

**DETERMINING FACTORS INFLUENCING THE INTENTION TO SWITCH FROM  
CONVENTIONAL BANKS TO ISLAMIC BANKS USING A MIXED-METHODS  
APPROACH**

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**ABSTRACT**

This study examines the factors influencing students' intentions to switch from conventional to Islamic banks among Islamic Banking students at UIN Sayyid Ali Rahmatullah Tulungagung. Despite the rapid growth of Islamic banking assets in Indonesia, its market share remains relatively low, highlighting the need to understand switching behavior among Generation Z. Using a sequential explanatory mixed-methods design, quantitative data were collected from 85 students through questionnaires and analyzed using multiple linear regression, while qualitative insights were obtained from interviews with 14 informants. The findings reveal that subjective norms, product knowledge, digital banking, and alternative attractiveness positively and significantly affect switching intention, with alternative attractiveness emerging as the strongest determinant. Together, these variables explain 69.7% of the variation in switching intention. Qualitative results show that switching intention develops through a sequential process in which subjective norms encourage awareness, product knowledge strengthens rational evaluation, digital banking facilitates access, and alternative attractiveness drives the final decision. The study contributes to the understanding of Islamic banking adoption among Generation Z and offers practical implications for increasing customer migration to Islamic banks.

## **1 Introduction**

The conventional banking system has been deeply rooted in Indonesia's financial structure since the colonial era, beginning with the establishment of De Javasche Bank in 1828, which later evolved into Bank Indonesia (Indonesia, 2020). This dominance not only reflects economic strength but also represents the penetration of the capitalist system into the financial structure of Indonesian society. The interest-based system, which underpins conventional banking operations, has shaped the community's mindset and behavior in financial transactions, creating a systemic dependence on interest mechanisms across all economic activities (Anjum, 2022). However, this system has raised fundamental concerns, especially among the majority of Indonesia's Muslim population, which numbers 245.973.915 or about 87.2% of the total population (Statistics, 2024). These concerns stem from the fact that many scholars consider the interest system to be usury, which is explicitly prohibited in Islam. Critical awareness of the legal status of bank interest from a sharia perspective has grown among academics and students, leading to a collective recognition of the importance of transforming the banking system to better align with the social and religious values of Indonesian society. Indonesia's Islamic banking sector has undergone substantial expansion, especially after the consolidation of BRI Syariah, BNI Syariah, and Mandiri Syariah, creating Bank Syariah Indonesia (BSI) (Sopian et al., 2025).

The momentum of Islamic banking development gained a stronger legal foundation through Law No. 10 of 1998, which modified Law No. 7 of 1992 regarding Banking Oversight (Abdul et al., 2022). Islamic commercial banks have become the primary choice for both Muslim and non-Muslim clientele conducting financial operations, resulting in rapid growth (Fitria & Setiawan, 2025). The Islamic banking sector in Indonesia exhibits an encouraging trend during the 2019-2024 period, with significant growth in the aggregate assets of Islamic Commercial Banks, rising from IDR 350.364 billion in 2019 to IDR 664.611 billion in 2024, representing a total growth of 139.4%. This momentum was reinforced by the consolidation of government-owned Islamic banks into Bank Syariah Indonesia (BSI) in 2021, which drove the largest asset surge in 2022, reaching 802.26 trillion, or 15.63% (Finance, 2024). The market share of Islamic banking also shows an upward trend, rising from 5.96% in 2018 to 7.72% in 2024. Customer volume has grown considerably, escalating from 30.54 million in 2020 to 46.40 million as of May 2024. The Islamic financial literacy and inclusion indices have increased significantly, from 8.11% and 11.6% in 2017 to 39.11% and 12.88% in 2024, reflecting the success of efforts to increase public understanding and access to Islamic finance (Finance, 2024). Nevertheless, market penetration remains comparatively modest compared with conventional banking alternatives, suggesting substantial developmental opportunities alongside the need for comprehensive investigation into the determinants of consumer migration toward Islamic banking services.

Research on choice intentions in the banking context has attracted the attention of academics globally, but with varying focuses and contexts. Studies employing the Theory of Planned Behavior model to investigate consumer migration patterns during banking consolidations demonstrate that belief systems regarding behavior, normative expectations, personal dispositions, and social pressure substantially affect switching intentions. A cross-cultural study in Malaysia found that switching costs and religiosity moderate the relationship between personal norms and the intention to switch to Islamic banking

(Murthy & Rahman, 2026). Within Uganda's Islamic financial sector, investigations revealed that personal disposition and religious devotion are primary predictors of intentions to adopt Islamic banking. In contrast, social normative influences diminished in predictive strength when personal attitudes were integrated into the analytical framework (Bananuka et al., 2019). Similar investigations undertaken in Pakistan reveal that social normative pressures exert a limited effect on people's inclination to adopt Islamic banking, affecting both existing customers and non-customers (Ayyub et al., 2020). Conversely, research conducted in Vietnam revealed that social influence is meaningfully associated with customers' decisions to switch banking service providers, indicating inconsistent findings that warrant further study across different contexts (Anh Tram, 2021).

Product knowledge also showed mixed results in previous studies. Research has also demonstrated that customers' understanding of banking products positively influences their confidence in the institution, thereby encouraging their willingness to establish an account (Hendrianto et al., 2023). Research confirms that familiarity with financial products demonstrates a meaningful positive influence on customer acquisition choices (Siahaan et al., 2023). Studies conducted in Palu City have established that product awareness meaningfully affects Islamic banking customers' adoption decisions (Musyahidah, 2021). Conversely, conflicting research findings suggest that product comprehension does not influence the intensity of Islamic banking customer acquisition (Yuliafitri & Lathifah, 2022). This shows a gap in understanding the role of product knowledge in different contexts.

Meanwhile, the technological dimension in the form of digital banking has become an important factor in customer switching decisions. In Kuwait, the level of technology (online banking) was the primary driver of customer switching among Islamic banking providers (Ghamry & Shamma, 2022). Additional research indicates that in Germany, new digital technologies influence the likelihood of switching to FinTech (Jünger & Mietzner, 2021). Digital banking infrastructure capabilities are a major determinant of consumer migration patterns across the retail financial services sector (Batmunkh, 2025).

The alternative attractiveness factor, as a component of Pull Factors within the Push-Pull-Mooring framework, has been examined in diverse contexts. Research in Makassar demonstrated that the appeal of alternative options significantly influenced consumers' readiness to engage in transactions with Islamic banking institutions, whereas value attractiveness had no significant effect (Hamid et al., 2020). Research on migration to Islamic banks in Indonesia found that pull factors from Islamic banks had a significant effect on migration behavior. However, mooring factors, which are internal to customers, were the most significant inhibiting migration (Hati et al., 2021). The appeal of alternative options is associated with customer migration behavior among banking service providers (Anh Tram, 2021). Nevertheless, a knowledge gap persists regarding how the appeal of competing options, combined with factors such as social influence, product familiarity, and digital banking services, influences customers' decisions to choose Islamic banking, especially among Generation Z, whose unique characteristics and preferences warrant attention.

This research is crucial for several fundamental reasons. First, this study integrates four key variables (subjective norms, product knowledge, digital banking, and alternative attractiveness) into a comprehensive model, the Push-Pull-Mooring framework established

by Bansal (2004), filling the scholarly void in earlier investigations that generally focused on singular elements or restricted factor combinations (Bansal et al., 2004). Second, this study targets students of the Sharia Banking Study Program explicitly as representatives of Generation Z, who have unique characteristics: high religious awareness, academic understanding of the Islamic financial system, and good adoption of digital technology, but have not been widely studied in the context of their intentions in choosing Sharia Banking. Third, this study was conducted in Indonesia, home to the world's largest Muslim community and ranked second globally in Islamic financial assets; yet, the Islamic banking market share remains relatively small (7.72%), indicating significant untapped potential. Fourth, with Islamic financial literacy increasing from 8.11% (2017) to 39.11% (2024), this study is highly relevant to understanding how this increased understanding translates into actual switching behavior, especially among students who will be future agents of change.

Although research on switching intention and behavior in the banking sector has developed rapidly, several theoretical issues remain unresolved. First, there is an inconsistency in empirical findings regarding the role of subjective norms and product knowledge as predictors of switching intention. Some studies report significant effects (Anh Tram, 2021; Hendrianto et al., 2023), while others show weak or even insignificant effects (Ayyub et al., 2020; Yuliafitri & Lathifah, 2022). Second, comprehensive theoretical frameworks remain scarce. Although the Theory of Planned Behavior (TPB), Ajzen (1991), the Push-Pull-Mooring (PPM), (2005), and the Technology Acceptance Model (TAM), Davis (1989) have been widely applied separately, very few studies have combined subjective norms, product knowledge, digital banking, and alternative attractiveness into a single coherent model to explain customer migration to Islamic banking.

Third, there is a significant contextual gap. Most previous studies have focused on the general population or existing customers, thus failing to capture the unique dynamics of Generation Z, which has received intensive exposure to Islamic financial education. This raises an important theoretical question: do the factors shaping switching intentions among individuals with high domain knowledge differ substantively from those of the general population? Does Islamic financial education strengthen switching intentions or, conversely, create biases in the decision-making process?

Switching intentions among students in the Islamic Banking Program deserves scientific attention because this group is not merely ordinary consumers but potential agents of change and future professionals in the Islamic finance industry. Understanding customer switching intentions provides a sharper predictive picture of the potential future development of Islamic banking, while also testing the limits of applying consumer switching theory to a population with deep ideological commitment and knowledge in a context that remains largely unexplored.

While strategic, the selection of this population is not without potential biases. Self-selection bias is a primary risk, as students who choose the Islamic Banking major tend to have more positive attitudes, higher religiosity, and superior product knowledge than the general public. This condition may lead to an overestimation of the strength of the subjective norm and product knowledge variables, and limit the generalizability of the findings. Additionally, desirability bias (the tendency to answer in accordance with Islamic norms) may also arise in surveys and interviews. This study openly acknowledges these

limitations and incorporates them into its contribution by analyzing how exposure to Islamic financial education influences the formation of switching intentions.

This study does not automatically assume that low customer switching intentions automatically cause the still-low market share of Islamic banking. The low market share may be caused by various structural barriers, high switching costs, customer inertia, regulations, infrastructure, or other institutional factors that are not fully explained by intention models alone. Therefore, understanding switching intentions among groups already exposed to Islamic education is crucial for distinguishing between internal barriers (psychological and attitudinal) and external barriers (structural and systemic). This approach avoids excessive oversimplification and provides a stronger theoretical argument for explaining the dynamics of Islamic banking adoption.

Thus, this study addresses this theoretical gap through a mixed-methods approach that integrates TPB, PPM, and TAM into a single conceptual framework. This study not only examines the quantitative relationships among variables but also explores the qualitative mechanisms underlying students' intentions to switch in the Sharia Banking Program at UIN Sayyid Ali Rahmatullah Tulungagung. Theoretically, this study is expected to enrich the literature on Islamic financial consumer behavior among highly educated populations. In practice, the results can serve as a basis for recommendations for the Islamic banking industry and policymakers to design more targeted strategies to enhance Islamic financial inclusion among the younger generation.

## **2 Literature Review**

Research on the intention to switch from conventional to Islamic banks cannot be adequately understood with a single theoretical framework. Therefore, this study constructs an integrated conceptual framework that combines the Theory of Consumer Switching Behavior, the Theory of Planned Behavior (TPB), the Technology Acceptance Model (TAM), and the Push-Pull-Mooring (PPM) framework. This integration allows for a more comprehensive explanation of the dynamics of switching intentions among Islamic Banking students.

### **2.1 Consumer Switching Behavior Theory**

The concept of customer switching behavior was initially proposed by Keaveney in 1995, describing circumstances in which consumers maintain use of the same service categories while transitioning from their current provider to competing alternatives. This phenomenon is triggered when service delivery fails to align with consumer expectations, resulting in dissatisfaction (Keaveney, 1995). The framework subsequently evolved to define consumer decision-making through three primary phases: the initial phase, encompassing marketing initiatives and socio-cultural factors; the intermediate phase, concentrating on decision formation shaped by psychological elements; and the final phase, comprising acquisition behaviors and subsequent evaluation experiences (Schiffman, L. G. & Wisenblit, 2015). Within service marketing environments, consumer migration patterns are shaped by multiple determinants, including service excellence, client satisfaction, and perceived value. Favorable assessments cultivate customer retention, whereas unfavorable assessments prompt transitions toward alternative service providers (Kotler, P., & Keller, 2016).

In the context of customer migration from conventional banks to Islamic banks, Islamic financial behavior plays a significant role as both a psychological and practical foundation. Customers who have become accustomed to avoiding interest-based transactions and tend to choose Sharia-compliant financial products in their daily financial activities generally exhibit a greater readiness to switch banks. This behavior reflects consistency between beliefs and actions; thus, when customers face the choice to switch to an Islamic bank, the decision is driven not solely by religious factors but also by established financial habits. Nevertheless, Islamic financial behavior does not always directly drive switching intentions; in many cases, its influence is stronger when supported by a positive attitude toward Islamic banks, social norms in the surrounding environment, and the belief that the switching process is not difficult to undertake (Amali & Amin, 2026). To further clarify this explanation, this study adopts the Theory of Planned Behavior (TPB).

## **2.2 Switching Intention Theory**

Switching intention represents an expansion and advancement of the Theory of Planned Behavior (TPB) established by Ajzen in 1991, functioning as an immediate predictor of migration behavior. TPB is a social-psychological framework explaining how individuals' intentions shape their choices to engage in specific behaviors. The intention to switch will increase if the switch is considered beneficial, is encouraged by others' support, and is perceived as easy to do (Ajzen, 1991). Switching intention is a significant predictor because intention has a strong predictive power over actual behavior (Sheppard et al., 1988). Switching intention is defined as the extent to which consumers recognize the likelihood or certainty of switching to an alternative service provider, reflecting their readiness to explore alternatives that better match their expectations or needs (Bansal, 2005).

TPB consists of three main dimensions that influence a person's intention, namely Attitude, Subjective Norm, and Perceived Behavior (Ajzen, 1991). In the context of Islamic banking, subjective norms, that is, an individual's perception of the expectations and environment, are highly relevant. Students in the Islamic Banking Program are embedded in an ecosystem rich with Islamic values. Hence, this normative pressure not only shapes attitudes but also reinforces consistency between religious beliefs and financial choices.

According to Wuri (2002), there are two main factors influencing the intention to switch: internal factors originating from within the consumer and external factors originating from outside the consumer. Internal and external factors. Internal factors include knowledge aspects (product knowledge, purchase knowledge, usage knowledge) and trust, while external factors encompass promotion and service quality. Both factors are expected to influence customers' intention to switch.

In the current competitive banking landscape, understanding customers' intention to switch from conventional to Islamic banks cannot be viewed solely in terms of products or profit-sharing rates. The customer decision-making process for switching is more complex. When customers perceive that Islamic banking services provide clear added value, are easily accessible, and are supported by a positive environment toward Islamic banking, their attitude toward Islamic banking tends to be more favorable, ultimately driving the intention to switch. Therefore, a more comprehensive understanding is needed of how these perceptual and social factors interact to shape customers' switching decisions (Akinwale & Kyari, 2021). Consequently, this study adopts the Push-Pull-Mooring (PPM) Framework as a more comprehensive overarching framework.

### **2.3 Push-Pull-Mooring Theory**

The Push-Pull-Mooring (PPM) framework, developed by Bansal in 2005, marks a significant advancement in understanding consumer switching behavior. It adopts the basic concepts of migration theory, offering a unique ability to explain the dynamics of switching as the result of the interaction of three forces (Bansal, 2005). There are three forces, namely: push factors (negative factors from existing services that encourage switching, such as dissatisfaction or low service quality), pull factors (positive factors from alternative service providers that attract consumers to switch), and mooring factors (factors that m) (Kotler & Armstrong, 2018; Moon, 1995; Solomon, 2020). That influences the connection between push and pull dynamics, encompassing social pressures, transition costs, and individual characteristics that may either impede or enable switching behavior (Moon, 1995; Kotler & Armstrong, 2018; Solomon, 2020).

The factors that can influence switching intentions are Push Factors, Pull Factors, and Mooring Factors. Push factors are variables that can motivate customers, particularly environmental influences. Push Factors include price perception, satisfaction, quality, value, commitment, and trust. Additionally, the desire for changes to bank policies or greater convenience and comfort with digital banking services. According to Bansal et al. (2004), the Pull Effect, commonly referred to as a Pull Factor, is a positive factor for alternative service providers and can encourage consumers to switch. The magnitude of this pull factor reflects the attractiveness of alternative services, in which positive characteristics of alternative service providers directly influence consumers' intention to switch. Mooring acts as a moderating factor in the relationship between push and pull effects on customers' desire to switch services.

The relationship between TPB and PPM is very close and complementary. TPB can be elegantly integrated into the PPM framework by positioning subjective norms as a key component of the Mooring factor. Subjective norms function as a social force that reinforces or facilitates the switching process. Thus, PPM does not replace TPB but rather expands it by adding a competitive perspective (push and pull) and broader mooring dynamics. This integration enables research to explain not only "why someone intends to switch" (as described by TPB) but also "how external and internal factors interact" in the switching process (Bansal, 2005).

Additionally, this study integrates Davis (1989) Technology Acceptance Model (TAM) to enrich the pull dimension through digital banking variables. TAM emphasizes perceived usefulness and perceived ease of use, which are highly relevant to explaining why Islamic banks' digital services have become a strong attraction for the digital generation. In the context of Islamic banking, digital banking that offers convenience, speed, and Islamic value-added features (such as a zakat calculator or Sharia-based financing) enhances the appeal of Islamic banks as an alternative. Integrating TAM into PPM is logical because superior digital services serve as a pull factor that distinguishes Islamic banks from conventional banks (Ghamry & Shamma, 2022; Rahma & Sofyani, 2024).

### **2.4 Technology Acceptance Model (TAM)**

Davis introduced the Technology Acceptance Model (TAM) in 1989 as a conceptual structure for understanding technology adoption and usage patterns among users. According to TAM, technology acceptance hinges on two primary elements: Perceived Usefulness, which reflects users' beliefs about how a given technology can enhance their job effectiveness, and Perceived Ease of Use, which reflects users'

expectations regarding the simplicity of operating the technology with minimal exertion (Davis, 1989).

This integrated framework yields a coherent argument: students' switching intentions do not arise from a single factor but rather from the synergistic interaction among the value mismatch of conventional banking (push), the appeal of digitally enhanced Islamic banking (pull), and social-cognitive mooring support (subjective norms and product knowledge). This approach addresses the fragmentation of prior literature, which tended to test variables in isolation. It makes a theoretical contribution by integrating TPB, TAM, and Consumer Switching Theory into the PPM in the context of Indonesian Islamic banking, particularly among Generation Z students, who possess unique characteristics. The research hypotheses proposed are as follows:

## **2.5 The Relationship Between Subjective Norms and Motivating Factors in Choosing Islamic Banking as a Substitute for Conventional Banking**

Subjective norms represent the social influence from significant others, including family members, friends, or colleagues, on an individual's decision to engage in a particular action (Ajzen, 1991). Empirical evidence presents inconsistent findings: some studies identify a substantial direct connection between switching intentions driven by normative beliefs and subjective norms, subjective norms are related to customer switching behavior (Anh Tram, 2021), while other research indicates that subjective norms do not significantly influence the inclination to select Islamic banking (Ayyub et al., 2020). Within the Indonesian Islamic banking context, subjective norms are expected to play a significant role, given the characteristics of respondents in an academic environment that emphasizes Islamic values and has high levels of religious awareness.

**H<sub>1</sub>:** Subjective norms have a positive and significant effect on the intention to choose Islamic Banking among students of the Islamic Banking Study Program as a substitute for conventional banking.

## **2.6 The Relationship Between Product Knowledge and Motivating Factors in Choosing Islamic Banking as a Substitute for Conventional Banking**

Product knowledge is a diverse set of information about a product that encompasses various important aspects, which is a change in individual behavior obtained through experience (Engel, J.F., Blackwell, R.D., and Miniard, 1995; Peter, J.P., and Olson, 2014). In the context of Islamic banking, product knowledge encompasses an understanding of Sharia principles, profit-sharing mechanisms, the contracts employed, and the core distinctions between Islamic financial institutions and mainstream banking frameworks. Empirical evidence yields varied outcomes: certain studies demonstrate that familiarity with banking products demonstrates a meaningful and favorable impact on customer acquisition decisions (Hendrianto et al., 2023; Musyahidah, 2021; Siahaan et al., 2023), whereas other research finds that product knowledge does not impact the likelihood of becoming an Islamic bank customer (Yuliafitri & Lathifah, 2022). Within the Islamic banking context, students are expected to demonstrate substantial product knowledge, given their educational background and hands-on comprehension of the Islamic financial system.

**H<sub>2</sub>:** Product knowledge has a positive and significant effect on Sharia Banking students' choice of Sharia Banking.

## **2.7 The Relationship Between Digital Banking and Motivating Factors in Choosing Islamic Banking as a Replacement for Conventional Banking**

Digital banking refers to electronic banking services that utilize technology to provide faster, easier, and more customized services through digital platforms, including internet banking, mobile banking, and ATMs (Laudon, Kenneth C.; Laudon, 2020). Digital technological advancements have transformed consumer interactions with financial services, making convenience, speed, and efficiency key factors influencing customer satisfaction and loyalty. Empirical investigations demonstrate that digital banking exerts substantial influence: technological sophistication emerges as the most critical determinant affecting consumer migration patterns within Kuwait's Islamic financial institutions (Ghamry & Shamma, 2022). Payments via digital banking have grown to become the largest segment. In particular, the rapidly expanding digital financial advisory segment addresses customer demands for greater transparency and ease of transactions, making certain banking activities and transactions more transparent to customers (Jünger & Mietzner, 2021). Digital banking capabilities are substantial factors influencing consumer switching behavior (Batmunkh, 2025). For Islamic Banking students who are digitally native, the presence of cutting-edge digital banking capabilities may serve as a compelling incentive to transition to Islamic banking institutions.

**H<sub>3</sub>:** Digital banking has a positive and significant impact on Islamic Banking students' intention to choose the Islamic Banking Study Program as an alternative to conventional banking.

## **2.8 The Relationship Between Alternative Attractiveness and Motivating Factors in Choosing Islamic Banking as a Replacement for Conventional Banking**

Alternative attractiveness is a key element in the Pull Factors of the Push-Pull-Mooring model, as defined by Bansal in 2005. It reflects customers' expectations of satisfaction in relationships with other parties and, in turn, evaluates the advantages and benefits offered by alternative service providers (Bansal, 2005). In the banking context, the attractiveness of alternatives includes product and service quality, compliance with Sharia principles, product diversity, ease of access, bank reputation, and additional benefits. Empirical investigations reveal substantial influence: alternative capacity demonstrates meaningful influence on consumer readiness to embrace Islamic banking services (Hamid et al., 2020), Islamic bank appeal exerts considerable effect on customer migration patterns (Hati et al., 2021), and alternative attractiveness correlates with consumer switching behaviors within Indonesia's Islamic banking landscape (Anh Tram, 2021). Alternative attractiveness is becoming increasingly relevant given the industry's significant growth and the consolidation of government-owned Islamic banks that formed BSI.

**H<sub>4</sub>:** Alternative attractiveness has a positive and significant effect on the intention of Islamic Banking students to choose Islamic Banking as a substitute for Conventional Banking.

## 2.9 The Relationship Between Subjective Norms, Product Knowledge, Digital Banking, and Alternative Attractiveness and the Driving Factors in Choosing Islamic Banking as a Substitute for Conventional Banking

Bansal et al.'s 2005 Push-Pull-Mooring model underscores that customer migration choices arise from the complex interplay among three fundamental elements: push, pull, and mooring dynamics (Bansal, 2005). In the context of this study, digital banking represents a push element, whereas the alternative appeals as a pull component. Social normative influences and product familiarity serve as mooring factors that can modify the strength of the connection between push and pull factors in determining switching intentions. Previous research shows that a holistic approach that integrates various factors simultaneously provides a more comprehensive understanding: the decision to become a customer is simultaneously and strongly influenced by digital marketing, brand image, and product knowledge (Siahaan et al., 2023), while other research indicates that push, pull, and tie-down factors collectively influence customer switching behavior (Hati et al., 2021). Within the Indonesian Islamic Banking student context, these four variables are projected to exert a significant collective influence on intentions to choose Islamic Banking as a substitute for Conventional Banking, where synergistic interactions can create optimal conditions for the formation of strong switching intentions.

**H5:** Subjective norms, product knowledge, digital banking, and alternative attractiveness simultaneously have a positive and significant effect on the intention to choose Islamic Banking as a substitute for Conventional Banking among students of the Islamic Banking Study Program.

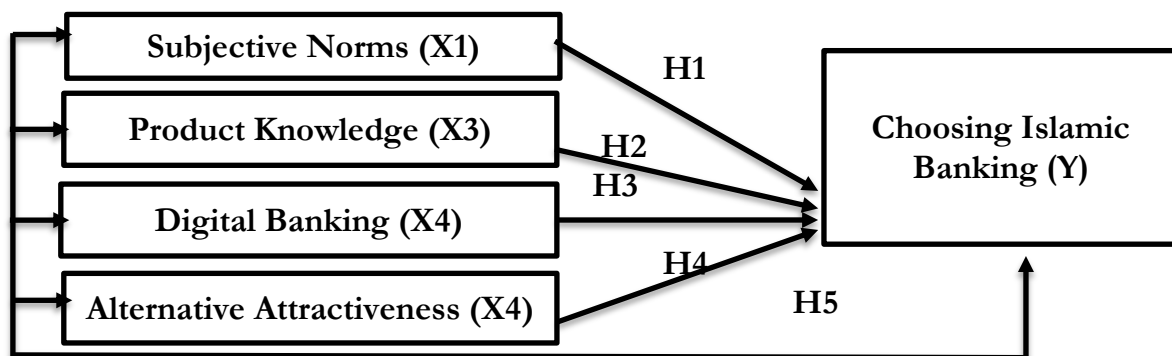


Figure 1. Conceptual Framework

## 3 Research Methods

This study employs a mixed-methods design with a sequential explanatory approach. This approach was chosen because it allows researchers to gain a more comprehensive and in-depth understanding of customers' intention to switch to Islamic banking. In the first stage, quantitative data were collected and analyzed to identify patterns of relationships among variables and to test hypotheses. In the second stage, qualitative data were collected to explain, deepen, and confirm the quantitative findings (Creswell, 2012). This design is particularly suitable for research aimed not only at measuring the

strength of variable influences but also at understanding the mechanisms and processes underlying students' decisions. The study population comprises 587 enrolled students actively participating in the Islamic Banking Study Program at UIN Sayyid Ali Rahmatullah Tulungagung during the 2025/2026 academic year, with a sample size of 85 participants. The research tool consisted of a structured survey employing a five-point Likert scale for the following variables: Driving Factors in Choosing Islamic Banking (Y), subjective norms (X1), product knowledge (X2), digital banking (X3), and alternative attractiveness (X4).

Data collection was conducted in two sequential stages: the Quantitative Stage, in which data were collected via an online Google Forms questionnaire distributed through student WhatsApp groups. The research instrument used a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). The questionnaire underwent validity testing (Pearson Product-Moment Correlation) and reliability testing (Cronbach's Alpha) before use. Data analysis was conducted using SPSS (Statistical Package for the Social Sciences) software, beginning with descriptive statistics to characterize respondent demographics and response distributions. The validity assessment involved comparing computed  $r$  values against tabulated  $r$  values, whereas the reliability assessment employed Cronbach's Alpha coefficients. Classical assumption tests included normality testing via the Kolmogorov-Smirnov test, multicollinearity assessment using VIF values, and heteroscedasticity detection using the Glejser test. Hypothesis testing utilized multiple linear regression analysis with the formula:

$$\text{Intention to choose Islamic banking} = a + \beta_1 \text{ subjective norms} + \beta_2 \text{ product knowledge} + \beta_3 \text{ digital banking} + \beta_4 \text{ alternative attractiveness} + e$$

An F-test accompanied this to assess the collective effects of the independent variables, a t-test to evaluate individual variable effects, and a determination coefficient ( $R^2$ ) calculation to quantify the model's explanatory power for variation in the dependent variable.

Qualitative data were collected through in-depth interviews and participant observation. The main informants consisted of three groups: (1) students of the Islamic Banking Study Program, (2) faculty leaders, and (3) practitioners/representatives of Islamic banks. The interviews were conducted semi-structurally using a set of questions developed from the results of quantitative regression analysis, thereby making them explanatory in nature. There were 14 informants in total: 9 students from the Islamic Banking Program, 3 faculty leaders/lecturers, and 2 Islamic banking practitioners. The semi-structured interviews were conducted face-to-face, lasting 30–45 minutes per session, and continued until data saturation was reached with the 12th informant, with two additional interviews for confirmation.

Qualitative data analysis employed a thematic approach (Miles, Huberman, & Saldana, 2014), which included verbatim transcription, staged coding (open, axial, and selective), data reduction, presentation in a matrix, concluding, and verification through source triangulation and member checking. The integration of quantitative and qualitative findings was conducted during the interpretation phase through joint displays that juxtaposed regression results (beta coefficients and significance levels) with interview excerpts, as well as meta-inference explaining the synergy among variables as decision determinants, thereby crystallizing all factors. Data were gathered through participatory

observation, comprehensive interviews, and documentation. Data analysis was conducted using an inductive approach employing data condensation, data display, and verification techniques. To ensure data validity, triangulation was performed by comparing information from various sources and persistent observation to improve data accuracy and consistency. Triangulation of data sources enabled a more comprehensive and unbiased.

## 4 Results and Discussion

Before performing multiple linear regression analysis using the SPSS software method, classical assumption testing was conducted as a statistical prerequisite to ensure that the regression model produced Best Linear Unbiased Estimators (BLUE), which are accurate, unbiased, and consistent estimates. These tests assess normality, multicollinearity, heteroscedasticity, and linearity to validate the reliability of the regression results. The outcomes of classical assumption examination in this investigation are displayed in the subsequent table.

### 4.1. Result

**Table 1. Results of Classical Assumption Testing**

Description	Metode	Sig	Result	Description
Normality Test	Kolmogorov-Smirnov	> 0.05	0.064	Data Residual Normal
Multicollinearity Test	Variance Inflation Factor (VIF)	> 10	X1 1.374	No multicollinearity
			X2 2.083	
			X3 1.493	
			X4 1,526	
Heteroscedasticity Test	Glejser	> 0.05	X1 0.239	No heteroscedasticity
			X2 0.057	
			X3 0.785	
			X4 0.747	

Source: SPSS Output, 2025

Drawing from data processing outcomes utilizing SPSS software, all requisite classical assumptions have been satisfied. The normality assessment using the Kolmogorov-Smirnov test yielded a significance level of 0.064 (exceeding 0.05), indicating that the residual data follow a normal distribution. The multicollinearity evaluation reveals that all independent variables have Variance Inflation Factor (VIF) values below 10, specifically X1=1.374, X2=2.083, X3=1.493, and X4=1.526, confirming the absence of multicollinearity among the independent variables. Concurrently, the heteroscedasticity assessment using the Glejser procedure yielded coefficients for all variables exceeding 0.05, particularly X1=0.239, X2=0.057, X3=0.785, and X4=0.747, indicating the absence of heteroscedasticity in the regression framework. Given that all classical assumptions have been met, the evaluation of the multiple linear regression can proceed to examine the research hypotheses.

**Table 2. Results of Multiple Linear Regression Analysis and Hypothesis Testing**

Independent Variables	B	Std. Error	Beta (B)	T	Sig. (P)	Interpretation Of Effect Size
Constant	4.695	1.352	-	3.472	0.001	-
Subjective Norm (X <sub>1</sub> )	0.571	0.135	0.306	4.245	0.000	Moderate
Product Knowledge (X <sub>2</sub> )	0.372	0.132	0.250	2.817	0.006	Small – Medium
Digital Banking (X <sub>3</sub> )	0.280	0.100	0.060	1.798	0.027	Small
Alternative Attractiveness (X <sub>4</sub> )	0.675	0.119	0.433	5.695	0.000	Large (strongest predictor)

Source: SPSS Output, 2025

$$Y = 4.695 + 0.571X_1 + 0.372X_2 + 0.280X_3 + 0.675X_4 + \epsilon$$

Table 2 presents the results of a multiple linear regression analysis testing the influence of independent variables on the intention to switch (Y). From the resulting regression equation, the constant term was 4.695, with a calculated t-value of 3.472 and a significance level of 0.001. This indicates that if all independent variables were set to zero, students' intention to switch to Islamic banking would remain at 4.695. This value is statistically significant, suggesting the presence of other factors outside the model that also influence the dependent variable. Partially, all independent variables have a positive and significant effect on the intention to switch.

First, the Subjective Norm variable (X<sub>1</sub>) shows an unstandardized regression coefficient of 0.571 (SE = 0.135; β = 0.306; t = 4.245; p < 0.001). This means that the stronger the social influence from close associates, the higher the students' intention to switch to Islamic banking. This variable ranks second in terms of influence strength based on the standardized beta coefficient.

Second, Product Knowledge (X<sub>2</sub>) has a coefficient of B = 0.372 (SE = 0.132; β = 0.250; t = 2.817; p = 0.006). A beta coefficient of 0.250 indicates that knowledge of Islamic banking products and principles contributes significantly to the intention to switch, although not as strongly as the other two variables.

Third, Digital Banking (X<sub>3</sub>) showed the smallest effect among the four variables with B = 0.280 (SE = 0.100; β = 0.060; t = 1.798; p = 0.027). Although significant at the 5% level, its relative contribution is low (beta is only 0.060). This is understandable given that the respondents are digital-native students who may already view digital services as a basic necessity, rather than a strong differentiating factor.

Finally, Alternative Attractiveness (X<sub>4</sub>) emerged as the strongest predictor in this model with a coefficient of B = 0.675 (SE = 0.119; β = 0.433; t = 5.695; p < 0.001). The highest standardized beta value (0.433) confirms that the perceived appeal or advantages of Islamic banking relative to conventional banking are the dominant factor in shaping students' intention to switch.

The results of the F-test (collective) showed a significance coefficient of 0.000 (below 0.05), confirming that all independent variables simultaneously exert a substantial influence on the intention to adopt Islamic banking as a substitute for conventional banking.

Meanwhile, the coefficient of determination ( $R^2$ ) yields a value of 0.697 or 69.7%, indicating that 69.7% of the variance in the intention to choose Islamic banking as an alternative to conventional banking can be attributed to the influencing variables of social norms, product understanding, digital banking platforms, and the appeal of alternatives. In comparison, the remaining 30.3% is attributed to additional variables not included in this study. These findings reinforce the idea that the intention to switch is not the result of a single factor but rather the interaction of multiple factors.

## **4.2. Discussion**

This section examines the empirical outcomes of the investigation into the factors influencing the decision to choose Islamic Banking over Conventional Banking. In particular, this research examines the impact of social influence, product familiarity, technological banking services, and the appeal of alternatives on Islamic Banking students' decisions to switch. The analysis emphasizes each determinant that influences the choice toward Islamic Banking and contrasts it with findings from prior empirical research, providing perspectives on customer behavioral patterns within Indonesia's Islamic financial sector:

### **4.2.1. The Influence of Subjective Norms on the Intention to Choose Islamic Banking Among Students of Islamic Banking Programs as a Substitute for Conventional Banking**

The examination findings reveal that social influence demonstrates a favorable and meaningful impact on the decision to opt for Islamic Banking, thus validating the initial hypothesis. These results suggest that normative pressures from relatives, peers, and educational environments significantly shape students' inclinations to adopt Islamic banking services. Subjective norms are among the strongest predictors, after alternative attractiveness, of the decision to switch. The mechanism at work here is not merely external social pressure, but rather the process of internalizing values through a strong academic environment. Students do not merely feel they “must” follow those closest to them, but internalize the expectations of professors, seniors, family, and peers as part of the consistency between Islamic knowledge and practice.

These outcomes align with research demonstrating a meaningful association between social normative beliefs and migration intentions in banking consolidation scenarios, as well as research in Vietnam confirming that subjective norms have a significant relationship with customer switching behavior (Anh Tram, 2021). However, these findings contrast with studies in Pakistan and Uganda, which found that subjective norms were not significant in influencing the intention to use Islamic banking (Ayyub et al., 2020; Bananuka et al., 2019). This difference in results can be attributed to the distinct research contexts: the participants in this investigation were students enrolled in Islamic Banking programs in an academic environment deeply rooted in Islamic values, where social pressure and the influence of reference groups are more substantial than in the general population. The theoretical implications of these findings reinforce the applicability of the Theory of Planned Behavior to Islamic banking in Indonesia, where subjective norms are an important determinant of behavioral intentions (Ajzen, 1991). Practically, these findings offer insights for Islamic banking to develop marketing strategies that

leverage word-of-mouth and testimonials from reference groups, and to collaborate with educational institutions and religious leaders as influencers to enhance uptake among youth.

Qualitative data enrich quantitative findings by showing that social environments, such as peer pressure, family expectations, and lecturers, are crucial determinants of the inclination to migrate toward Islamic banking. Faculty leaders shape subjective norms through role models among lecturers and campus activities that support Islamic banking. Islamic banking practitioners utilize peer influence and referral programs to encourage adoption. In contrast, Islamic economists and Sharia scholars emphasize the importance of social and religious norms in switching decisions, especially those related to avoiding usury. Qualitative evidence suggests that subjective norms serve as an "initial reinforcer," making the alternative's appeal more convincing. Students frequently cite the influence of lecturers and the program's academic culture, which positions the use of Islamic banking as a collective identity.

#### **4.2.2. The Influence of Product Knowledge on the Intention to Choose Islamic Banking Among Students of Islamic Banking Study Programs as a Substitute for Conventional Banking**

The examination outcomes demonstrate that familiarity with banking products has a favorable and meaningful impact on the decision to choose Islamic Banking, thereby validating the second proposition. This finding suggests that students' understanding of Islamic principles, profit-sharing mechanisms, the contracts used, and the fundamental differences from conventional banking significantly contributes to the formation of the intention to switch. Although its influence is lower than that of alternative attractiveness and subjective norms, product knowledge remains a critical basis for the switching decision-making mechanism. The primary mechanism is the cognitive filter function, which reduces risk perception and increases trust. Through courses on Islamic Financial Institutions and practical training, students gain a deep understanding of profit-sharing principles, Sharia contracts, and fundamental differences from the *riba*-based system. This knowledge transforms perceptions from a mere "Sharia label" into a rational understanding of the system's fairness and transparency.

These results are consistent with studies that have found product knowledge to have a favorable and substantial impact on the choice to become an Islamic banking client (Hendrianto et al., 2023; Musyahidah, 2021; Siahaan et al., 2023). However, these findings contradict research that found product knowledge does not influence the probability of Islamic bank patronage (Yuliafitri & Lathifah, 2022). The different characteristics of the respondents can explain this difference in results: Islamic Banking students have a more comprehensive scholarly grasp of Islamic financial mechanisms, so their knowledge is more applicable and can translate into behavioral intentions, unlike the general public, who may have only superficial knowledge. The theoretical implications of these findings support Consumer Decision-Making Theory, which emphasizes that product knowledge is a crucial component in the alternative evaluation stage preceding decision-making (Engel, J.F., Blackwell, R.D., & Miniard, 1995). In practice, Islamic banking needs to intensify its Islamic financial education and literacy programs, particularly those that clearly explain the

competitive advantages and differentiation of Islamic products, and to utilize digital platforms to disseminate easily understood educational content for the younger generation.

Qualitative data reinforces quantitative findings by demonstrating that knowledge gained from the Islamic Finance Institutions course alters students' perceptions of Islamic banks, providing them with a deeper understanding of profit-sharing systems, Islamic contracts, and the principles of fairness. Practical training in a mini Islamic banking laboratory provides hands-on experience that reinforces theoretical understanding. Faculty leaders emphasize the importance of formal and practical learning through curriculum, practical training, and internships. At the same time, practitioners and experts highlight the importance of product education to address misconceptions about Islamic banks. Qualitative data indicate that this knowledge serves as a bridge between initial awareness and the evaluation of alternatives. Students state that the course changed the way they view Islamic banks from merely avoiding usury to viewing them as a fairer economic system. An alternative explanation lies in the depth of knowledge: among respondents with a background in Islamic studies, knowledge becomes more practical and directly influences intentions.

#### **4.2.3. The Influence of Digital Banking on the Intentions of Sharia Banking Students to Choose Sharia Banking as a Replacement for Conventional Banking**

The examination findings reveal that technological banking services exert a favorable and meaningful influence on the decision to select Islamic banking, thus validating the third proposition. These results suggest that the accessibility and quality of electronic services, including online banking platforms, smartphone banking applications, and automated teller machines, are key determinants of customer influence, satisfaction, and intentions to switch to Islamic banking. However, they have the lowest influence among the other variables. Digital natives, students expect a seamless, fast, and efficient banking experience through user-friendly digital platforms.

Although the respondents are Generation Z students born and raised in the digital era, these findings directly challenge the common assumption that the digital generation is highly dependent on technology and tends to choose more advanced platform-based services. Critically, the limited role of digital banking can be explained by technological saturation and normalization. For a generation that has been familiar with smartphones and the internet since childhood, digital banking services (mobile apps, internet banking, QRIS, and 24-hour services) are no longer a differentiator but rather a basic expectation at every bank. Both conventional and Islamic banks currently offer comparable digital infrastructure. Thus, technological superiority is no longer a strong driver for switching.

These outcomes correspond with investigations conducted in Kuwait, which discovered that the level of technology (online banking) is the primary determinant affecting consumer migration patterns within Islamic banking institutions (Ghamry & Shamma, 2022), studies verifying that technological service standards substantially shape the inclination to maintain Islamic in Indonesia (Rahma & Sofyani, 2024), as well as research that found digital banking capabilities to be a substantial factor influencing consumer switching behavior (Batmunkh, 2025). The consistency of these results shows that digital banking has become a hygiene factor in the modern banking industry, with its

presence now a basic consumer expectation. The relatively lower influence can be explained by the context of digital banking competition in Indonesia, where most banks, both conventional and Islamic, have provided adequate digital services, making digital banking no longer a differentiating factor but rather a qualifying one. The theoretical implications of these results strengthen the applicability of the Technology Acceptance Model in Islamic banking contexts, where user perceptions of technological simplicity and utility influence behavioral inclinations toward technology adoption (Davis, 1989). Practically speaking, Islamic banking needs to continue innovating in the development of digital features that not only meet basic expectations but also provide added value and a distinctive service proposition that differentiates it from rival institutions, such as the integration of zakat calculator features, prayer schedules, or Islamic educational content in mobile banking applications to strengthen its positioning as an Islamic bank.

Qualitative data indicate that the convenience of digital banking is a significant factor in students' decisions to switch to Islamic banks. After trying the BSI mobile banking app, students were impressed by its comprehensive features, user-friendly interface, and ease of transactions, including QRIS and 24-hour customer service. Faculty leaders integrated digital banking into the curriculum and collaborated with Islamic banks to provide hands-on experience. Islamic banking practitioners emphasize the importance of digital banking in attracting young customers. In contrast, economists and Islamic scholars argue that Islamic banks must provide digital services equivalent to those of conventional banks to remain relevant in the technological era. Qualitative evidence reinforces this explanation while offering sharper insights. Students stated that they were indeed impressed by the BSI app, but in a matter-of-fact tone: "The technology is nothing special; what matters is that the system is Sharia-compliant." This statement indicates that for them, technology is merely a tool, not a core value. Islamic differentiation on digital platforms (such as the integration of an automatic zakat calculator, prayer reminders, strict halal transaction filters, or in-depth Sharia educational content) is still perceived as insufficient or not yet a significant draw. This indicates a value gap between the expectations of the digital generation and the actual offerings of Sharia banks today.

This finding challenges the application of the Technology Acceptance Model (TAM) in the context of Islamic banking. Davis (1989) emphasizes perceived usefulness and perceived ease of use as primary predictors. However, in this study, both elements appear to have reached a saturation point among respondents. Technology that is "good enough" can no longer drive migration when core values such as Sharia compliance and economic justice are far more prominent. An alternative explanation worth considering is the effect of habit and low switching costs. Since conventional digital infrastructure is already very robust, students can easily conduct transactions at their old banks without technical hurdles. Thus, digital banking actually has the potential to maintain the status quo rather than drive change. Additionally, the possibility of digital fatigue, or the perception that the digital features of Islamic banks are not yet fully superior to competitors', warrants further exploration.

#### **4.2.4. The Influence of Alternative Attractiveness on the Intention to Choose Islamic Banking Among Islamic Banking Program Students as a Substitute for Conventional Banking**

The examination outcomes reveal that the appeal of alternatives has a favorable and meaningful influence on the decision to choose Islamic Banking, thereby validating the fourth proposition. This discovery suggests that the attractiveness of Islamic banking as a substitute is the most critical determinant of students' migration choices, encompassing perceptions of product and service excellence, compliance with Islamic principles, product diversity, ease of access, bank reputation, and additional benefits. Alternative attractiveness is the most potent predictor within this study's framework, indicating that the desirability of alternatives has the greatest influence on students' inclination to switch. This dominance is not a coincidence but reflects psychological and contextual mechanisms that are highly specific to the research sample.

Students in the Islamic Banking Program do not view Islamic banking as "just one option," but rather as a system that is fundamentally superior. They conduct a thorough comparative evaluation between the RIBA-based (conventional) system and Sharia principles. This appeal is multidimensional, including a religious dimension aimed at avoiding usury and seeking blessings (*barakah*). The economic dimension highlights a more equitable and transparent profit-sharing system. The socio-ethical dimension focuses on contributions through Sharia-aligned financing and CSR programs oriented toward community welfare. The futuristic dimension fosters the conviction that Islamic banking is the future of the Islamic economy. Since the respondents are currently delving into Islamic finance studies, their knowledge goes beyond superficial awareness; it is an analytical understanding that enables them to identify the structural weaknesses of the conventional system. This explains why the appeal of the alternative is so strong, even though the national market share of Islamic banking remains low (7.72%). For these students, the current market share is not the primary indicator; they are more focused on the intrinsic potential and long-term value advantages of the Islamic system.

These outcomes align with investigations in Makassar, revealing that alternative capability substantially affects consumers' readiness to engage with Islamic banking services (Hamid et al., 2020), research that found pull factors from Islamic banks had a significant influence on switching behavior in Indonesia (Hati et al., 2021), and research that confirmed that alternative attractiveness was related to customer switching behavior (Anh Tram, 2021). The dominance of alternative attractiveness can be explained by the context of the expansion of Indonesia's Islamic banking sector, especially following the consolidation of government-owned Islamic financial institutions, establishing Bank Syariah Indonesia in a substantial year, which increased the scale of operations, service coverage, and reputation of Islamic banking, thereby creating a more positive perception of the ability of Islamic banks as credible and competitive alternatives. The theoretical implications of these findings reinforce the role of the Push-Pull-Mooring framework in Islamic banking contexts, wherein pull dynamics are the most influential in motivating the decision to adopt Islamic Banking, outweighing push or mooring factors (Bansal, 2005). In practice, Islamic banking needs to focus on strengthening its unique value proposition by emphasizing sharia compliance, transparency in the profit-sharing system, social

contributions through ethical financing, and broad communication of its competitive advantages across various marketing channels to increase its perceived attractiveness to prospective clients.

Qualitative data demonstrates that Islamic banking institutions' attractiveness is multidimensional, covering spiritual aspects (inner peace and blessings), economic factors (fair profit-sharing system, transparency, and low costs), social aspects (CSR programs focused on community welfare), and futuristic aspects (belief that Islamic banking is the future). Faculty leaders emphasize the importance of students' rational analysis in comparing Islamic and conventional banks. At the same time, practitioners and experts stress that a clear value proposition, encompassing both economic and spiritual benefits, is crucial for attracting customers. Islamic banks must ensure that their fair, transparent, and socially oriented systems compete with other aspects, such as service and technology. Although all four factors are essential, the attractiveness of alternatives is the principal determinant of the choice to migrate to Islamic banking. Although subjective norms, product knowledge, and digital banking play a role, what really convinces people is the fairer system, value-aligned products, and sustainable economic vision offered by Islamic banks. This alternative attractiveness provides strong justification for switching, turning intention into concrete action. Qualitative evidence from interviews indicates that alternative attractiveness serves as a crystallization point, transforming cognitive awareness into behavioral commitment. Students describe Islamic banking as a "system that brings inner peace," "a fair economy," and "a sustainable vision for the future." These statements indicate that the appeal is not merely rational but also emotional, and that the transition becomes part of a financial migration that strengthens Islamic identity.

#### **4.2.5. The Combined Influence of Subjective Norms, Product Knowledge, Digital Banking, and Alternative Attractiveness on the Intent to Choose Islamic Banking Among Islamic Banking Program Students as a Substitute for Conventional Banking**

The F-test results indicate that subjective norms, product knowledge, digital banking, and alternative attractiveness have a meaningful, simultaneous impact on the decision to select Islamic banking, thereby validating the fifth proposition. The coefficient of determination indicates that this study's framework effectively explains the variation in intention to choose Islamic banking, accounting for most of the changes in switching intentions through the combined effects of the four independent variables. These findings indicate that students' decision to switch to Islamic banking results from a complex interaction among social factors (subjective norms), cognitive factors (product knowledge), technological factors (digital banking), and evaluative factors (alternative attractiveness), rather than being determined by a single factor. These results align with research suggesting that the decision to become a customer is strongly influenced simultaneously by digital marketing, brand image, and product knowledge (Siahaan et al., 2023), as well as research identifying a combination of push and pull factors. Anchor factors together influence customer switching behavior (Hati et al., 2021). The model's high predictive power suggests that the four variables selected in this study are the primary determinants of the inclination to adopt Islamic Banking among students enrolled in Islamic Banking programs. The remaining variation the model cannot explain is likely influenced by other factors, such as

satisfaction with the current bank, switching costs, brand image, customer service quality, or individual psychographic elements that were unexplored in this investigation. The theoretical implications of these findings support an integrative approach to understanding customer migration patterns, wherein the Push-Pull-Mooring framework (Bansal, 2005) and the Theory of Planned Behavior (Ajzen, 1991) are integrated to demonstrate their efficacy in elucidating customer transition within Indonesia's Islamic banking landscape. This study's conceptual model advances the literature by integrating four key constructs into a comprehensive framework that has not been widely studied, particularly in the context of Islamic Banking students, who represent Generation Z with their unique characteristics. Practically, these findings offer strategic insights for Islamic banking management, suggesting that efforts to increase the intention to switch should be pursued holistically, considering all dimensions simultaneously rather than focusing on a single aspect. An effective marketing strategy needs to integrate a multi-channel approach that includes: first, leveraging social influence through referral programs and endorsements from credible religious figures or influencers to strengthen subjective norms; second, intensifying comprehensive Islamic financial education and literacy programs to increase product knowledge; third, developing innovative and user-friendly digital banking platforms to meet the expectations of digital natives; and fourth, clear and persuasive marketing communications about the competitive advantages of Islamic banking to increase alternative attractiveness. With this integrated approach, the Islamic banking industry is expected to accelerate progress toward market share targets and increase national Islamic financial inclusion, especially among the younger generation, who will be the leading market segment in the future.

Qualitative data from in-depth interviews with students reinforce the quantitative findings that four factors, subjective norms, product knowledge, digital banking, and alternative attractiveness, work synergistically in shaping the inclination to migrate toward Islamic banking. Faculty leaders recognize the role of education in strengthening these factors through academic policies, student activities, and mini-Islamic banking laboratory facilities. Islamic banking practitioners and financial experts emphasize the importance of accommodating all four factors in marketing and financial literacy strategies. The convergence of these perspectives reinforces the finding that these four elements jointly exert a substantial impact on the migration decision. Qualitative evidence confirms this synergy: students perceive the four factors working together in the process of their intention to switch. This finding enriches the Push-Pull-Mooring framework.

## **5 Conclusion**

This study found that subjective norms, product knowledge, digital banking, and alternative attractiveness positively and significantly influence students' intention to switch in the Islamic Banking Program toward Islamic banks. Alternative attractiveness emerged as the strongest predictor, followed by subjective norms. The four variables collectively explain 69.7% of the variation in switching intention.

Theoretically, this study contributes by demonstrating that in the context of students with high knowledge in Islamic finance, this study provides empirical evidence supporting the application of Ajzen's Theory of Planned Behavior (TPB) (Ajzen, 1991) in the context of switching to Islamic banking, namely that subjective norms and pull factors (alternative

attractiveness) tend to dominate the switching process. This finding enriches the Push Pull-Mooring framework (Bansal, 2005) by emphasizing the role of knowledge and religiosity in strengthening the appeal of Islamic values, as well as critiquing the application of the Technology Acceptance Model (TAM), Davis (1989), which indicates that digital technology has become a hygiene factor among Generation Z.

This has significant practical implications for Sharia bank managers as they work to accelerate the migration of customers from conventional banks. Given that alternative appeal has proven to be the most dominant factor, Islamic bank management should prioritize strengthening a unique value proposition through more competitive, innovative, and transparent profit-sharing financing products, as well as reinforcing its positioning as a bank that is not only modern but also grounded in principles of justice, spirituality, and social responsibility. The holistic Pull-Synergy approach can serve as a reference, where the appeal of alternatives is made the core focus, supported by leveraging subjective norms through ambassador and referral programs among students, the continuous improvement of Islamic financial literacy, and the development of more user-friendly digital services with distinctive Islamic features, such as a zakat calculator and technology-based Sharia advisors. For policymakers, particularly the OJK, Bank Indonesia, the Ministry of Religious Affairs, and the Ministry of Social Affairs, these findings should be considered when designing large-scale, integrated Islamic financial literacy programs with universities, providing fiscal incentives for Islamic product innovation, and promoting regulations that support collaboration between the Islamic banking industry and educational institutions. This approach can accelerate the achievement of Islamic market share targets while supporting efforts to eradicate extreme poverty in accordance with Presidential Instruction No. 8 of 2025.

This study has several limitations. First, the sample was limited to students in a single program at one university, so generalizations must be made with caution. Second, the cross-sectional design cannot definitively explain causal relationships. Third, it does not fully account for variations in switching intentions; therefore, other important variables, such as intrinsic religiosity, trust, switching costs, and service quality, have not been included. Future research is recommended to test this model on a more diverse population, conduct longitudinal studies to observe the realization of intentions into actual behavior, and analyze the mediating and moderating effects of variables such as religiosity and trust. This study provides a novel contribution through contextual and mechanistic validation in the Indonesian Islamic banking context by integrating Bansal's (2005) Push-Pull-Mooring (PPM) framework, Ajzen's (1991) Theory of Planned Behavior (TPB), and Davis's (1989) elements of the Technology Acceptance Model (TAM). Rather than claiming fundamental theoretical advancement, this study validates and expands the application of these models to a highly specific population: students in the Sharia Banking Program at UIN Sayyid Ali Rahmatullah Tulungagung, representing Generation Z with high sharia literacy in a country with the world's largest Muslim population, where the market share of sharia banking remains low despite rapid asset growth. The primary theoretical contribution lies in revealing the sequential and synergistic mechanisms among the four variables (subjective norms, product knowledge, digital banking, and alternative attractiveness), which were tested simultaneously and confirmed through qualitative data triangulation. Specifically, subjective norms function as an initial trigger influencing awareness; product knowledge

acts as a cognitive-rational mediator reinforcing religious and economic legitimacy; digital banking serves as an enabling moderator that reduces technical barriers and strengthens the relationship between product knowledge and alternative attractiveness; while alternative attractiveness emerges as the final mediator and dominant predictor that crystallizes the entire process into concrete switching intent. This mixed-methods approach yields new theoretical insights into the dynamics of the interaction among these factors within the context of formal Sharia education, a topic previously under-explored in the literature, which has tended to test variables in isolation or within general populations.

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