An Empirical Investigation of Chinese Muslims’ Intention to Adopt Islamic Banking Services in Western China

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Islamic banking has been growing rapidly worldwide, not only widespread in Muslim countries, but also in western countries as well. Even if Islamic bank services has been offered in Ninxia province since 2009 to serve Muslims at about 23 million of the population, the development of Islamic banking in China has been almost stagnant. Albeit this reality, this study seeks to examine the factors that influence Chinese Muslims’ intention to adopt Islamic banking. Employing the theory of planned behavior (TPB), the study investigates the effects of attitude, subjective norms, perceived behavioral control and religious obligation on intention to adopt the Islamic banking services among the Chinese Muslims. Survey data was collected from 699 Muslim respondents across four major cities in western China namely Lanzhou, Wulumuqi, Xining and Yinchuan. The hypothesized relationships are examined by using Analysis of Moments Structures (AMOS). The results show that apart from the common determinants of TPB: attitude, subjective norms, and perceived behavior control, religious obligation has significantly influenced the intention to adopt Islamic banking among the Chinese Muslims in western China. These indicate that the Chinese Muslims consider religious obligation as a very important factor in deciding their choice of banking.

Keywords: Chinese Muslims; Intention; Islamic Banking; Theory of Planned Behaviour

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