge (Lim et al., 2021). This approach draws conclusions from empirical evidence that meets specific inclusion criteria (Harari et al., 2020; Snyder, 2019). Additionally, it offers current insights into the selected topic, identifies inconsistencies, and highlights knowledge gaps that hinder the formation of broad empirical generalizations within a particular domain (Shruthi Priya & Sathish, 2024). This research employs a domain-focused systematic review guided by a framework-based methodology to evaluate current literature, investigate the development of existing insights, and highlight potential avenues for future exploration in the field of Islamic banking adoption. A domain-specific review concentrates on a well-defined subject area, with the objective of gathering, assessing, and integrating academic studies relevant to that domain (Dhiman et al., 2023).

Organizing Framework

This study employs a combined analytical approach by integrating the Antecedents, Decisions, and Outcomes (ADO) framework with the Theories, Contexts, and Methods (TCM) framework. This integrated model enables a more comprehensive and structured review of the relevant topic area. By merging both frameworks, the study seeks to provide a richer and more systematic perspective for analyzing and presenting the literature, as it capitalizes on the strengths of each framework while mitigating their individual limitations (Paul et al., 2023; Shruthi Priya & Sathish, 2024). The integration of these two frameworks enables a comprehensive understanding of the existing literature related to a particular construct by identifying both the established knowledge (ADO) and the manner in which that knowledge has been acquired (TCM) (Khatri & Duggal, 2022).

Procedure

This study utilizes the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) protocol to systematically identify and select literature related to Islamic banking adoption. The protocol follows a structured four-phase process: identification, screening, eligibility assessment, and final inclusion (Page et al., 2021). It was chosen due to its ability to offer a transparent and standardized framework for conducting systematic reviews (Ter Huurne et al., 2017). An overview of each stage is illustrated in Figure 1.

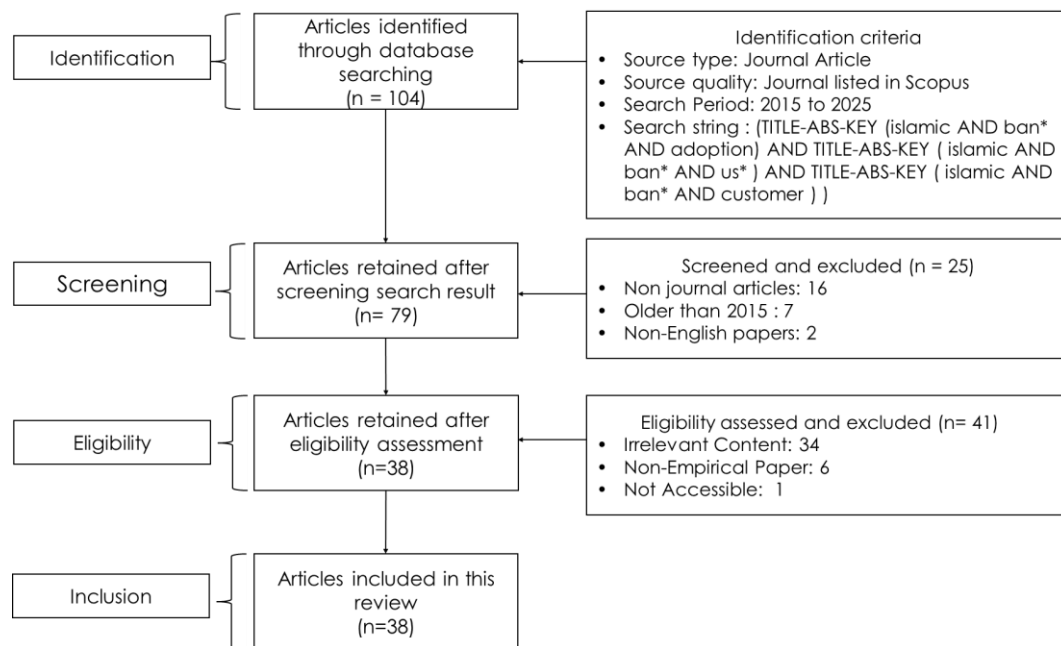


Figure 1: Flowchart of article selection process using the PRISMA protocol

This paper only considers journal article for the scope of review, due to its credibility and reliability that comes up rigorous peer review of such publications by field experts following (Shruthi Priya & Sathish, 2024). As for quality, this paper relies on Scopus-indexed journals as the data source, since it is the largest database of scientific papers, so it is possible to present extensive data and provide advanced search options in article selection (Rebouças & Soares, 2021). Scopus coverage is comprehensive and multidisciplinary thus ensuring inclusivity in the selection process. Moreover, it is maintained by Elsevier that esteemed for its meticulous curation, enhancing the credibility and relevance of the chosen articles, in accordance with scholarly standards (Shruthi Priya & Sathish, 2024). To guarantee comprehensive coverage and avoid omitting any significant publications, an extensive set of relevant search terms was employed to conduct searches within the titles, abstracts, and keywords. Table 1 presents the specific search strings applied for data collection. Additionally, articles published within the last ten years were selected to ensure alignment with current developments (Rohman et al., 2021).

Table 1

Database and search string used for data retrieval

Database	Search String
Scopus	(TITLE-ABS-KEY (Islamic AND ban* AND adoption) AND TITLE-ABS-KEY (Islamic AND ban* AND us*) AND TITLE-ABS-KEY (Islamic AND ban* AND customer))

Results and Discussion

In recent decades, Islamic banks have experienced significant global growth. Therefore, understanding the key drivers that encourage people to adopt Islamic banking is essential. Utilizing the ADO framework (Figure. 2), it has been revealed that numerous factors—such as

The diagram is divided into two main sections: TCM Framework and ADO Framework.

TCM Framework

- Theories**
 - Theory of Reasoned Action
 - Theory of Planned Behavior
 - Innovation Diffusion Theory
 - Decomposed Theory of Planned Behavior
 - Technology Acceptance Model
 - Information Systems Success Model
 - Social Identity Theory
- Contexts**

Countries	Participant
- Libya - Malaysia - Uganda - Tunisia - Chad - Eritrea - Tajikistan - Nigeria - Iran - China	- Indonesian - Rampasakhi - Morocco - Turkey - IAF
	- User - Potential User - Muslim - Non-Muslim
- Methods**

Quantitative - Descriptive analysis - Comparative analysis (T-test, ANOVA) - Averaged analysis (Multiple linear regression, SEM, PLS-SEM)	Qualitative
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ADO Framework

- Antecedents**

Knowledge - Customer awareness - Amount of information about IB - Consumer knowledge of IB	Psychological - Satisfaction - Attitude - Trust - Self-Efficacy - Perceived usefulness - Perceived ease of use - Perceived risk - Perceived benefits of IB - Perceived innovation - Perceived threat of violence - Behavioral beliefs - Confidence in Bank Operators and Employees - Extrinsic and Intrinsic Perception - Perceived Behavioural Control - Enabling effects - Blocking effects - Customer resistance
Social - Social influence - Normative beliefs	
Environment - Priming of Conventional Bank Products - Business Support - Government Support - Facilities Condition - Technology	
- IB Features**

- Community Service - Profitability - Unique service - Relative advantage - Compatibility - Complexity - Sharia Compliance - Bank Reputation - Reliability - Observability - Perceived Religious Promotion - Service Quality - Cost benefit	- Convenience - Product Pricing - Reliability/Responsiveness - Value Added Services - Role of Sharia Board Management - Islamic Banking and Financial Services - Legitimacy of Islamic Financial System - Customer Relations in Islamic Banking and Financial Institution
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- Decisions**
 - Attitude Toward IB
 - Intention to Use IB
 - Intention to Adopt IB
 - Perception about IB
 - Perceive The Prospects of IB
 - Intention to Choose IB
 - Attitude Toward Adoption of IB
- Outcomes**
 - Adoption of IB
 - Selection of IB

Figure 2: ADO-TCM Framework of Islamic Banking Adoption

According to the Innovation Diffusion Theory (IDT), knowledge plays a crucial role during the early phases of the innovation process and is fundamental to an individual's willingness to accept and adopt new innovations. In this context, Islamic banking represents a form of innovation within the framework of the prevailing conventional banking system (Mbawuni & Nimako, 2017). Through ADO-TCM Framework, this study found that knowledge was a determinant of Islamic bank customer's intention to adopt Islamic Banking (IB). Knowledge in this study consist of customer awareness about IB (Ali & Puah, 2017; Aziz & Afaq, 2018; Jamshidi & Hussin, 2016; Bilal & Sulaiman, 2021; Jamshidi & Kazemi, 2020; Rhoudri & Benazzou, 2024), amount of information about IB (Obeid & Kaabachi, 2016), and customer knowledge about IB (Mbawuni & Nimako, 2017; Mbawuni & Nimako, 2018; Ezeh & Nkamnebe, 2020; Ashurov & Othman, 2019; Maryam et al., 2019; Su'un et al., 2018; Ezeh & Nkamnebe, 2021; Ezeh & Nkamnebe, 2020).

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Therefore, the amount of information is also a crucial factor influencing consumer adoption of Islamic banking.

Social

People often align their behavior with their social environment and consider it essential to meet the expectations of those around them. This tendency also applies to the adoption of Islamic banking, where customers are inclined to form judgments and place significant value on others' opinions when deciding to use Islamic banking services. According to Jamshidi & Hussin (2016), social influence is among the most influential factors driving the adoption of Islamic banking products. Therefore, it is crucial for Islamic banks to establish a strong and positive reputation, enabling influential individuals to promote and recommend Islamic banking to others.

Maryam et al. (2019) emphasizes that The adoption of Islamic banks is positively impacted by social pressures or encouragement. The higher the society preferences, the higher the adoption of IB among people. Since people have a tendency to be appreciated and praised in society, Islamic banks should develop initiatives that foster emotional connection and enhance public awareness, thereby creating opportunities for individuals to recommend Islamic banking to peers, family members, and friends. In addition, Maryam et al. (2022) found that social influence positively affects the adoption of Islamic banking, with attitude acting as a partial mediator. Social environments shape individual expectations, which in turn foster favorable attitudes that influence behavior. Individuals who initially do not use Islamic banking may be influenced by their social surroundings, develop supportive attitudes, and eventually decide to adopt Islamic banking. Moreover, in predominantly Muslim countries, there is often an emotional drive to align daily life with Islamic values, which encourages the use of Islamic banking for financial transactions. Consequently, the adoption of Islamic banking can be enhanced by considering a society that adheres to Islamic law. Therefore, the Islamic banking industry should genuinely operate based on Islamic principles. (Abdullahiadio, 2021) also implies that social influence positively motivates the use of Islamic banking products.

Ezeh & Nkamnebe (2021) and Ezeh & Nkamnebe (2022) found a significant positive influence between social influence toward the adoption of Islamic banks in different groups as well among non-Muslim customers. Respondents indicated that influential people in their lives—such as important, familiar, or impactful figures—believe they should use Islamic banking. Therefore, Islamic banks must implement marketing strategies by highlighting social influence and engaging opinion leaders from diverse groups or religious leaders within non-Muslim communities. Rhoudri & Benazzou (2024) also discovered that social aspect is positively influence the intention to adopt Islamic banking products. Social expectations exert influence on customers, potentially guiding their intentions and actions toward either embracing or rejecting Islamic banking products.

However, Obeid & Kaabachi (2016) explained the opposite, that social influence does not have significant influence on adoption. Customers do not seem to be affected by the endorsement of their circle of influence but rather through objective information from the promotional exposure of Islamic banks. Hence, Islamic banks should utilize mass media to do promotion. In addition, Mindra et al. (2022) discovered that social group influence weakened

the connection between an individual's attitude and their intention to adopt Islamic banking. It shows that these groups tend to discourage bank customers, the existing or the potential, from using Islamic banking products.

Environment

Using the ADO-TCM Framework, environmental factors emerged as significant determinants influencing customers' intentions to adopt Islamic banking. These environmental elements include the pricing strategies of conventional bank products (Mindra et al., 2022), support from government and business sectors (Maryam et al., 2019), the presence of uncertainty (Aziz & Afaq, 2018), and technological advancements (Ahmad & Zabri, 2023).

Mindra et al. (2022) highlights a significant positive relationship between the pricing of conventional bank products and the intention to adopt Islamic banking. When the price level of conventional bank products is high—such as interest rates—customers may choose to switch to Islamic banks. This illustrates that the attitudes of conventional bank customers are influenced not only by product pricing but also by social factors. However, this shift is likely to occur only if Islamic banks offer products at more competitive prices than those of conventional banks.

Government support denotes the central bank's role in facilitating the growth and promotion of Islamic banks, whereas business support includes technical guidance, a supportive business climate, and the encouragement of creativity and innovation to strengthen the value chain and working conditions, ultimately enhancing the performance of Islamic banks, especially in developing countries (Maryam et al., 2019). This is in line with Aziz & Afaq (2018), who stated that facility conditions—including motivation from the surrounding environment and government support—can influence customer interest in adopting Islamic banks.

Technology also plays a important role in the service industry, including Islamic banks, in enhancing customer service (Ahmad & Zabri, 2023). It enables time efficiency for both customers and banks, reduces costs, and facilitates smoother transactions. This highlights the need for Islamic banks to stay up to date with technological advancements and to adapt swiftly and appropriately in order to attract public interest in adopting Islamic banking.

Islamic Bank Features

Islamic banking is a banking system whose rules and implementation procedures expressly state its commitment to the principles of Islamic law by prohibiting the usury on every transaction, avoiding elements of uncertainty in transactions, prohibiting investment in something that is forbidden in Islam such as pork or alcohol products, and using the concept of profit and loss sharing (Ezeh & Nkamnebe, 2020; Jamshidi & Kazemi, 2020). Islamic bank features explain about the factors within Islamic banks that can attract customers to adopt IB. The results of this study identify four classifications of Islamic bank features: service quality, sharia compliance, products, and brand image, which are explained in detail as follows.

Table 2

Islamic Bank Features Classifications

Classification	Determinants	Citations
Service Quality	Accessibility and Convenience, Reliability and Responsiveness, Value Added Services, Customer Relations, Complexity, Relative Advantages	Butt et al. (2018); Aziz & Afaq (2018); Thaker et al. (2020); Pala et al. (2024); Jamshidi & Hussin (2016); Kaabachi & Obeid (2016); Ali & Puah (2017); Ashurov & Othman (2019); Ezeh & Nkamnebe (2020); Jamshidi & Kazemi (2020); Abdullahiadio, (2021); Ezeh & Nkamnebe (2022); Rhoudri & Benazzou (2024)
Sharia Compliance	Role of Sharia Board Management, Legitimacy of Islamic Financial System, Compatibility, Unique Service	Raza et al. (2021); Pala et al. (2024); Jamshidi & Hussin (2016); Kaabachi & Obeid (2016); Obeid & Kaabachi (2016); Ali & Puah (2017); Aziz & Afaq (2018); Jamshidi & Hussin (2018); Jamshidi & Kazemi (2020); Abdullahiadio (2021); Ezeh & Nkamnebe (2022); Gait & Worthington (2015)
Product	Profitability, Product Pricing, Relative Advantages, Cost-Benefit	Thaker et al. (2020); Mindra et al. (2022); Ali & Puah (2017); Jamshidi & Hussin (2018); Gait & Worthington (2015); Maryam et al. (2019); Ahmad & Zabri (2023)
Brand Reputation	Bank Reputation, Community Service, Perceive Religious Promotion, Trialability, Observability.	Maryam et al. (2019); Kaabachi & Obeid (2016); Maryam et al. (2022); Gait & Worthington (2015); Su'un et al. (2018)

The first feature of Islamic banks is service quality, which includes accessibility and convenience, reliability, responsiveness, value-added services, customer relations, complexity, relative advantages, and operational risk. This implies that customers also consider these factors when adopting Islamic banks. Accessibility refers to the ease of obtaining or using something, while convenience is the degree to which something can be used without difficulty (Thaker et al., 2020). This definition is also closely related to the concept of complexity, which refers to the level of difficulty perceived by customers when using or adopting an innovation (Ali & Puah, 2017). Jamshidi & Hussin (2018) highlight that increased complexity in an innovation often requires higher customer effort and capability, potentially discouraging its adoption. Hence, simplicity and user-friendliness should be emphasized in Islamic banking services to enhance public engagement.

In addition, the quality service of Islamic banking is also related to reliability and responsiveness. Reliability refers to the ability of Islamic banks to provide effective and good services—such as resolving customer issues appropriately, delivering accurate services, and providing them in a timely manner—while responsiveness reflects the bank's ability to respond quickly and flexibly to customer requests (Thaker et al., 2020). These aspects highlight the importance of maintaining positive customer perceptions to encourage the adoption of Islamic banks. Pala et al. (2024) also emphasized that maintaining strong customer relationships is essential. This can be achieved by avoiding actions that may harm

customers, particularly those related to sharia compliance, as part of upholding trust among Muslim customers.

Sharia compliance is also one of the key factors influencing customers—particularly Muslim customers—in choosing Islamic banking. Raza et al. (2021) described sharia compliance as customers' belief that Islamic banking offerings adhere to Islamic principles by avoiding prohibited components like *riba* (usury), *qimar* (gambling), and *gharar* (uncertainty). This aligns with the legitimacy aspect of the Islamic financial system identified in previous study (Pala et al., 2024). Gait & Worthington (2015) also noted that Islamic banks offer financing products with unique characteristics that adhere to sharia principles, such as *ijarah*, *murabahah*, and *istishna*. Furthermore, the presence of a sharia board management is a crucial component of ensuring sharia compliance. According to Pala et al. (2024), the sharia board plays a fundamental role in ensuring that all operations within Islamic banks comply with Islamic principles. Customers with strong perceptions of sharia compliance—especially Muslim customers—are likely to switch to other banks if violations of sharia principles occur. Ali & Puah (2017) also emphasized that this perception is closely tied to the perceived compatibility of Islamic banks, which is also a significant factor in their decision to adopt Islamic banking.

As a financial institution operating under an interest-free system, Islamic banking offers products that differ from conventional banks. Several product-related factors that can attract customers to adopt Islamic banking include profitability, pricing, relative advantages, and cost-benefit considerations. Gait & Worthington (2015) explained that profitability refers to the Islamic bank's aim to increase profits and minimize losses to attract customers. In line with this, Thaker et al. (2020) noted that product pricing—such as service charges and profit rates—is a key factor influencing customers' decisions to choose a new bank or switch from an existing one. Mindra et al. (2022) added that if Islamic banking products are priced higher than those of conventional banks, customers tend to choose for the bank that offering lower costs or relatively higher returns, aligning with the concept of relative advantage as described by Ali & Puah (2017). An individual is more likely to adopt a new product—in this case, Islamic banking—if it offers clear benefits over the traditional system—in this case, conventional banking, particularly in terms of economic benefit such as lower service charges and higher return. Maryam et al. (2019) also emphasized that customers are more inclined to choose Islamic banking products when they provide cost-benefit, including low fees and attractive profit margins.

The last factor in the features of Islamic banks is brand reputation. Kaabachi & Obeid (2016) explained that the choice of an Islamic bank is also influenced by its reputation. A strong reputation can significantly increase consumer interest in adopting Islamic banking. In line with this, Maryam et al. (2019) added that reputation reflects customer trust in the reliability, credibility, and social responsibility of Islamic banks. Therefore, social responsibility plays an important role in building a positive image and reputation among consumers. Gait & Worthington (2015) further emphasized the importance of community service, demonstrating that Islamic banks connect financial services with the needs of the Muslim community through programs such as *zakat*, *qard hasan*, and other community development initiatives.

In addition to social responsibility and community service, various marketing strategies can also enhance the reputation of Islamic banks, including religious promotion, trialability, and observability. Su'un et al. (2018) stated that religious promotion is a key factor influencing consumer adoption, especially among Muslim customers. Jamshidi & Hussin (2018) added that trialability and observability also contribute to enhancing an Islamic bank's reputation. Trialability refers to the opportunity for customers to try Islamic banking services on a limited basis before fully adopting them, while observability refers to the extent to which the benefits experienced by other users are visible to potential customers. Both of these elements can serve as effective marketing strategies to strengthen brand reputation and encourage wider adoption of Islamic banking.

Psychological

The findings of this study highlight the significant role of psychological factors in influencing the adoption of Islamic banks. Specifically, factors such as attitude, perceived usefulness, perceived ease of use, perceived benefits of Islamic banking, perceived innovation, perceived threat of violence, beliefs, and confidence collectively shape individuals' decisions to engage with Islamic banking services.

The Theory of Reasoned Action (TRA) and the Theory of Planned Behavior (TPB) are two of the most frequently referenced theoretical models in examining the determinants of Islamic banking adoption (Kaakeh et al., 2019; Ali et al., 2022). Consumer behavior is heavily influenced by psychological elements, including attitudes, beliefs, confidence levels, and perceptions related to usefulness, ease of use, innovation, and potential risks such as violence. These factors play a crucial role in shaping decisions regarding Islamic banking adoption (Abdullahi et al., 2021). These factors may encourage consumers to adopt Islamic banking services or, alternatively, lead them to choose conventional banking (Jamshed & Uluyol, 2024)

Perception also plays an essential role in the adoption of Islamic banking services, as it influences how consumers interpret and evaluate the value and functionality of these services (Kaabachi & Obeid, 2016). Perceived usefulness and perceived ease of use, central to the Technology Acceptance Model (TAM), directly shape customers' willingness to adopt Islamic banking (Jamshidi & Hussin, 2016). When consumers perceive that Islamic banking services are beneficial and easy to navigate, their adoption intention increases. Additionally, perceived benefits of Islamic banking—such as compliance with Shariah principles, ethical investment opportunities, and equitable profit-sharing models—enhance customer motivation to choose Islamic banks over conventional ones. Perceived innovation, referring to the adoption of modern technology and innovative financial products, also strengthens the perceived attractiveness of Islamic banking.

Moreover, perceived threat of violence can negatively impact adoption, as customers may associate financial decisions with broader socio-political stability and safety. On the other hand, beliefs—rooted in religious and ethical convictions—strongly align with the principles of Islamic finance, fostering trust and acceptance. Confidence in the stability, transparency, and reliability of Islamic banks further reinforces the intention to adopt these services.

Attitude, in particular, stands out as a key determinant formed through a series of beliefs that assign value to the expected outcome of a behavior (Ajzen, 2012). According to the TRA framework, when an outcome is perceived as positive or desirable, an individual's attitude toward performing the behavior becomes favorable. According to Raza et al. (2021), attitude involves a judgment of the emotional responses—both positive and negative—toward engaging in a certain activity. Empirical studies consistently demonstrate the direct and positive influence of attitude on behavioral intention. For instance, Mindra et al. (2021) found a significant association between attitude and the intention to adopt Islamic banking. Similarly, Maryam et al. (2022) highlighted the strong and essential role of attitude in shaping Islamic banking adoption intentions among potential customers. When individuals maintain a positive attitude toward Islamic banking, the likelihood of their engagement with these services increases substantially.

Overall, the interplay of these psychological factors underscores the importance of addressing both cognitive and emotional dimensions when promoting Islamic banking services. Banks should focus on enhancing user experience, communicating benefits clearly, and fostering trust to encourage wider adoption among diverse customer segments.

Conclusion

This research offers an in-depth examination of the key drivers behind the adoption of Islamic banking through a systematic literature review approach. Employing the ADO-TCM framework, it identifies crucial factors—including knowledge, social influences, psychological dimensions, environmental aspects, and unique characteristics of Islamic banking products—that significantly shape customer adoption decisions. Despite the global expansion of Islamic banking, the study notes persistent challenges, especially in countries with dual banking systems where conventional banks are still predominant. By synthesizing findings from multiple empirical sources, this study enriches the understanding of consumer preferences in the context of Islamic banking. The results underscore the importance of developing effective policies to promote financial inclusion and increase the competitiveness of Islamic financial institutions. Further investigations are encouraged to examine new trends and innovative strategies to advance Islamic banking adoption globally.

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