

**THE RELATIONSHIP BETWEEN ISLAMIC FINANCIAL LITERACY
(IFL), HALAL BRAND AWARENESS (HBA) IN CUSTOMER DECISION-
MAKING TO CHOOSING ISLAMIC BANK: A SEM-PLS STUDY**

Thesis

**Submitted to meet the Graduation Requirements of
Master's Degree (M.A. in Economics)**



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**FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS ISLAM INTERNASIONAL INDONESIA
DEPOK
1446 H / 2024 M**

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ABSTRACT

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The study reveals that the measurement model meets the required validity and reliability criteria, with all indicators showing satisfactory external loadings and AVE values. The structural model indicated a significant relationship between latent variables. The R Square value shows moderate to high explanatory power, and the SRMR value of 0.06 indicates suitable model fit, with a Goodness of Fit (GoF) Index of 0.662 categorizing the model fit as high. Using the SmartPLS software program, PLS-SEM analysis evaluates the outer and inner models. Assessment of measurement models emphasized the validity and reliability of indicators on measures such as outer loading, Cronbach's Alpha, Composite Reliability, AVE, and measures of discriminant validity, including the Fornell-Larcker criterion and cross-loading. Structural model estimation tests hypothesis testing, effect size, and predictive relevance using R Square, Q Square, SRMR, and PLS Predict measures. By using online survey data distributed to 1,027 respondents in 34 provinces in Indonesia, this study examines the application of PLS-SEM to explore the relationship between latent variables in the Islamic Financial Literacy (IFL) framework and Halal Brand Awareness (HBA). The influence of these variables on consumer decision-making when choosing Sharia banking products and services is also explored. In conclusion, this research provides empirical evidence supporting the clarity of the PLS-SEM approach in examining the factors influencing consumer behavior in Islamic finance.

Keywords: *Partial Least Squares-Structural Equation Modeling (PLS-SEM), Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), Ethical Considerations, Consumer Decision-Making*

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LIST OF ABBREVIATIONS

AVE	: <i>Average Variance Extracted</i>
CDM	: <i>Customer Decision Making</i>
CR	: <i>Composite Reliability</i>
GoF Index	: <i>Goodness of Fit Index</i>
HBA	: <i>Halal Brand Awareness</i>
HTMT	: <i>Heterotrait-Monotrait Ratio</i>
IFL	: <i>Islamic Financial Literacy</i>
MAE	: <i>Mean Absolute Error</i>
OJK	: <i>Otoritas Jasa Keuangan</i>
PLS	: <i>Partial Least Squares</i>
SEM	: <i>Structural Equation Modeling</i>
SRMR	: <i>Standardized Root Mean Square Residual</i>
VIF	: <i>Variance Inflated Fac</i>

CHAPTER I

INTRODUCTION

1.1 Background

The global landscape of banking and finance has undergone a significant transformation with the emergence and growth of Sharia banking institutions. According to El-Gamal (2006) and Suharto (2018), the basic principles of Islamic finance are based on Sharia law and emphasized the importance of proposing financial products and services that comply with Islamic principles. This paradigm shift is underscored by usury's prohibition in Islam, which limits income. It effectively modulates wealth, as seen in interest-free banking laws and procedures, as highlighted by Dehgani and Managheb (2016).

Besides that, Islamic finance promotes fairness, socio-economic justice, and sustainable development while preserving the environment and reducing public borrowings, as Hassan and Kayed (2009) noted regarding ethical practices and social responsibility in the Sharia banking sector. This study explores the increasing trend towards Sharia banking as a viable alternative to conventional banking, especially among customers who value ethical and socially responsible financial services, as emphasized by Hamidi & Worthington (2021) and Islamic Development Bank (IDB) (2023). Islamic banking has progressed from \$5 billion in 1985 to \$100 billion, with non-interest-based financial systems now accepted in both Muslim and non-Muslim countries. Still, challenges remain for further growth and acceptance, as Iqbal and Mirakhor (1999) stated. In addition, Profit-sharing contracts in Islamic finance can facilitate improved efficiency and stability in a financial system, as suggested by Iqbal & Llewellyn (2002).

Understanding the factors influencing customers' decision-making when choosing a Sharia bank is essential for academics and practitioners in this dynamic environment. Bank Sharia Indonesia (BSI) is essential in developing Sharia banking in the Indonesian context. As a lead bank in Indonesia, BSI's commitment to providing customers with modern, comprehensive, and universal Sharia financial solutions reflects the bank's focus on Sharia products and services. BSI's marketing strategy for 2022 emphasized the importance of increasing awareness and interest in BSI products, improving financial literacy in Sharia banking, and involving the community with various initiatives to strengthen brand image (BSI, 2022). Through these initiatives, BSI intends to increase

public understanding of Sharia financial concepts and products and build a strong brand image as a bank committed to Sharia values.

An essential part of this decision-making process is Islamic Financial Literacy, which reflects an individual's level of understanding and knowledge regarding Islamic financial concepts, products, and services. Customers with a higher level of Islamic Financial Literacy tend to make more informed decisions, aligning their choices with their values and beliefs following Sharia principles. Din et al., (2021), emphasized that Shariah literacy showed an insignificant impact on herding for Islamic financial products, while self-attribution, the illusion of control, and information availability had positive impacts. Many experts also share this opinion and underscore the importance of financial literacy in empowering customers to navigate financial intricacies. Lusardi and Mitchell (2013) emphasized that financial literacy is crucial for economic decision-making and welfare, with a growing body of research highlighting its importance for welfare and public policy.

Furthermore, Dinc et al., (2023) highlighted the role of Islamic Financial Literacy in enabling individuals to differentiate between conventional financial products and Sharia financial products, ensuring their choices are aligned with their religious beliefs. On the other hand, financial illiteracy has effects and consequences on economic decision-making, and there is a need to remedy these gaps Lusardi & Mitchell (2013). However, financial literacy does not significantly impact customer attitudes towards Islamic banking services in Bangladesh (Hoque et al., 2022). In this regard, increasing Islamic Financial Literacy emerges as an essential effort to empower individuals to make appropriate and responsible financial decisions within the framework of Islamic principles.

Besides financial literacy and ethical considerations, the Halal Brand Awareness concept is essential in shaping customers' perceptions and preferences, especially in Sharia banking. Halal Brand Awareness includes consumers' awareness and perception of certified halal brands, meaning they comply with Islamic law and ethical standards. The emergence of brand trust plays a key role in generating customers' commitment, especially in high-involvement situations, with a stronger effect than overall satisfaction, as mentioned by Delgado & Munuera (2001) and K. L. Keller (1993). Developing and maintaining robust Halal Brand Awareness for Sharia banks is crucial in attracting and retaining customers in the niche Islamic financial services market.

Halal brand awareness has a greater impact on consumer loyalty towards the Islamic banking system than brand loyalty, highlighting the need for effective marketing communication strategies., as Maulan (2016) argues. Fostering a solid brand encourages customers' trust and loyalty, leading to long-term profitability and sustainable growth for financial institutions, as Cardoso et al., (2022) stated. Consumers' halal choice behavior and perceived self-expressive benefits directly predict consumer-based halal brand equity (CBHBE) Butt et al., (2017). For Sharia banks, growing Halal Brand Awareness is critical to increase new customers and strengthen the values and principles of Sharia compliance, thereby increasing brand credibility and reputation, as suggested by Siddique et al., (2022) and Hati et al., (2023). Despite the increasing importance of Islamic Financial Literacy and Halal Brand Awareness, understanding of the interaction between these factors and their combined impact on Customers Decision-Making in the context of Sharia banking still needs to be improved. This study aims to bridge this gap by exploring the relationship between Islamic Financial Literacy, Halal Brand Awareness, and Customer Decision-Making processes in choosing a Sharia bank. Using Structural Equation Modeling-Partial Least Squares (SEM-PLS), this study utilizes primary data to analyze and model the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM).

1.2 Problem Statement

In this context, this study aims to identify and analyze the relative impact of Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) on Customers Decision-Making (CDM). Using the application of the Structural Equation Modeling-Partial Least Squares (SEM-PLS) approach by utilizing primary data, the research will also explore whether there is a mutual relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) processes.

The research questions to be answered in this study include:

1. How does Islamic Financial Literacy (IFL) relate to the Customer Decision-Making (CDM) process when choosing a Sharia bank?
2. How does Halal Brand Awareness (HBA) relate to the Customers Decision-Making (CDM) process in choosing a Sharia bank?
3. How does Islamic Financial Literacy (IFL) relate to Halal Brand Awareness (HBA)?

4. How does Islamic Financial Literacy related to the Customers Decision-Making (CDM) process in choosing a Sharia bank through Halal Brand Awareness (HBA)?

By resolving these questions, this study intends to provide a deeper understanding of the factors affecting customers' decisions in Sharia banking and contribute valuable insights to developing marketing strategies and financial education initiatives in Islamic finance.

1.3 Research Objectives

Using the Structural Equation Modeling-Partial Least Squares (SEM-PLS) method and primary data, this study was more detailed in analyzing the relationship between Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) and Customer Decisions to choose a Sharia bank.

The primary objectives of this study are:

1. To discover and explore the relationship between Islamic Financial Literacy and the Customers Decision-Making (CDM) process when choosing a Sharia bank.
2. To determine and understand the relationship between Halal Brand Awareness (HBA) and the Customers Decision-Making (CDM) process in choosing a Sharia bank.
3. To investigate and describe the relationship between Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA).
4. To discover Islamic Financial Literacy (IFL) in the Customers Decision-Making (CDM) process when choosing a Sharia bank through Halal Brand Awareness (HBA).

Answering this study question can provide a deeper understanding of the factors influencing customer decisions in Sharia banking.

1.4 Significance of Research

The significance of this study lies in its potential contribution to the Sharia banking business, marketing strategies, and financial literacy initiatives. Some key points that highlighted the importance of this study include:

1. Increased Understanding of Customers Decision-Making

By exploring the relationship between Islamic Financial Literacy, Halal Brand Awareness, and Customers Decision-Making in choosing a Sharia bank, this study can reveal insights into the factors that influence individual preferences for Sharia banking. The significance of this study lies in its potential contribution to the Sharia banking business, marketing strategies, and financial literacy initiatives.

2. Increased Understanding of Customers Decision-Making

By exploring the relationship between Islamic Financial Literacy, Halal Brand Awareness, and Customers Decision-Making when choosing a Sharia bank, this study can reveal insights into the factors that influence individual preferences for Sharia banking.

3. Insights for Marketing Strategy

Examining the relationship between Islamic Financial Literacy and customers' decision-making processes can provide valuable insights into educational initiatives' efficacy in improving financial literacy and their impact on consumer behavior in the Sharia banking sector.

4. Branding Strategy Evaluation

Analyzing the relationship between Halal Brand Awareness and Customers Decision-Making processes is essential to assess the effectiveness of branding strategies used by Sharia banks, providing valuable insight into the importance of brand recognition in consumer choices in the Islamic finance Industry.

5. Promotion of Financial Literacy and Brand Loyalty

Exploring the relationship between Islamic Financial Literacy and Halal Brand Awareness can explain how knowledge of Sharia financial products interacts with perceptions of specific brands in the Sharia banking sector, informing strategies for promoting financial literacy and strengthening brand loyalty among consumers.

6. Comprehensive Understanding of the Decision-Making Process

Investigating how Islamic Financial Literacy influences customers' decision-making processes through Halal Brand Awareness can provide a thorough understanding of the interaction between knowledge, perception, and choice in the context of Sharia banking, informing strategies to attract and retain customers effectively.

This study has important significance in advancing knowledge in the field of Islamic finance, providing practical insights for Sharia banking practitioners, and addressing critical gaps in understanding the dynamics of Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in choosing Sharia banks.

1.5 Scope and Limitations

In the context of this study, the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and the Customers Decision-Making (CDM) process in choosing a Sharia bank using the SEM-PLS method and primary data needs to be explained by several research limitations:

1. Limitations of Primary Data

This study relies heavily on primary data collected by Likert scale questionnaires. Limitations of primary data include potential sampling constraints that affect the representativeness of the sample, subjective responses from participants, and limitations in capturing the complexity of participant attitudes or behavior.

2. Limitations of the Scope of Islamic Financial Literacy

This study focuses on Islamic Financial Literacy as a critical factor. However, understanding Islamic Financial Literacy can vary between respondents. This variability may influence the study results, and the results may need to fully capture the diversity of customers' knowledge regarding Islamic finance concepts.

3. Geographical and Cultural Circumstances

Research is limited to specific geographic and cultural contexts, which may affect the generalizability of findings. The results obtained may be more relevant to populations or contexts; accordingly, caution should be used when generalizing these findings to different settings.

4. Focus on Sharia Banks

This study is limited to Sharia banks, and the resulting findings may only partially apply to conventional financial institutions. Therefore, these limitations must be understood when investigating the relationship between financial literacy, Halal Brand Awareness, and customers' decisions.

5. Limitations of SEM-PLS Analysis

Although the SEM-PLS method is used for analysis, it has limitations. Interpretation of SEM-PLS results should consider methodological aspects, and the findings should be seen as a contribution that can be considered.

By recognizing these limitations, this study aims to provide a valuable contribution to understanding the factors that influence customer's decisions in Sharia banking, considering the existing constraints and challenges.

CHAPTER II

LITERATURE REVIEW

2.1 Islamic Financial Literacy (IFL)

Islamic financial literacy is critical in understanding how individuals engage with Sharia banking products and services. Customers' financial literacy level is pivotal in shaping their decision-making processes, particularly when choosing Sharia banks. In this part, the researcher reviewed existing literature that explores the multifaceted aspects of Islamic financial literacy.

2.1.1 Definition and Components

1) Definition of Islamic Financial Literacy

Islamic financial literacy, a pivotal aspect in understanding customers decision-making within Sharia banking, involves a comprehensive grasp of Islamic financial concepts, principles, and products. Exploring the definition and components of Islamic financial literacy reveals the intricacies of this multifaceted construct.

Scholars, such as Bay & Johed (2014), find financial literacy is a concept that varies in practice and context and is not solely a character trait that can be identified through reading and writing in finance and accounting language. Godlewski et al., (2013) stated that Stock market investors react negatively to Sukuk issue announcements, indicating a need to distinguish between conventional and Islamic financial literacy. Din et al., (2021) asserts, that Sharia literacy shows an insignificant impact on herding for Islamic financial products, while self-attribution, the illusion of control, and information availability positively impact herding. Financial literacy positively influences investment decisions in Saudi Arabia Seraj et al., (2022). Financial literacy is significantly positively associated with investment in financial markets in the United States, suggesting the introduction of financial literacy programs into the academic curriculum Khan et al., (2020).

Lusardi and Mitchell (2013) define financial literacy as a form of investment in human capital impacting economic decision-making. Conversely, Hoque et al., (2022) stated that ethical organization, Islamic values, and reputation significantly impact customer attitudes toward Islamic banking services in Bangladesh, while financial literacy has no significant impact.

Mohiuddin & Siddiqui (2023), characterize Islamic financial literacy as a holistic understanding of the principles of Maqasid al-Shariah (objectives of Islamic law) and their application in financial practices, encompassing not only technical knowledge but also ethical halal awareness and social responsibility. These definitions underscore the importance of grasping the fundamental principles of Islamic finance and recognizing its distinct features and ethical underpinnings compared to conventional finance.

2) Components of Islamic financial literacy

Grohmann et al., (2018), propose financial literacy improves financial inclusion by strengthening the effect of financial depth, regardless of income levels and various subgroups within countries. Choudhury (1990) contributes to the delineation that Mudaraba and Musharakah are pre-Islamic financing instruments that lack relational perspectives and have technical and ethical problems in development financing. Customer awareness of Islamic financial products like Murabaha Musharaka and Mudaraba is high, but they do not deal with them often (Naser et al., 2013). Islamic financial literacy and past behavior have a significant positive effect on investment intentions in the Islamic capital market (Yusfiarto et al., 2023). Financial proficiency and literacy are imperative drives for realizing financial inclusion in Islamic finance, particularly for women, low-income earners, and rural poor (Shinkafi, 2019). Higher Islamic financial literacy is crucial for potential new customers, but it doesn't lead to a higher intention to use Islamic banks unless there is a positive attitude towards them Albaity & Rahman, (2019). Infusing Islamic financial literacy into basic arithmetic can help students acquire fundamental arithmetic abilities and advance their Islamic Financial Literacy (Kusumawati et al., 2023). Islamic financial literacy plays a crucial role in influencing small business customers' preference for Islamic banks over conventional ones in Yemen Al-Awlaqi & Aamer (2022). Financial knowledge is a form of investment in human capital, impacting welfare and economic decision-making Lusardi & Mitchell (2013).

Moreover, Sukardi et al., (2023) emphasized the importance of practical knowledge in Islamic financial literacy, stating that it involves understanding the theoretical aspects and possessing the practical skills necessary to effectively navigate Sharia-compliant financial products and services. Hc & Gusaptono (2020), further expand on the financial knowledge, behavior, awareness, and attitudes that positively impact investment decisions among Sharia Bank customers in the Special Region of Yogyakarta, Indonesia. Lastly, Dewi & Ferdian (2021) stress the importance of a comprehensive

education model using Prochaska and DiClemente's transtheoretical model, which can enhance Islamic financial literacy and support the development of Islamic finance.

2.1.2 Relevance in the Context of Sharia Banking

The relevance of Islamic financial literacy within the context of Sharia banking is paramount, as it shapes customers decision-making and halal brand awareness in a distinctive financial environment governed by Sharia principles. Exploring this significance provides insights into the intricate relationship between Islamic financial literacy, halal brand awareness, and the selection of Sharia banks.

1) Alignment with Sharia Principles

Islamic financial literacy is crucial within the context of Sharia banking due to its alignment with Sharia principles. As highlighted by Dewi & Ferdian (2021), a comprehensive education model using Prochaska and DiClemente's transtheoretical model can enhance Islamic financial literacy and support the development of Islamic finance. This alignment fosters trust and confidence in the banking system. They also emphasized that Islamic financial literacy enables customers to understand the principles of fairness, transparency, and social responsibility that underpin Sharia-compliant financial transactions. This understanding empowers customers to make knowledgeable decisions that align with their religious beliefs and values.

Furthermore, Hosen (2012) argues that customer satisfaction in Islamic banks is generally high, with access, price, interruption, technology, and variety of products being key factors, while Sharia compliance is a critical point for service improvement. Alignment with Sharia principles is a crucial aspect of Islamic financial literacy within the context of Sharia banking. Customers with higher Islamic financial literacy can better comprehend and adhere to ethical guidelines, increasing trust and confidence in the banking system.

2) Informed Decision-Making in Islamic Finance

The unique features of Islamic finance demand a specialized level of literacy for informed decision-making. Ullah et al., (2023) argue that Islamic banks possess five types of Shariah capabilities, leading to four types of value propositions, including Shariah identity, Riba-free value, Shariah disclosure, and tangibility value. This informed decision-making process contributes to the success and sustainability of Sharia banking institutions. Biancone and Radwan (2018) highlighted that Sharia-compliant financing offers a potential financial resource for public utility projects, ensuring consistency with

Islamic financial principles. This understanding empowers customers to evaluate the suitability of Sharia financial products based on their individual financial goals and religious beliefs.

Similarly, Azmat et al., (2020) emphasized the importance of Islamic financial literacy in guiding customers through the complexities of Sharia banking. They argue that Islamic banks use advertising and prior knowledge to persuade customers to select Islamic financial products by using the customer's "coarse thinking" process and making products appear more religiously compliant. Informed decision-making in Islamic finance requires a specialized level of literacy that goes beyond traditional financial knowledge. Customers who are well-versed in Islamic financial principles can navigate the diverse Sharia-compliant products offered by Sharia banks more effectively, contributing to the success and sustainability of Sharia banking institutions.

3) Ethical Dimensions of Customers Choices

Islamic financial literacy incorporates ethical dimensions beyond conventional financial knowledge. In the context of Sharia banking, this ethical awareness influences customer's choices. Manansala et al., (2024) suggested that customer perception of ethicality significantly influences brand equity in the banking sector, with brand image mediating this relationship. According to Lai, J. (2014), Islamic finance in Malaysia focuses on accountability as a conceptual bridge between ethical standards and their enforcement, influencing ethical financial decision-making. This ethical awareness prompts customers to seek Sharia-compliant products and services that adhere to fairness, transparency, and social responsibility principles. Furthermore, Bayer et al., (2019) argue that primary factors discouraging customers from selecting ethical banks include lack of information, limited social context pressure, weak moral intensity, and a perception that ethical banks are economically disadvantageous. They suggested that customers knowledgeable about Islamic finance are more likely to make ethical choices in their financial transactions, contributing to Sharia banks' ethical and equitable functioning. Islamic marketing ethics significantly enhance customer satisfaction in Islamic banking, suggesting that banks should focus on ethical marketing practices to develop long-term customer relationships Abbas et al., (2019). Islamic financial literacy plays a decisive potential role in customers' preference for Islamic banks over conventional ones Al-Awlaqi & Aamer (2022).

Moreover, Shamsudheen & Rosly (2020), emphasized the importance of ethical considerations in customer's choices, stating that Islamic banking practitioners in UAE's

decision-making behavior related to ethical issues does not adhere to normative ethical standards, making ethical judgment crucial for corporate decision-making and banking profitability. Ethical dimensions are integral to customer's choices in Sharia banking. Islamic financial literacy plays a significant role in shaping customers' ethical awareness and guiding them toward choices that align with equity, fairness, and social responsibility principles.

4) Navigating Unique Sharia Banking Products

Islamic financial literacy is pivotal in building trust and confidence in Sharia banking institutions. Abbas et al., (2022) find higher levels of Islamic financial literacy positively affect marketability, enhancing Islamic banking marketability and leading to continuous increases in earnings growth. Ashraf et al., (2015) examined trust and confidence as active influencers in the decision-making process for Muslims in Pakistan, contributing to the sustained growth of Sharia banking. They found that customers who were more knowledgeable about Islamic financial principles tended to have higher levels of trust in Sharia banking institutions. This trust was attributed to customers' confidence in the adherence of Sharia banks to Sharia principles and their perceived ethical conduct. Furthermore, Fisch & Seligman (2021) highlighted trust and financial literacy are strongly related to financial market participation, with trust more uniformly correlated with increases, while financial literacy has a U-shaped relationship, initially associated with reductions, and then increases.

Moreover, Hassan and Aliyu (2018) emphasized the importance of trust in Islamic banking and the role of Islamic financial literacy in decision-making and trust-building. Islamic financial literacy contributes significantly to building trust and confidence in Sharia banking institutions. Customers who are more knowledgeable about Islamic financial principles tend to have higher levels of trust in Sharia banks, leading to increased confidence in their services and products, accordingly, contributing to the sustained growth of Sharia banking.

2.2 Brand Awareness in Sharia Banks

Indonesian consumers have a very high halal awareness index of 94.91, influenced primarily by religious belief, health reasons, and logo certification (Kurniawati & Savitri, 2020). Halal awareness and religiosity significantly shape consumers' decisions regarding halal products, influencing their intention to buy them Rahman et al., (2015). Halal awareness significantly shapes consumers' decisions regarding halal products, but its full

potential has yet to be harnessed in marketing and branding (Wilson & Liu 2010). Religiosity, Islamic brand knowledge, and Islamic corporate social responsibility are proposed as antecedents of Islamic branding, which can result in stronger brands (Bukhari & Isa, 2020). Halal brand association (HalBA) for Islamic banks contains 15 attributes, categorized into three dimensions: Shari'ah-compliant association, God-consciousness association, and corporate social responsibility association (Maulan et al., 2016). This literature review explores the concept of brand awareness in Sharia banking and its significance in shaping customers' decision-making processes. Brand awareness in Sharia banking includes three types of brand recognition (brand recognition, category-cued brand-name recall, and brand recall-boosted recognition) and five levels of brand attitude (Rossiter, 2014). This understanding is crucial for customers when choosing Sharia banks.

In Sharia banking, halal brand awareness extends beyond traditional notions of recognition and recall. It includes understanding the brand's commitment to Sharia principles, ethical conduct, and social responsibility. Customers who are aware of these attributes are more likely to trust the brand and choose it for their financial needs. Ahmed (2014) emphasized Islamic Shariah compliance positively influences service quality and customer satisfaction in Islamic banking services, with service quality partially mediating this relationship. Ethical organization, Islamic values, and reputation significantly impact customer attitudes toward Islamic banking services, which in turn influence their behavioral intentions to engage in such services Hoque et al., (2022). The importance of incorporating Islamic values and principles, such as Sharia compliance, belief (Aqidah), Islamic law (Sharia), and morality (Akhlak), in defining Islamic brands to resonate with Muslim consumers. Furthermore, Maulan et al., (2016) highlighted Halal brand association (HalBA) for Islamic banks contains 15 attributes, which can be categorized into three dimensions: Shari'ah-compliant association, God-consciousness association, and corporate social responsibility association.

This explanation shows that halal brand awareness plays a significant role in Sharia banking by shaping customers' perceptions, preferences, and decision-making processes. Customers who are aware of a brand's comments on Sharia principles are more likely to trust and choose Sharia banks for their financial needs, contributing to the success and sustainability of these institutions.

2.2.1 Concept of Halal brand Awareness

Halal brand awareness is a fundamental component in the marketing and positioning of financial institutions, particularly in the context of Sharia banks. The concept involves how customers recognize, recall, and associate a brand with specific attributes. In the realm of Sharia banking, halal brand awareness goes beyond mere recognition of names and logos; it encompasses an understanding of the ethical and Sharia-compliant principles that the brand represents.

1) Components of Halal Brand Awareness

According to K. L. Keller (1993) and Aaker (1991), brand awareness consists of critical components such as brand recognition, recall, and association. Krishnan et al., (2017) highlighted that consumers still have skeptical attitudes toward halal logos and certification, and halal governance hinders the process of certification. This includes consumers' knowledge of whether a brand or product has obtained halal certification, whether the production process complies with halal principles, and whether the brand can be trusted as a legitimate producer of halal products. The level of awareness of halal brands can influence the preferences of Muslim consumers when choosing products and services that align with their religious beliefs and values. For Sharia banks, Islamic banking should provide financial products that cater to three needs of society: necessities/essentials, complementary requirements, and beautifications/embellishments to better serve the real economy (Yumna, 2019).

On the other hand, brand recall pertains to customers' ability to retrieve the brand from memory when prompted with relevant stimuli. In the context of Sharia banks, brand recall involves customers' ability to remember the ethical principles and Sharia compliance associated with a particular Islamic bank (Shahid, 2012). Brand awareness is positively associated with perceived quality, brand image, brand experience, brand loyalty, and brand awareness in Islamic banking (Altaf et al., 2017).

From this point, it can be concluded that the components of halal brand awareness in Sharia banking encompass brand recognition, recall, and association, with a focus on recognizing and recalling the institution's commitment to Sharia compliance, ethical practices, and the unique values associated with Islamic finance.

2) Ethical Dimensions

Manansala et al., (2024) highlighted customer perception of ethicality, brand image, and effect are significantly associated with brand equity in the banking sector.

Sharia Banks aims to build customer awareness by emphasizing elements inherent in Sharia Banking, such as moral values and principles, to create a strong brand image. The concept involves communicating the institution's commitment to ethical banking practices, contributing to a distinctive brand identity. In Sharia banking, halal brand awareness encompasses more than just recognition and recall; it extends to customers' perception of the brand's ethical conduct and adherence to Sharia principles. Adopting corporate social responsibility practices in the banking industry in Pakistan leads to increased customer loyalty through increased trust, customer-company identification, and improved electronic service quality (Islam et al., 2021).

This ethical dimension of halal brand awareness plays a significant role in shaping customer's perceptions and preferences. Ethical organizations, Islamic values, and reputation significantly impact customer attitudes toward Islamic banking services, which in turn influence their behavioral intentions to engage in such services (Hoque et al., 2022). Furthermore, Manansala et al., (2024) emphasized that customer perception of ethicality, brand image, and affect are significantly associated with brand equity in the banking sector. Customers expect Sharia banks to uphold high ethical standards and conduct operations consistent with Sharia principles.

At this point, the ethical dimensions of halal brand awareness in Sharia banks involve customers' recognition and association of the brand with moral values and principles. Communicating the institution's commitment to ethical banking practices contributes to a distinctive brand identity and increases customer's trust and loyalty.

2.2.2 Importance of Halal Brand Awareness in Bank Selection

The importance of halal brand awareness becomes evident in customers' decision-making processes, especially when selecting banks. In the context of Sharia banking, the ethical and Sharia-compliant dimensions amplify the significance of halal brand awareness in shaping customers' choices. Halal brand awareness significantly affects customers' perceptions and preferences when selecting banks. Customers are more likely to trust and select banks with vital halal brand awareness, as it signals reliability, credibility, and consistency in service delivery (Karim & Tajibu, 2022). In Sharia banking, where ethical and Sharia-compliant principles are paramount, halal brand awareness takes on added significance. Customers seek out banks that are perceived as ethically responsible and committed to Sharia principles, and robust halal brand awareness can differentiate Sharia banks from their conventional counterparts (Rammal & Zurbruegg, 2007).

Moreover, Karim et al., (2023) emphasized that halal brand awareness contributes to the perception of a bank's reputation and reliability in the market. Customers rely on halal brand awareness to signal a bank's trustworthiness and adherence to ethical standards, particularly in Islamic finance. Halal brand awareness is critical in bank selection, particularly in Sharia banking, where ethical and Sharia-compliant dimensions are emphasized. Customers rely on halal brand awareness as a signal of reliability, credibility, and adherence to ethical standards, affecting their decision-making processes and shaping their choices of Sharia banks.

1) Trust-Building Mechanism

Halal brand awareness is a trust-building mechanism that affects customers' decisions favoring Sharia banks. Nardi et al., (2020) emphasized that Customers with a high propensity to trust have high levels of participation, which can promote brand outcomes like satisfaction, loyalty, and performance. In Sharia banking, trust is closely tied to the perceived adherence to Sharia principles. Wilson and Liu (2010) highlighted that trust is a fundamental component of halal brand awareness in Sharia banking. Customers who know a bank's brand and commitment to Sharia principles are likelier to trust the institution and choose it for their financial needs. This trust-building mechanism is essential for fostering long-term relationships with customers and ensuring the sustainability of Sharia banks.

Moreover, Ali et al., (2020) suggested that Halal brand image significantly influences halal brand perceived quality, satisfaction, trust, and loyalty, which in turn significantly influences consumer halal brand purchase intention. Customers rely on halal brand awareness to indicate a bank's reputation and integrity, particularly in Islamic finance, where ethical and Sharia-compliant principles are emphasized. Furthermore, Tabrani et al., (2018) emphasized that Trust has a significant relationship with commitment and customer intimacy but no significant relationship with customer loyalty in Islamic banking. Customers who trust an Islamic bank are likelier to continue using its services and recommend it to others, contributing to its growth and market success.

From this point of view, halal brand awareness is a trust-building mechanism in Sharia banking that affects customers' decisions in favor of banks they trust. Trust is closely tied to the perceived adherence to Sharia principles, and robust halal brand awareness increases customers' confidence and loyalty, contributing to the sustainability and success of Sharia banks.

2) Distinctiveness and Differentiation

The distinctiveness of Sharia Banks' brand awareness contributes to its differentiation in the market. K. L. Keller (1993) mentions that successful branding involves creating a unique position in customers' minds. For Sharia banks, Islamic Shariah compliance positively influences service quality and customer pleasure in Islamic banking services, partially mediating the relationship between Shariah compliance and customer satisfaction (Ahmed et al., 2021). K. L. Keller (1993) emphasized that creating a unique position in customers' minds is essential for successful branding. In the case of Sharia banks, this distinctiveness stems from their commitment to Sharia compliance and ethical principles. By effectively communicating their adherence to Sharia principles, Sharia banks differentiate themselves from conventional banks and attract customers who prioritize ethical and Sharia-compliant banking services.

Moreover, Srivastava and Dey (2016) suggested that Sharia Banks' halal brand awareness is distinctive because of its unique value proposition, as perceived by young consumers in India. Customers perceive Sharia banks as offering ethical, transparent, and socially responsible banking services, which sets them apart from conventional banks. This distinctiveness influences customers' decisions and encourages them to choose Sharia banks over conventional alternatives. Furthermore, Zaichkowsky (2010) highlighted Brand identity elements, such as name, logo, font type, symbols, color, shape, and unique product and benefit descriptions, which contribute to distinct consumer perceptions and help differentiate brands from competitors. Attitude towards halal banking positively influences perceived e-service quality and overall e-satisfaction with online services in an online Islamic banking context (Mohsin & Aftab, 2013).

In summary, the distinctiveness of Sharia Banks' halal brand awareness contributes to its differentiation in the market by effectively communicating its commitment to Sharia compliance and ethical principles. This distinctiveness influences customers' decisions and encourages them to choose Sharia banks over conventional alternatives, thereby enhancing the sustainability and success of Sharia banking institutions.

3) Extended Impact on Bank Selection

S. Ahmed et al., (2022) emphasized that Islamic Shariah compliance positively influences service quality and customer satisfaction in Islamic banking services, with service quality partially mediating this relationship. Barreda et al., (2015) highlighted that Building brand awareness in Online Social Networks increases word-of-mouth traffic,

and creating a virtually interactive environment, rewards, and exclusive privileges can help achieve this goal. Sharia banks that effectively utilize digital platforms to communicate their commitment to Sharia compliance and ethical principles can attract a larger audience of customers seeking Sharia-compliant banking services.

Furthermore, Mohsin & Aftab (2013) suggested that Attitude toward Halal banking positively influences perceived e-service quality and overall e-satisfaction in an online Islamic banking context. Customers can easily research and compare different Sharia banks based on their brand reputation and commitment to Sharia compliance, affecting their decision-making when selecting banks. Moreover, Mainardes et al., (2020) highlighted that Integrated interaction quality positively influences customer loyalty in banking, with a positive effect acting as a mediating factor.

From this point, understanding the concept and importance of halal brand awareness in Sharia banks provides a comprehensive foundation for exploring its relationship with Islamic financial literacy and customers decision-making processes. The ethical dimensions, trust-building aspects, and the distinctive positioning of Sharia banks collectively contribute to the intricate dynamics of halal brand awareness in Islamic finance.

2.3 Customers Decision-Making in Choosing Sharia Banks

Customers decision-making processes in choosing Sharia banks are influenced by various factors, including Islamic financial literacy, halal brand awareness, and ethical considerations. This literature review explores the role of customers decision-making in choosing Sharia banks and its relationship with Islamic financial literacy and halal brand awareness. Islamic financial literacy significantly shapes customers decision-making processes in choosing Sharia banks. Financial literacy impacts financial decision making, affecting individuals, communities, countries, and society Lusardi, (2015). Furthermore, Albaity & Rahman (2019) emphasized that higher Islamic financial literacy is negatively correlated with the intention to use Islamic banking, but this changes to a positive correlation when a positive attitude towards Islamic banking is present.

Halal brand awareness also influences customers decision-making in choosing Sharia banks. A strong Islamic brand reputation and better financial and banking services are the main factors influencing the selection of a brand in Islamic banking among university students in Malaysia (Ahmad et al., 2011). Strong brand presence in banking can lead to better customer engagement and loyalty, with gender playing a moderating

role (Rasool, 2021). Moreover, when choosing Sharia Banks, ethical considerations are significant in customers' decision-making processes. Integrating ethics into strategic decision-making leads to more effective long-term and short-term strategies, maximizing corporate profits and improving strategy development and implementation (Key & Popkin, 1998).

In summary, the ethical dimension of halal brand awareness contributes to customers' perceptions of the bank's integrity and reliability, affecting their decision to choose Sharia Banks over conventional alternatives. Customers decision-making processes in choosing Sharia banks are influenced by Islamic financial literacy, halal brand awareness, and ethical considerations. Customers with higher Islamic financial literacy are better equipped to make informed decisions. At the same time, robust halal brand awareness and ethical practices enhance customer's trust and confidence in the bank's offerings, ultimately affecting their choice of Sharia banks.

2.3.1 Factors Affecting Customers Decisions

When choosing Sharia banks, customer decision-making is a complex process influenced by various financial and non-financial considerations. Understanding these factors provides insight into the intricate dynamics of how customers navigate their choices in the Sharia banking landscape.

1) Islamic Financial Literacy

One of the primary factors affecting customer decisions when choosing Sharia banks is their Islamic financial literacy level. Islamic financial literacy plays a decisive potential role in customers' preference for Islamic banks over conventional ones (Al-Awlaqi & Aamer, 2022). They emphasized that Islamic Shariah compliance positively influences service quality and customer satisfaction in Islamic banking services, with service quality partially mediating this relationship (Ahmed et al., 2021). Customers with a higher level of Islamic financial literacy are more likely to comprehend the Sharia compliance and ethical aspects embedded in banking products, influencing their choice of Sharia banks.

Albaity and Rahman (2019), further support this notion by highlighting that IFL, awareness, reputation, and attitude towards Islamic banking significantly influence the intention to use Islamic banking. Islamic financial literacy plays a significant role in customer decisions when choosing Sharia banks. Customers who possess a deeper understanding of Islamic financial principles are better equipped to assess the Sharia

compliance and ethical aspects of banking products, which ultimately influences their choice of Sharia banks. Therefore, enhancing Islamic financial literacy among customers is essential for promoting informed decision-making in the Sharia banking sector.

2) Halal Brand Awareness

Halal brand awareness also plays a significant role in affecting customers' decisions. The attitude towards halal banking positively influences perceived e-service quality and overall e-satisfaction with online services (Mohsin & Aftab, 2013) emphasized that trustworthiness and Shariah compliance have the strongest impact on customer satisfaction in Islamic banks, followed by sincerity and justice. Banks with a well-established brand presence are perceived as more credible and more likely to attract customers seeking Sharia-compliant banking services.

Furthermore, Ali et al., (2020) and Wilson & Liu (2011) highlighted that a robust halal brand presence positively influences customer trust and confidence in the bank's offerings. Customers feel more assured when engaging with banks with recognizable and reputable brands, as it signals a commitment to quality and ethical practices. Effective branding strategies are essential for enhancing halal brand awareness and attracting customers. Strengthening branding and corporate culture in marketing strategy can help Islamic banks maintain customer trust and create strong, reliable relationships with customers (Kartika et al., 2020). Halal brand awareness plays a significant role in customers' decisions when choosing Sharia banks. A strong brand presence signals reliability, credibility, and adherence to ethical principles, affecting customers' decisions to engage with the bank. Effective branding strategies that emphasized the bank's commitment to Sharia compliance and ethical practices are essential for enhancing halal brand awareness and attracting customers in the competitive banking industry.

3) Ethical Considerations

Ethical considerations are another crucial factor affecting customers' decisions when choosing Sharia Banks. Customers of Islamic banking have their views on ethical practices, and banks that demonstrate commitment to these principles may attract and retain more customers (Gilani, H. (2015). They highlighted the importance of ethical considerations in customer decision-making, particularly in Sharia banking. Customers seek banks that uphold Sharia-compliant practices and ethical standards, as these align with their values and principles.

Moreover, the customer perception of ethicality, brand image, and affect are significantly associated with brand equity in the banking sector (Manansala et al., 2024). Banks perceived as ethically responsible and committed to Sharia compliance are more likely to be trusted by customers, affecting their decision to choose Sharia banks over conventional alternatives. Customers prioritize banks that align with their values and ethical standards, and ethical considerations play a significant role in their decision-making process. Sharia banks can attract and retain customers who prioritize these values by demonstrating a commitment to ethical and Sharia-compliant practices, thereby enhancing their competitiveness in the market.

4) Service Quality and Trust

The quality of services Sharia Banks provides is a crucial factor affecting customers' decisions. Zeithaml et al., (1996) highlighted that customers' behavioral intentions are strongly influenced by service quality, which may impact their trust in the institution. Positive experiences and a perceived commitment to ethical practices contribute to building trust, a crucial aspect of the decision-making process. Janahi & Al Mubarak (2017) emphasized that the Six main dimensions of customer service quality (Compliance, Assurance, Reliability, Tangibility, Empathy, and Responsiveness) have strong and positive relationships with customer satisfaction in Islamic banking. A positive experience with the bank's services fosters trusts and confidence in the institution, affecting customers' decisions to engage with the bank for their banking needs. Indonesian Islamic banks can strengthen customer loyalty by maintaining a good image, service quality, and Sharia compliance through branding, corporate culture, and product innovation (Kartika et al., 2020).

Moreover, the perceived commitment to ethical practices further increases trust in Sharia banks. Ethical practices in banking can affect their reputation, and understanding their alignment with daily operations can help enhance value creation and strengthen integration in banks' daily activities (Azevedo & Ferreira, 2019). A bank's commitment to ethical practices reinforces customers' trust and confidence in the institution, making them more likely to choose it for their banking services. Service quality and trust are closely intertwined factors that influence customer decisions when choosing Sharia banks. Customers prioritize banks that offer high-quality services and demonstrate a commitment to ethical practices, as these factors contribute to building trust and confidence in the institution. Therefore, Sharia banks must deliver excellent service experiences and uphold ethical standards to attract and retain customers.

5) Financial Product Offerings

The variety and attractiveness of financial products Sharia banks offer influence customer decisions. Ullah et al., (2023) note that Islamic banks offer diverse Sharia-compliant products and services, contributing to their appeal to potential customers. The availability of innovative and competitive financial products contributes to the appeal of Sharia banks in the eyes of potential customers. Yumna (2019), emphasized that Islamic banking should offer a wide range of financial products to meet customers' diverse needs, including necessities, complementary requirements, and beautifications, to better serve the real economy. Sharia banks that provide innovative and competitive products are more likely to attract and retain customers, as they offer solutions that align with customers' values and financial goals.

Furthermore, the attractiveness of financial products influences customers' perceptions of the bank's credibility and reliability. The innovativeness of a bank's products influences customers' perception of a bank's reliability and credibility (Gounaris et al., 2003). The variety and attractiveness of Sharia Banks's financial products significantly affect customers' decisions. Banks that provide diverse Sharia-compliant products and innovative solutions are more likely to attract and retain customers, enhancing their market competitiveness.

2.3.2 Role of Islamic financial literacy and Halal Brand Awareness

The interplay between Islamic financial literacy, halal brand awareness, and customer decision-making forms a crucial nexus in the context of choosing Sharia banks. IFL, awareness, reputation, and attitude towards Islamic banking significantly influence the intention to use Islamic banking, while cost and benefit do not (Albaity & Rahman, 2019). Consumer awareness significantly affects the selection of Islamic banking products, with a more significant positive effect for Muslim consumers compared to non-Muslims (ElMassah & Abou-El-Sood, 2022).

On the other hand, halal brand awareness plays a significant role in affecting customers' perceptions and preferences. Brand awareness is a dominant choice heuristic, but consumers may "pay a price" for employing simple choice heuristics when quality differences exist among competing brands (Hoyer & Brown, 1990). Brand engagement and experience strengthen customer brand trust and commitment, which in turn contribute to brand loyalty in the online service context (Khan et al., 2022). The interplay between Islamic financial literacy and halal brand awareness increases the effectiveness of customers decision-making in choosing Sharia banks. Islamic financial literacy and

perceived behavioral control positively impact investment intentions in the Islamic capital market, with past behavior being an important predictor (Yusfiarto et al., 2023). Customers who possess a deeper understanding of Islamic financial principles are more discerning in evaluating the credibility and reputation of banks based on their halal brand awareness. Conversely, robust halal brand awareness can attract customers' attention and interest, prompting them to seek further information and deepen their Islamic financial literacy.

Islamic financial literacy and halal brand awareness synergistically shape customers' perceptions and choices when choosing Sharia banks. Banks that effectively communicate their commitment to Sharia compliance and ethical practices by branding efforts can attract and retain customers who prioritize these values, thereby enhancing their competitiveness in the market. Similarly, enhancing Islamic financial literacy among customers can empower them to make informed decisions that align with their Islamic financial principles and preferences.

2.4 Previous Research

Table 2. 1 Previous Research

No	Title, Researcher, Year of Publication	Variables	Research methods	Results	Similarities	Differences
1	Title: Trust and Loyalty in Building the Brand Relationship with Customers: An Empirical Analysis in a Retail Chain in Northern Brazil Researchers: A. Cardoso, M. Gabriel, J. Figueiredo, I. Oliveira, R. Rêgo, R. Silva, M. Oliveira, and Meir Year of Publication: 2022	The variables of this research are trust, loyalty, and brand.	The research method used in this study is a model of structural equations. The methodology involved the development of a model consisting of 22 variables divided into three constructs: trust, loyalty, and brand.	The findings suggested that inducing strong feelings towards a brand can promote customer satisfaction and long-term loyalty.	The similarity research is the use of the Partial Least Squares Structural Equation Modeling (SEM-PLS) method in both studies. This method is utilized to analyze the relationships between the variables under investigation in the research.	The research “Islamic Financial Literacy and Brand Awareness Customer in Decision Making to Choosing Islamic Banks: A SEM-PLS Study” focuses on the relationship between Islamic financial literacy and brand awareness with customer decisions in choosing Islamic banks. On the other hand, the previous study discussed the relationship between brand trust and consumer loyalty in consumer decision-making towards a specific brand in the context of retail chains in the northern part of Brazil.
2	Title: "Does financial literacy improve financial inclusion? Cross country evidence" Researchers: Antonia Grohmann, Theres Klühs, Lukas Menkhoff Year of	Financial Literacy (FL), Finance, Use of Financial Services, Debit Card Usage, Country Compositional Characteristics, Financial Infrastructure,	The research employs: Ordinary Least Squares (OLS) regression with robust standard errors	Results: The study presents several key findings regarding the impact of financial literacy on financial inclusion: Financial literacy is positively associated with access to finance and use of financial	Both titles discuss topics related to finance, particularly in the context of financial literacy. Both titles highlighted the importance of financial understanding in financial decision-making.	The first title uses a cross-country approach to analyze the relationship between financial literacy and financial inclusion, while the “Islamic Financial Literacy and Brand Awareness Customer in Decision Making to Choosing Islamic Banks: A SEM-PLS Study” uses the SEM-PLS (Structural Equation Modeling - Partial Least

	Publication: 2018	Institutional Characteristics		services. Countries with higher levels of financial literacy tend to have greater financial inclusion.		Squares) approach to study the relationship between Islamic financial literacy, brand awareness, and customer decisions related to selecting Islamic banks in indonesia
3	Title: What Factors Influence Customer Attitudes and Mindsets towards the Use of Services and Products of Islamic Banks in Bangladesh? Researcher: Hoque, M. N., Rahman, M. K., Said, J., Begum, F., & Hossain, M. M. (2022) Year of Publication: 2022	Variables: The study focuses on several key variables related to customer attitudes and mindsets towards Islamic banks in Bangladesh. These variables include Islamic financial literacy, client satisfaction, attitude, trust, and customer desire to use services of Islamic banks	Research Methods: The researchers employed a quantitative research approach to measure the association between the identified variables.	The results indicated a positive relationship between these variables, highlighting the importance of customer trust and satisfaction in shaping customer perceptions of Islamic banking services.	Both titles discuss topics related to financial literacy, brand awareness, and customer decision-making regarding the choice of banks. Both titles utilize the SEM-PLS (Structural Equation Modeling - Partial Least Squares) method in their studies.	The first title explores the relationship between financial literacy and financial inclusion globally, whereas the “Islamic Financial Literacy and Brand Awareness Customer in Decision Making to Choosing Islamic Banks: A SEM-PLS Study” focuses on the relationship between Islamic financial literacy, brand awareness, and customer decisions related to Islamic banks.
4	Title: Contrasting the drivers of customer loyalty; financial and non-financial perspective in Indonesian Islamic banks Researcher: Kartika, T., Firdaus, A., & Najib, M. Year of Publication: 2020	Image (X1): Consists of indicators such as attractiveness etc. Customer satisfaction (X2): Includes tangible, reliability, responsiveness, and assurance/empathy. Customer trust	The study utilized a sample of 105 respondents from seven major commercial Indonesian Islamic banks. The data was processed using partial least squares (PLS) analysis	The study found significant relationships between image, customer satisfaction, trust, and loyalty in Indonesian Islamic banks. Image was shown to have a significant impact on customer trust, while customer satisfaction was found to influence trust significantly. Trust,	Both studies focus on the relationship between customer decision-making factors and the choice of Islamic banks. They both employ Structural Equation Modeling (SEM) with Partial Least Squares (PLS) analysis to examine these relationships.	The current study explores the impact of Islamic financial literacy and brand awareness on customer decision-making in choosing Islamic banks, while the previous study investigates the drivers of customer loyalty in Indonesian Islamic banks from a financial and non-financial perspective.

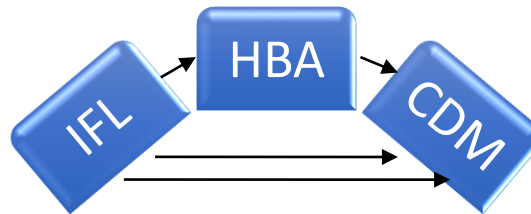
		(X3): Comprised of indicators like Sharia compliance and legal compliance		in turn, was identified as a key driver of customer loyalty.		
5	Title: "Does customer's perception of ethicality influence brand equity in the banking sector?" Researchers: Manansala, G., Arasanmi, C. N., & Ojo, A. O. Year of Publication: 2024	Independent Variable: Customer's perception of ethicality Mediating Variables: Brand image and affect Dependent Variable: Brand equity	The study utilized a survey method to collect data from 173 bank customers in New Zealand. They used statistical tools such as SPSS for testing measurement items' psychometric properties, Hayes Macro Process for testing path relationships and mediation effects, and AMOS structural equation modeling (SEM)	The findings indicated significant associations between customers' perception of ethicality, brand image, effect, and brand equity in the banking sector. Moreover, brand image and affect were found to significantly mediate the relationship between customer perception of ethicality and brand equity.	Both studies investigate factors influencing customer decisions in the banking sector. Both studies utilize SEM-PLS methodology to analyze relationships between variables.	The first study focuses on the influence of customer perception of ethicality on brand equity in the banking sector, while the second study focuses on Islamic financial literacy and brand awareness in choosing Islamic banks. The first study examines the impact of ethical practices on brand attributes, while the second study explores the role of financial literacy and brand awareness in customer decision-making for Islamic banks.
6	Title: Consumers' Loyalty Toward Islamic Banking System Researcher: Suharni Maulan Year of Publication: 2016	Halāl Brand Awareness Brand Loyalty Consumers' Loyalty Toward Islamic Banking System	The study utilized a survey method to collect data from 550 respondents who were customers of Malaysian Islamic banks in the Klang Valley region. The data analysis was conducted using	The study found that halāl brand awareness significantly influences consumers' loyalty toward the Islamic banking system. The analysis revealed that pricing is an important factor in customers' banking decisions, including	Both titles focus on the relationship between consumer behavior and decision-making processes in the context of Islamic banking. Both titles mention the importance of factors such as brand awareness and financial literacy in influencing customer	The first title emphasizes consumers' loyalty towards Islamic banking, while the second title focuses on customer decision-making processes in choosing Islamic banks. The first title highlights the role of halāl brand awareness in developing customer loyalty, whereas the second title emphasizes the relationship between Islamic financial literacy and brand

			Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS Version 2.0.	Islamic banks, with consumers considering competitive pricing when choosing an Islamic bank.	choices within the Islamic banking sector. Both titles indicate the use of SEM-PLS (Structural Equation Modeling with Partial Least Squares) as the research methodology.	awareness in customer decision-making.
7	Title: Customers Awareness and Satisfaction of Islamic Banking Researcher: Naser, K., Salem, A. Al, & Nuseibeh, R. Year of Publication: 2013	Customer awareness Customer satisfaction Factors influencing customer satisfaction. Demographic variables Customer preferences for Islamic banking products and services	The study likely employed a quantitative research approach to gather data on customer awareness and satisfaction of Islamic banking. The methods used statistics and the Kruskal Wallis test	Levels of customer awareness regarding Islamic banking products and services Overall customer satisfaction with the services provided by the bank Factors influencing customer satisfaction, such as service quality, convenience, and pricing Demographic trends affecting customer preferences and satisfaction levels	Both titles focus on the relationship between customer decision-making and Islamic banking. Both titles mention aspects related to customer awareness and decision-making processes. Both titles indicate a study using a specific research methodology (SEM-PLS).	The first title emphasizes customer awareness and satisfaction of Islamic banking products, while the second title focuses on financial literacy and brand awareness in customer decision-making. The first title discusses customer satisfaction, while the second title mentions customer decision-making in choosing Islamic banks. The first title uses a study methodology related to customer

Source: Processed by author

2.5 Framework of Thinking

Figure 2. 1 Framework of Thinking



This study's research framework includes three primary constructs: Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customer Decision-Making (CDM) when choosing Sharia banks.

1) Islamic Financial Literacy (IFL)

Islamic financial literacy (IFL) refers to individuals' understanding of Islamic financial concepts, products, services, and Sharia principles. IFL is believed to influence customers' perceptions and knowledge of Sharia banks.

2) Halal Brand Awareness (HBA)

Represents the level of awareness and knowledge that customers have about a specific Islamic bank brand. Halal Brand Awareness (HBA) can influence customers' preferences and tendencies when choosing Sharia banks, as customers tend to choose well-known and trusted brands.

3) Customers Decision-Making (CDM)

Refers to customers' actions or processes in choosing an Islamic bank as a financial institution for managing their finances. The decision-making process is influenced by various factors, including Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA).

This study assumes that Islamic Financial Literacy (IFL) can influence customers' Halal Brand Awareness (HBA) of Sharia banks, affecting their decision-making in choosing Sharia banks. Moreover, Halal Brand Awareness (HBA) mediates the relationship between Islamic Financial Literacy (IFL) and the decision-making process in choosing Sharia banks. Therefore, this framework provides an overview of the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in the context of this study.

2.6 Hypotheses

Within the framework of this research, four hypotheses are proposed to examine the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in the context of customers' selection of Sharia banks. Explaining each hypothesis can provide a deeper understanding of how these factors are interrelated and influence customers' decisions when choosing Sharia.

1) Hypothesis 1

Islamic Financial Literacy (IFL) influences Halal Brand Awareness (HBA). This hypothesis stated that a higher level of Islamic Financial Literacy (IFL) among customers will increase Halal Brand Awareness (HBA) towards Sharia banks. Customers who are more knowledgeable about the concepts and principles of Islamic finance tend to understand and recognize Islamic bank brands better, leading to increased Halal Brand Awareness (HBA).

2) Hypothesis 2

Islamic Financial Literacy (IFL) influences Customers Decision-Making (CDM). This hypothesis suggested that customers' Islamic Financial Literacy (IFL) will influence their decision-making when choosing Sharia banks. Customers with higher levels of Islamic Financial Literacy (IFL) are expected to make more informed and rational decisions when choosing Sharia banks, considering factors related to Sharia principles and Sharia financial products.

3) Hypothesis 3

Halal Brand Awareness (HBA) influences Customers Decision-Making (CDM). This hypothesis stated that customers' Halal Brand Awareness (HBA) level will influence decision-making when choosing Sharia banks. Customers with high Halal Brand Awareness (HBA) of specific Islamic bank brands are likelier to select and prefer those brands when making financial decisions, affecting the decision-making process.

4) Hypothesis 4

Halal Brand Awareness (HBA) mediates the influence of Islamic Financial Literacy (IFL) on Customers Decision-Making (CDM). This hypothesis proposes that Halal Brand Awareness (HBA) mediates the relationship between Islamic Financial Literacy (IFL) and Customers Decision-Making (CDM) in choosing Sharia banks. This hypothesis implies that the impact of Islamic Financial Literacy (IFL) on customers'

decision-making is partially mediated by the level of Halal Brand Awareness (HBA) customers have towards Islamic bank brands. In other words, Halal Brand Awareness (HBA) is a mechanism by which Islamic Financial Literacy (IFL) influences Customers Decision-Making (CDM).

1) Islamic Financial Literacy (IFL)

The IFL scale is valid and reliable, with Turkey showing the highest levels of Islamic financial awareness and principles of Islamic finance well accepted across 28 countries (Dinc et al., 2023). This construct influences individuals' decision-making processes in choosing Sharia banks, as highlighted by Al-Awlaqi and Aamer (2022). Islamic financial literacy plays a decisive potential role in customers' preference for Islamic banks over conventional ones. They emphasized that Islamic Shariah compliance positively influences service quality and customer satisfaction in Islamic banking services, with service quality partially mediating this relationship. Ahmed S. et al., (2021) further note that customers' perception of the credibility and reliability of Sharia banks is directly influenced by their Islamic Financial Literacy (IFL) level.

2) Halal Brand Awareness (HBA)

This latent variable reflects customers' perceptions and awareness of an Islamic bank's brand, including its reputation, values, and Sharia compliance (Mohsin Butt & Aftab, 2013). Indonesian Islamic banks can strengthen customer loyalty by maintaining a good image, service quality, and Sharia compliance through branding, corporate culture, and product innovation (Kartika et al., 2020). Manansala et al., (2024), emphasized that customer perception of ethicality, brand image, and affect are significantly associated with brand equity in the banking sector.

3) Customers Decision-Making (CDM)

This latent variable encompasses the process by which customers evaluate and select Sharia banks based on their Islamic Financial Literacy (IFL) and Halal Brand Awareness. It involves various cognitive and evaluative processes by which customers weigh the perceived benefits, risks, and ethical considerations associated with different banking options (Albaity & Rahman, 2019). Customers' decision-making processes are influenced by their level of Islamic Financial Literacy (IFL), which enables them to assess the Sharia compliance and ethical aspects of banking products, as well as their Halal Brand Awareness (HBA), which shapes their perceptions of the credibility and reliability of Sharia banks (Hoque et al., 2022). The interplay between these factors

determines customers' preferences and choices in choosing Sharia banks over conventional alternatives (Adamu et al., 2022).

5) Hypothesized Relationships

a) Hypothesis 1 (H-1)

There is a positive relationship between Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA). Customers with higher levels of Islamic Financial Literacy (IFL) are expected to have greater Halal Brand Awareness (HBA) of Sharia banks due to their understanding of Sharia compliance and ethical principles. This relationship suggests that as individuals' comprehension of Islamic financial concepts and products increases, their recognition and recall of an Islamic bank's brand attributes, such as its reputation and adherence to Sharia principles, also strengthen (Altaf et al., 2017). This notion is supported by Albaity & Rahman, (2019), who assert that Islamic Financial Literacy (IFL) empowers customers to recognize the ethical values associated with Sharia banks' brands, leading to increased Halal Brand Awareness (HBA) and perceptions of trustworthiness.

b) Hypothesis 2 (H-2)

There is a positive relationship between Islamic Financial Literacy (IFL) and customer decision-making process (Ye & Kulathunga, 2019). Customers who are more financially literate in Islamic finance are hypothesized to make more informed decisions when choosing Sharia banks, aligning their choices with their values and beliefs. This relationship suggests that as individuals deepen their understanding of Islamic financial principles and products, they are better equipped to evaluate the Sharia compliance and ethical aspects of banking services, ultimately affecting their decision-making processes (Manansala et al., 2024). This notion is consistent with the findings of Al-Awlaqi, & Aamer, (2022), who argue that higher levels of Islamic Financial Literacy (IFL) lead to greater confidence among customers in measuring the Sharia compliance of banking products, thereby positively impacting their decision-making in favor of Sharia banks.

c) Hypothesis 3 (H-3)

There is a positive relationship between Halal Brand Awareness (HBA) and Customers Decision-Making (CDM). Customers with higher Halal Brand Awareness (HBA) of Sharia banks are expected to be more likely to choose those banks, as they perceive them to be trustworthy and aligned with their ethical and Sharia-compliant values. This relationship suggests that as customers become more familiar with an Islamic

bank's brand attributes, including its reputation for adhering to Sharia principles and ethical practices, their confidence in its offerings increases, affecting their decision-making process (Siddique et al., 2022). This notion is supported by Wahyuni & Fitriani (2017), who emphasized that effective Halal Brand Awareness (HBA) communicates the institution's commitment to ethical banking practices, contributing to customers' perceptions of trustworthiness and ultimately impacting their decision to engage with Sharia banks.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Design

This research design used a quantitative approach, with SEM-PLS as the main analysis method. Primary data was relied upon for the analysis, allowing for a detailed investigation of these relationships. This research is aimed at exploring and analyzing the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in the context of choosing a Sharia bank.

A quantitative research design was chosen because it systematically analyzes and models complex relationships between variables. This approach is very suitable for studying the dynamics of Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customer Decision-Making (CDM). SEM-PLS allows the examination of several constructs simultaneously and in line with the research objectives.

3.1.1 Data Collection

Primary data was collected by spreading questionnaires to respondents. The questionnaire was spread via social media such as WhatsApp, Facebook, and Instagram. The questionnaire was designed to collect information about the level of Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and respondents' decision-making criteria in choosing a Sharia bank.

3.1.2 Variables and Measures

The Islamic Financial Literacy (IFL) variable was measured using a series of questions and statements designed to assess respondents' understanding of the principles of Islamic finance, including their knowledge of Sharia-compliant products and ethical considerations in Islamic finance.

Halal Brand Awareness (HBA) is measured by questions that measure respondents' familiarity and perception of Bank Sharia Indonesia as the leading Sharia bank in Indonesia, including their recognition of the bank's name, logo, and association with Sharia compliance and ethical practices.

Customers Decision-Making (CDM) is assessed through questions and statements about factors influencing respondents' choices in choosing a Sharia bank, including their

consideration of Sharia financial principles, brand reputation, and alignment with personal values and confidence.

3.2.3 Data Analysis Procedure

1) Model Specifications

Model specification is essential in structural equation modeling, laying the foundation for hypothesis testing and data analysis (Hair et al., 2018). This phase includes translating theoretical constructs into measurable variables, establishing the direction and strength of relationships among these variables, and formulating testable hypotheses. By clearly defining the model structure, researchers align research objectives and theoretical framework, thereby increasing the validity and reliability of subsequent analysis.

In this phase, researchers carefully describe the relationships between latent constructs and their indicators, considering theoretical considerations and empirical evidence (Yahaya et al., 2019). This involves determining paths between variables, assigning appropriate loadings and weights, and identifying potential mediation or moderation effects. In addition, researchers also ensure that the specified model is parsimonious yet comprehensive, capturing essential aspects of the underlying phenomenon without unnecessary complexity.

As stated by Bryman (2016), the model specification phase demands a deep understanding of the research domain's theoretical foundations and a careful approach to building measurement and structural models. Next, the researcher justifies the inclusion of each variable, establishes causal relationships between constructs based on theoretical reasoning, and articulates clear hypotheses to guide the analysis. In addition, attention was also paid to potential confounding variables and alternative model specifications to ensure robustness and validity.

Model specifications require researchers to make appropriate decisions regarding the inclusion of variables, the direction of relationships, and the model's overall structure (Memon et al., 2021). By utilizing existing theories and empirical findings, the researcher carefully articulated the conceptual model, described operational definitions of the constructs, and justified the proposed hypotheses. In addition, potential measurement errors, collinearity issues, and model identification challenges are also considered to ensure the reliability and validity of the specified model.

By carefully describing model specifications, researchers can facilitate robust hypothesis testing and contribute to advancing knowledge in the field.

2) Data Preprocessing

Data preprocessing is essential in ensuring the quality and reliability of the data used for analysis (Hair et al., 2018). This phase involves several vital processes, including data cleaning, transformation, and scaling, to prepare the raw data for further analysis. By processing data thoroughly, researchers can address problems such as missing values, outliers, and data inconsistencies, thereby increasing the validity and strength of findings. In the Structural Equation Modeling with Partial Least Squares (SEM-PLS) context, data preprocessing is essential in optimizing model performance and ensuring accurate parameter estimates, as Yahaya et al., (2019) stated. This involves standardizing variables to the same scale, transforming skewed distributions to meet model assumptions, and addressing multicollinearity among predictors. In addition, researchers also use techniques such as imputation to deal with missing data and outlier detection to identify and reduce influential observations.

Data preprocessing techniques such as data cleaning, transformation, and scaling are essential in improving SEM-PLS models' reliability and validity, as Yahaya et al., (2019) emphasized. Researchers can minimize data artifacts' impact and improve model results' interpretability by routinely preparing data before analysis. Also, proper data preprocessing ensures that the model accurately captures the underlying relationship between variables, resulting in more robust and trustworthy findings. Data preprocessing is essential for reasonable statistical analysis, especially in SEM-PLS (Hair et al., 2018). Researchers can mitigate potential bias by addressing data quality issues, standardizing variable scales, and ensuring that results accurately reflect the underlying phenomenon.

In SEM-PLS analysis, data preprocessing is necessary to ensure the accuracy and reliability of model estimates (Yahaya et al., 2019). By carefully cleaning and transforming data, researchers can reduce measurement errors and increase the efficiency of the estimation process. Data preprocessing is an essential precursor to rigorous and valid SEM-PLS analysis.

3) Estimation Model

As Hair et al., (2018) stated, model estimation using SEM-PLS is essential in analyzing the relationship between constructs and testing hypotheses. Using SmartPLS software, researchers calculated path coefficients and assessed their significance, providing empirical support for the proposed theoretical framework. In addition, through this stage, researchers understand the strength and direction of relationships among

variables by understanding the investigated phenomenon. Next, the researcher performed robust estimation procedures, including bootstrapping, to assess the significance of the paths and validate the hypothesized relationships. Through model estimation, researchers can gain meaningful insight into the interactions between variables, thereby contributing to advancing knowledge in the Islamic finance industry.

Furthermore, model estimation in SEM-PLS involves an iterative process of estimating path coefficients and measuring model fit using advanced statistical techniques. Utilizing SmartPLS software, researchers conducted a comprehensive analysis to evaluate the strength and importance of relationships between latent constructs. This estimation process allows researchers to validate the theoretical framework and draw meaningful conclusions about the phenomenon under investigation.

4) Ethical Considerations

By prioritizing ethical considerations, this research upholds the highest standards of integrity and accountability in pursuing knowledge. The study design uses a quantitative approach with SEM-PLS, using primary data to determine the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in choosing a Sharia bank. This study adheres to strict ethical standards to protect the rights and privacy of all parties involved. As Fleming and Zegwaard (2018) explained, ethical considerations are paramount in ensuring the confidentiality and anonymity of data sources. By prioritizing these principles, research ensures that data sources remain protected by the research, aligned with the ethical guidelines outlined by Bryman (2016). To enforce ethical guidelines, informed consent is obtained from participants, who can withdraw from the research at any stage, as Hair et al., (2018) noted. These practices underscore respect for individual autonomy and strengthen the integrity of the research process.

3.2 Population and Sample

3.2.1 Population

This Population includes individuals with varying levels of understanding and experience with Sharia banking products and services. The individuals from this research are those who have interacted with Sharia Banks or potential customers interested in interacting with Sharia Banks in the future.

3.2.1 Sample Selection

1) Location of Study

The research is conducted across 34 provinces in Indonesia.

2) Number of Respondents

The '10 times rule' is a widely accepted method for approximating the minimum sample size in PLS-SEM. This rule recommends that the sample size be at least ten times the most significant number of formative indicators or structural paths pointing to a single construct in the model. Hair et al., (2018) emphasized the '10 times rule' to estimate the minimum sample size in PLS-SEM. According to this rule, the sample size should be at least ten times the number of arrows pointing to any construct in the model.

In this study, the number of arrows was 26, indicating the requirement for a minimum sample size of 26 respondents. However, researchers collected data from a much larger sample size of 1027 respondents. This larger sample size meets and exceeds the minimum requirements, ensuring more reliable results and better model convergence. '10 times rule' is a widely accepted method for approximating the minimum sample size in PLS-SEM. This rule recommends that the sample size be at least ten times the most significant number of formative indicators or structural paths pointing to a single construct in the model. Hair et al., (2018) emphasized the '10 times rule' to estimate the minimum sample size in PLS-SEM. According to this rule, the sample size should be at least ten times the number of arrows pointing to any construct in the model.

In this study, the number of arrows was 26, indicating the requirement for a minimum sample size of 260 respondents. However, researchers collected data from a much larger sample size of 1.027 respondents. This larger sample size meets and exceeds the minimum requirements, ensuring more reliable results and better model convergence.

3) Sampling Method

A random sampling method was utilized to choose data sources relevant to this research's questions and objectives. This approach ensures that the selected data provides meaningful insight into the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM).

4) Inclusion Criteria

The sample inclusion criteria were individuals exposed to Sharia banking products and services. This includes current Islamic banking customers, individuals who have considered Islamic banking options, and those who have already decided regarding Sharia financial products.

3.2.3 Data Source

In the context of research entitled "The Relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA) in Customers Decision-Making (CDM) to Selecting Sharia Banks: A SEM-PLS Study," primary data refers to information collected directly from respondents or individuals involved in research from all provinces in Indonesia.

1) Data Collection Procedures

Primary data collection involves a systematic review and extraction process from sources identified through social media. Relevant information regarding Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) is extracted based on predetermined indicators and scales.

2) Data Validation

Data validation ensures the data's accuracy, reliability, completeness, and consistency. This involves validating the validity of survey questions to accurately measure respondents' understanding of Islamic finance concepts and Halal Brand Awareness (HBA), checking the reliability of answers for consistency over time, ensuring completeness by addressing missing values or incomplete responses, maintaining consistency by identifying and correcting any contradictions or errors in the data, performing thorough data cleaning to remove duplicates, correct errors, and address outliers. This validation process is critical to improving the quality and credibility of research findings and ensuring the integrity of research conclusions.

3) Data Limitations and Assumptions

Data limitations and assumptions in this study include potential sample bias, self-reporting bias, causality assumptions, limitations of data collection methods, the influence of external factors, and assumptions in statistical analysis methods in SEM-PLS. These limitations include the possibility that respondents do not accurately represent the entire target population, the potential for bias in self-reported data, thereby affecting reliability,

assumptions about causal relationships without considering other factors, limitations in capturing various attitudes through survey methods, external factors that influence research findings, and assumptions in statistical models affect accuracy.

3.2.4 Data Collection Technique

Data collection is a crucial stage in the research entitled "The Relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in Choosing a Sharia Bank: SEM-PLS Study with Primary Data." The data collection method used in this research is a questionnaire. The questionnaire is considered to collect primary data needed to analyze the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in choosing a Sharia bank. The questionnaire was developed based on the research conceptual framework, considering the constructs of Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM). The questions in the questionnaire were considered to cover critical aspects relevant to the research objectives.

Before use, the questionnaire was validated by a supervisor, an expert in Islamic finance and research methodology. This validation ensures the questionnaire's clarity, consistency, and relevance. Respondents involved in the research were asked to complete the questionnaire independently via the Google Form link. Depending on availability and respondent preferences, questionnaires were administered online.

Questionnaires were distributed to an accessible sample of respondents via social media platforms. Data was collected considering demographic diversity and adequate representation of the target population. Data obtained from questionnaires were collected and recorded systematically. Each questionnaire was analyzed to ensure the validity and reliability of the responses.

The gathered data was analyzed using the SEM-PLS method to test hypotheses and examine the relationships between the variables studied. The results of the data analysis are used to conclude the research findings and describe the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customer Decision-Making (CDM) in choosing a Sharia bank.

3.2.4 Data Collection Instrument

The questionnaire is the main instrument for gathering primary data to analyze the relationship between the variables studied. This study's data collection instrument mainly consisted of a structured questionnaire to gather relevant information from respondents.

1) Questionnaire Design

This questionnaire was carefully created to cover the constructs of Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM). It includes closed questions with predetermined response options. Joshi et al., (2015) highlighted using a 5-point Likert scale, which offers several advantages. It provides a simple and accessible format for respondents to understand, allowing for efficient and quick responses. This scale promotes consistency in data collection because respondents tend to choose options that match their views. In addition, the limited number of categories on the 5 Likert scale makes the data accessible to analyze. This scale is well suited for hands-on research studies that do not require a high level of detail, making it a practical choice for various research scenarios. This 5-point Likert scale was used to collect data about respondents' Sharia financial knowledge and its impact on adopting Sharia banking services, as in research conducted by Alireza et al., (2018).

a) Islamic Financial Literacy (IFL)

This questionnaire section measures respondents' knowledge and comprehension of Islamic financial principles and products. Questions were asked about respondents' understanding of Islamic finance concepts, awareness of Islamic banking products, and ethical considerations in Islamic finance.

Table 3. 1 Variable Islamic Financial

Definition	Indicators	Question
Islamic Financial Literacy (IFL) is the ability to comprehend and apply Islamic financial principles in personal financial management, investment decisions, and business transactions, guided by ethical considerations by	Indicator 1: Knowledge of Islamic financial principles (Manansala et al., 2024) Indicator 2: Understanding of Sharia-compliant financial Instrument. (Choudhury	IFL-1: I feel confident about my knowledge of Islamic finance principles. IFL-2: I have a good understanding of the laws of Islamic finance. IFL-3: How familiar are you with Shariah financial Instruments such as Mudarabah and Musharakah? IFL-4: To what extent do you understand how Shariah financial Instruments work?

Islamic teachings, Albaity & Rahman, (2019)	(1990) Indicator 3: Awareness of specific Sharia banking products and services. Ullah et al., (2023) Indicator 4: Practical skills in managing Sharia finances. Sukardi et al., (2023) Indicator 5: Awareness of ethical principles in Islamic finance. Lai, J. (2014),	IFL-5: How often do you use Sharia banking products and services? IFL-6: How important is it for you to choose Sharia banking products and services that comply with Shariah principles? IFL-7: How often do you apply Shariah finance principles in your daily financial management? IFL-8: How well do you manage your finances using Shariah finance principles? IFL-9: How important is it for you to consider ethical aspects in your financial decisions? IFL-10: How often do you think about the ethical implications of your financial activities?
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Source: Processed by author

b) Halal Brand Awareness (HBA)

In this section, respondents were asked to indicate their level of exposure to advertising or promotional activities related to Islamic banks, their ability to recognize Islamic bank logos, and their memory of Islamic bank names. These questions measure respondents' awareness and familiarity with the Sharia bank brand, especially Bank Sharia Indonesia (BSI).

Table 3. 2 Variable Halal Brand Awareness (HBA)

Definition	Indicators	Question
Brand halal awareness consists of critical components such as brand recognition, brand recall, and brand association. Rossiter, (2014), Altaf et al., (2017).	Indicator 1: Components of Halal Brand Awareness K. L. Keller (1993), Aaker (1991) (Shahid, 2012). Indicator 2: Ethical Dimensions Manansala et al., (2024), Lai, J. (2014) Indicator 3: Importance in Bank Selection (Ab. Ghafoor &	HBA-1: How often do you recognize the Bank Sharia Indonesia (BSI) brand when presented with its name, logo, or visual cues? HBA-2: How much do you believe that Halal Brand Awareness (HBA) of Bank Sharia Indonesia (BSI) influences your decision in choosing a bank? HBA-3: Do you consider Bank Sharia Indonesia (BSI) committed to ethical banking practices? HBA-4: How important is it to you that Bank Sharia Indonesia (BSI) adheres to Sharia principles? HBA-5: How much does Halal Brand Awareness (HBA) of Bank Sharia Indonesia (BSI) influence your decision to use their banking services? HBA-6: Are you more likely to trust and choose Bank

	<p>Maliha, 2014),</p> <p>Indicator 4: Trust-Building Mechanism Nardi et al., (2020), Ali et al., (2020)</p> <p>Indicator 5: Distinctiveness and Differentiation (Ahmed et al., 2021). K. L. Keller (1993)</p>	<p>Sharia Indonesia (BSI) over conventional banks because of their robust Halal Brand Awareness (HBA)?</p> <p>HBA-7: How much does Halal Brand Awareness (HBA) of Bank Sharia Indonesia (BSI) build your trust in their services?</p> <p>HBA-8: Do you feel more confident using Bank Sharia Indonesia (BSI) services because of their robust Halal Brand Awareness (HBA)?</p> <p>HBA-9: How unique do you consider the Bank Sharia Indonesia (BSI) brand compared to conventional banks?</p> <p>HBA-10: To what extent does Halal Brand Awareness (HBA) of Bank Sharia Indonesia (BSI) differentiate it from other banks in your mind?</p>
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Source: Processed by author

c) Customers Decision-Making (CDM)

This section explores the factors influencing respondents' decision to choose a Sharia bank. This includes questions about the importance of trust, adherence to Islamic finance principles, brand reputation, quality of customer service, and product variety in Islamic banks.

Table 3. 3 Customer Decision Making

Definition	Indicators	Question
Customers who possess a higher level of Islamic Financial Literacy (IFL) are better equipped to understand the principles and practices of Islamic finance, enabling them to make informed decisions that align with their values and preferences (Manansala et al., 2024).	<p>Indicator 1: Islamic Financial Literacy (IFL)</p> <ul style="list-style-type: none"> ▪ Sharia compliance ▪ Islamic financial principle <p>(Shahid, 2012).</p> <p>Indicator 2: Halal Brand Awareness (HBA)</p> <ul style="list-style-type: none"> ▪ Strong Halal Brand Awareness (HBA) ▪ Reliability and credibility <p>(Gounaris et al., 2003).</p> <p>Indicator 3: Ethical Considerations</p> <ul style="list-style-type: none"> ▪ Customers prioritize ethical. 	<p>CDM-1: How confident are you in measuring the Sharia compliance and ethical aspects of banking products and services?</p> <p>CDM-2: To what extent do you feel knowledgeable about Islamic financial principles, products, and services?</p> <p>CDM-3: How familiar are you with the Bank Sharia Indonesia (BSI) brand?</p> <p>CDM-4: To what extent does the strong Halal Brand Awareness (HBA) of Bank Sharia Indonesia (BSI) influence your perception of its reliability and credibility?</p> <p>CDM-5: How important is it for you that your chosen bank adheres to Sharia-compliant and ethical practices?</p> <p>CDM-6: How much does the ethical reputation of Bank Sharia Indonesia (BSI) influence your decision to engage with its services?</p>

	<ul style="list-style-type: none"> ▪ Values and ethical standards (Gilani, H. (2015)) 	
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Source: Processed by author

2) Pilot Testing

Before the questionnaire was formally distributed, a pilot test was conducted to assess its clarity, relevance, and effectiveness with 145 respondents. Feedback from this pilot test was used to enhance the questionnaire and ensure its validity and reliability.

3) Questionnaire Administration

Completed questionnaires were distributed to respondents via an online platform. Questionnaires are presented as questions and statements using a 5-point Likert scale option. The Google Form link is distributed via three social media types: WhatsApp, Facebook, and Instagram.

4) Data Collection Process

During the data collection phase, efforts were made to ensure the privacy and confidentiality of respondents. The completed questionnaire will be automatically saved and can be downloaded in Excel form. The questionnaire was distributed on May 17, 2024, and closed on June 6, 2024, with a total of 1027 respondents.

3.4 Analysis Model-SEM-PLS

Hair et al., (2017) stated that SEM PLS analysis, or Partial Least Squares analysis, is a multivariate analysis method helpful in estimating the simultaneous influence between variables with the aim of predictive studies. PLS analysis confirms the theory and explains whether there is a relationship between latent variables. Apart from that, PLS is also used to verify theories to be more suitable for analyzing data in prediction-based research. PLS analysis can work with non-normally distributed data because SEM PLS is a non-parametric statistical method. Furthermore, PLS analysis can be used with complex models even with limited research samples and can be tested for developing structural models. The model in PLS consists of two components: the measurement model (outer model) and the structural model (inner model) (Hair et al., 2017).

3.4.1 Evaluation of the Outer Model (Measurement Model)

Evaluation of outer models, or measurement models, involves measuring the validity, reliability of indicators, and discriminant validity used to estimate latent

variables (Hair et al., 2017). Evaluation of the external model includes the Validity Test, Confidence Test, Convergent Validity, and Discriminant Validity. The validity test uses the outer or factor loading measures in PLS analysis.

The outer loading measure is a statistical measure used to determine how well the indicators reflect the measurement of a variable or how valid the indicators are in measuring the variable. The recommended external loading value is a minimum of 0.60 (Chin et al., 1998) or preferably 0.70 (Hair et al., 2017). The trust test was obtained through a reliability test in PLS analysis using Cronbach's alpha and Composite Reliability measures. This reliability test shows the consistency of variables measured by several indicators. The minimum recommended value for Cronbach's alpha and Composite Reliability (CR) is 0.70 (Hair et al., 2017).

Furthermore, the convergent validity measure indicates the extent to which the variance of the measurement items is contained in the variable. Convergent validity is measured using AVE. The recommended AVE value is at least 0.50 (Hair et al., 2017).

The Discriminant Validity measure shows that a latent variable is different from other constructs or variables, both theoretically and empirically, through statistical testing (Yamin, 2023). Discriminant validity was measured using the Fornell-Larcker Criteria and HTMT. The Fornell-Larcker criterion highlighted that the square root of the AVE of each construct must be greater than the correlation with other variables. Meanwhile, HTMT (Heterotrait-Monotrait Ratio) is a comparison of the average correlation between items that measure different variables (heterotrait) with the geometric mean square root of the correlation between items that measure the same variable (monotrait). The acceptable HTMT value is below 0.90 or 1, which indicates that the discriminant validity evaluation is adequate.

Next, cross-loading is checked as part of this process. This comprehensive approach ensures that the measurement model accurately and reliably reflects the latent variables, facilitating robust and valid results in SEM PLS analysis.

3.4.2 Evaluation of the Structural Model (Inner Model)

This evaluation is related to hypothesis testing, which includes testing the path coefficient and its significance level. Evaluation of the inner model includes Multicollinearity Testing, Hypothesis Testing, and Effect Size (f^2).

The first step in this evaluation is to test multicollinearity using inner VIF (Variance Inflation Factor). An inner VIF value of less than 5 indicates no multicollinearity problem.

The second step involves hypothesis testing. If the P-value of the path coefficient is less than 0.05, then the hypothesis is accepted, indicating a significant influence between the hypothesized variables. The hypothesis testing process in PLS analysis uses bootstrapping because PLS analysis does not assume a particular data distribution (non-parametric). If the P-value of the mediation path coefficient is less than 0.05, then there is a significant mediation effect between the variables (Hair et al., 2017). The analysis also considers direct impacts, mediation effects, and moderation effects. This research also mentions mediation, so it is stated whether mediation is complete or partial.

Afterward, the third step involves testing the effect size (f^2), which indicates the impact of a variable at the structural level. The f^2 value is interpreted as a small effect (0.02), medium effect (0.15), and significant effect (0.35) (Hair et al., 2017). This structured approach ensures a comprehensive structural model assessment, confirming the significance and strength of the relationships between latent variables in SEM PLS analysis.

3.4.3 Model Fit Evaluation

Formulated as the average communality's and R Square's geometric mean. According to Wetzels et al., (2009), the interpretation of the GoF Index values is low GoF (0.1), medium GoF 0.25), and high GoF (0.36). Hair et al., (2019) define PLS Predict as a measure designed to validate the predictive power of the PLS model. It compares a PLS model with a basic linear regression model (LM). A PLS model is considered to have strong predictive power if the RMSE (Root Mean Squared Error) or MAE (Mean et al.,) is lower than the LM model (Yamin, 2023). CVPAT (Cross et al., Test), introduced in 2020, assesses the predictive ability of the PLS model by comparing it with the LM and Average Indicator algorithms. If the difference in the average loss of the PLS model is lower than other algorithms, it means that the PLS model has high predictive power.

Optional Robustness Checks are carried out with the Linearity Test, Endogeneity Test, and Sample Heterogeneity Test using Fimix PLS. This robustness check ensures the reliability and validity of the PLS model results, providing a comprehensive evaluation of the model's suitability and predictive ability.

Detailed Evaluation of the PLS Model in SEM

Table 3. 4 Measurement Model Evaluation

Measurement Model Evaluation	Statistical Measure	Description
Outer Loading	≥ 0.60	Indicates the validity level of indicators/dimensions when measuring the variable (Chin et al., 1998)
Cronbach's Alpha	≥ 0.60	Indicates the reliability or internal consistency of the measurement (Chin et al., 1998)
Composite Reliability	≥ 0.70	Indicates the reliability or internal consistency of the measurement, Hair et al., (2019, 2021)
Average Variance Extracted (AVE)	≥ 0.50	Indicates convergent validity (Hair et al., 2020)
Cross Loading		Indicates discriminant validity (Hair et al., 2020).
Fornell and Larcker Criterion	Akar AVE > Correlation between variables	Indicates discriminant validity (Hair et al., 2020).

Source: Processed by author

Table 3. 5 Structural Model Evaluation

Structural Model Evaluation	Statistical Measure	Description
P-value	< 0.05 or T-statistic $> t$ -table (1.96)	Hypothesis testing: is significant if the P-value is less than 0.05 or the T-statistic is more significant than 1.96 (Hair et al., 2017).
F square	0.02 (low effect), 0.15 (medium effect), 0.35 (high effect)	Indicates the effect size between variables at the structural level (Hair et al., 2019).
R Square	0.19 (low effect), 0.33 (medium effect), 0.66 (high effect)	Indicates the summary effect of exogenous variables on endogenous variables (Hair et al., 2019).
Q Square	> 0	Indicates predictive accuracy or how well the model's predictive relevance is (Sarstedt & Henseler 2013)
SUMMER	< 0.08	Indicates the goodness of fit or model fit in SEM PLS, Sarstedt & Henseler (2013) and Hair et al., (2019)
PLS Predict		Indicates cross-validation of the PLS model related to the predictive strength of the model by comparing the PLS and LM models based on RMSE and MAE.

CVPAT		Cross-validated predictive ability test by comparing the PLS model with the LM/Average indicator model.
Goodness of Fit Index	> 0.36	Indicates the goodness of fit or model fit in SEM PLS, calculated from the square root of the average product of commonality and R Square, Sarstedt & Henseler (2013) and Hair et al., (2019).

Source: Processed by author

This table provides a detailed overview of the evaluation criteria and statistical measures used in Partial Least Squares (PLS) analysis within Structural Equation Modeling (SEM). These measures ensure that the measurement and structural models are appropriately validated and fit the data well, providing robust and reliable results for theoretical and predictive studies.

3.5 Data Processing and Analysis

In this study, meticulous data processing and analysis are conducted to explore the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) in choosing the Sharia banks using SEM-PLS method. The following steps are involved in data processing and analysis:

1) Data Collection

Primary data is collected by questionnaires distributed to respondents who meet the research's inclusion criteria.

2) Database Compilation

Data from the questionnaires are gathered and organized into a suitable database. Each variable is identified accurately and aligned with the analysis model's structure.

3) Data Quality Check

The collected data is examined for quality to ensure accuracy and completeness. This includes checking for missing values, outliers, and data distribution.

4) Descriptive Analysis

Descriptive analysis provides an overview of the sample characteristics, distribution, and relationships among the variables under study.

5) SEM-PLS Analysis

The data is then analyzed using the SEM-PLS method. The analysis steps include:

a) Model estimation

The SEM-PLS model is estimated to measure the relationships between latent and observed variables.

b) Model validation

The model's validity is evaluated using bootstrapping techniques and goodness-of-fit tests such as R-squared and Average Variance Extracted (AVE).

c) Hypothesis testing

The proposed hypotheses are tested to examine the significance of the relationships between the variables under study.

6) Interpretation of Results

The analysis results are interpreted to understand the implications of the relationship between Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM). These findings will be used to confirm or reject the research hypotheses.

7) Conclusion and Reporting

The findings from the data analysis are summarized and reported in a comprehensive research report, presenting precise analysis results and interpretations, as well as practical implications in the context of choosing Sharia banks.

By employing this approach, this study is expected to provide a deeper understanding of the factors affecting Customers' Decision-Making (CDM) in choosing Sharia banks, as well as the contributions of Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) in this process.

CHAPTER IV

DISCUSSION

This study's analysis uses a quantitative approach, employing descriptive statistics and hypothesis testing with Partial Least Squares (PLS). The variables involved in this study are Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customer Decision-Making (CDM).

Table 4. 1 Respondent Demographics

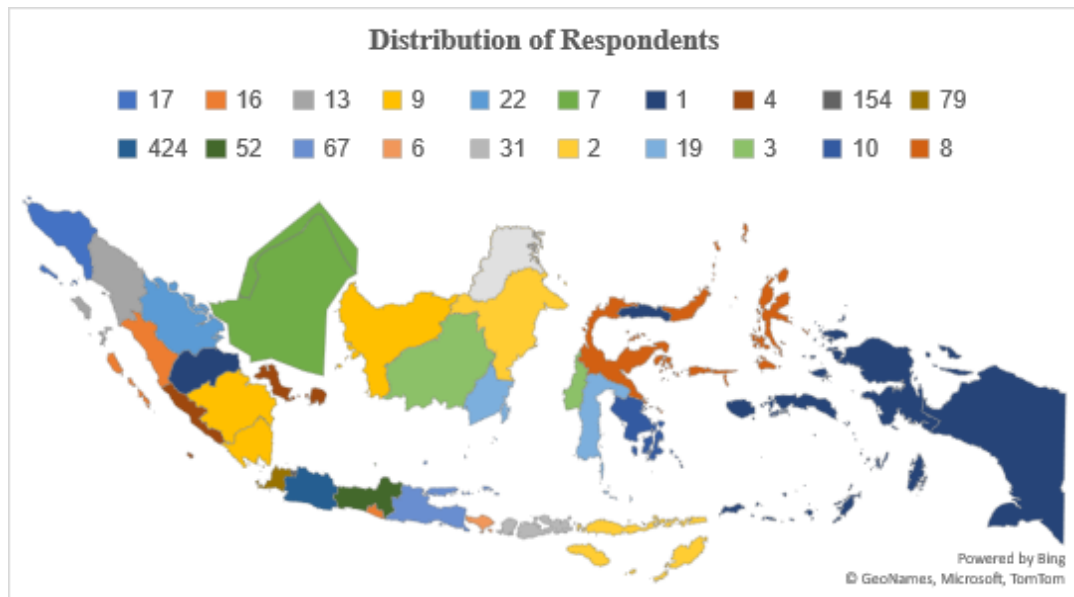
Demographic	Frequency	Percentage (%)
Male	634	61.73%
Female	393	38.27%
17-28 years old	239	23.27%
29-46 years old	501	48.78%
47-58 years old	241	23.47%
>59 years old	46	4.48%
Elementary School	1	0.24%
Junior High School	11	0.48%
High School	161	14.35%
Diploma/Bachelor's	485	50.48%
Master's Degree	282	26.32%
Doctorate/PhD	87	8.13%
Lecturer	142	13.83%
Teacher	120	11.68%
Student	104	10.13%
Entrepreneur	321	31.26%
Civil Servant	73	7.11%
Others	267	26.00%

Source: Processed by author

The respondent demographics in this study present a diverse and comprehensive overview of the sample population. Regarding gender, most respondents are male, accounting for 61.73% (634 individuals), while females comprise 38.27% (393 individuals). The age distribution reveals a broad range of participants, with 23.27% (239 individuals) aged 17-28, 48.78% (501 individuals) aged 29-46, 23.47% (241 individuals) aged 47-58, and 4.48% (46 individuals) over 59 years old. Educational backgrounds vary significantly, with 0.24% (1 individual) having completed elementary school, 0.48% (11 individuals) junior high school, and 14.35% (161 individuals) high school. The largest group, 50.48% (485 individuals), holds a diploma or bachelor's degree, followed by 26.32% (282 individuals) with a master's degree and 8.13% (87 individuals) with a doctorate or PhD. Occupations among respondents are also diverse, including lecturers

(13.83%, 142 individuals), teachers (11.68%, 120 individuals), students (10.13%, 104 individuals), entrepreneurs (31.26%, 321 individuals), and civil servants (7.11%, 73 individuals). Furthermore, 26.00% (267 individuals) fall into the 'other' category. This varied demographic data enriches the study, providing diverse perspectives and experiences that contribute to the robustness and depth of the analysis.

Figure 4. 1 Distribution of Respondents



Source: Processed by author

The distribution of respondents by disseminating online questionnaires reveals varying levels of participation from provinces across Indonesia, reflecting the diverse access to and engagement with digital platforms buyout the archipelago. A total of 1027 individuals from different islands and provinces participated, providing a comprehensive view of the geographical distribution of the participants.

In Sumatra, the province with the highest number of respondents is Riau, with 22 respondents, followed by Nanggroe Aceh Darussalam and West Sumatra, with 17 and 16 respondents, respectively. Meanwhile, Jambi and the Bangka Belitung Islands show lower participation, with only 1 and 4 respondents, respectively.

Java, the center of population and economic activity in Indonesia shows very high engagement. West Java has the highest number of respondents, reaching 424 people. DKI Jakarta and Banten also participated significantly, with 154 and 79 respondents, respectively. Other provinces in Java, such as Central Java and East Java, have lower but

still significant participation, with 52 and 67 respondents, while the Special Region of Yogyakarta contributed 16 respondents.

In the Nusa Tenggara Islands, West Nusa Tenggara leads with 31 respondents, far above Bali, which has only 6 respondents, and East Nusa Tenggara with 2 respondents. This reflects variations in internet access and digital engagement in these areas.

Kalimantan shows more diverse participation, with South Kalimantan having the highest with 19 respondents, followed by West Kalimantan with 9 respondents. Provinces like Central Kalimantan and East Kalimantan show lower participation, with 3 and 2 respondents, respectively, while North Kalimantan has only 1.

Southeast Sulawesi and South Sulawesi showed higher participation, with 10 and 19 respondents, respectively, while other provinces, such as North Sulawesi and Central Sulawesi, had 8 respondents. Meanwhile, West Sulawesi and Gorontalo showed lower participation, with 3 and 1 respondents, respectively. Accordingly, Sulawesi has a relatively even distribution throughout its provinces.

Furthermore, the number of respondents in the Maluku Islands and Papua could have been much higher. The highest participation was among 8 respondents in North Maluku, while Maluku, Papua, and West Papua had only one respondent. Accordingly, the distribution of the online questionnaire showed diverse participation from all provinces in Indonesia, with a total of 1.027 respondents-high involvement of West Java, DKI Jakarta, and Banten.

4.1 Descriptive Statistics

Table 4. 2 Recapitulation of Responses for Islamic Financial Literacy

No	Item	Responses					Total	Mean	
		1	2	3	4	5			
1	IFL-1	Frek	25	58	205	509	230	1027	3.84
		%	2.43	5.65	19.96	49.56	22.40	100	
2	IFL-2	Frek	23	77	244	521	162	1027	3.70
		%	2.24	7.50	23.76	50.73	15.77	100	
3	IFL-3	Frek	93	190	175	341	228	1027	3.41
		%	9.06	18.50	17.04	33.20	22.20	100	
4	IFL-4	Frek	87	247	143	458	92	1027	3.22
		%	8.47	24.05	13.92	44.60	8.96	100	
5	IFL-5	Frek	93	144	262	372	156	1027	3.34
		%	9.06	14.02	25.51	36.22	15.19	100	
6	IFL-6	Frek	12	38	111	367	499	1027	4.27
		%	1.17	3.70	10.81	35.74	48.59	100	
7	IFL-7	Frek	32	63	238	461	233	1027	3.78

		%	3.12	6.13	23.17	44.89	22.69	100	
8	IFL-8	Frek	10	57	551	409	0	1027	3.32
		%	0.97	5.55	53.65	39.82	0.00	100	
9	IFL-9	Frek	2	24	116	531	354	1027	4.18
		%	0.19	2.34	11.30	51.70	34.47	100	
10	IFL-10	Frek	11	51	208	516	241	1027	3.90
		%	1.07	4.97	20.25	50.24	23.47	100	
Total		Frek	388	949	2253	4485	2195	1027	3.67
		%	37.78	92.41	219.38	436.71	213.73	100	

Source: Processed by author

Descriptive statistics of responses related to Islamic Financial Literacy (IFL) are presented in the table above. This table confirms the frequency distribution and percentage of responses on five different rating scales (scales 1 to 5) for each item. Also presented are total and average scores.

Recapitulation of responses to Knowledge of Islamic Financial Principles for item IFL-1 with a mean value of 3.84 indicating that most respondents felt confident in their knowledge of Islamic financial principles, with 49.56% giving a score of 4, and 22.40% giving a value of 5. Likewise, the IFL-2 item showed a mean value of 3.70, which means that many respondents indicated they had confidence that they had a good understanding of Islamic financial law, with a 50.73% rating of 4 and a 15.77% rating of 5.

Understanding of Sharia Compliant Financial Instruments is represented by item IFL-3 with a mean value of 3.41, where respondents show a moderate level of familiarity with Sharia financial Instrument such as Mudarabah and Musyarakah, with the highest percentage of 33.20%, giving a rating of 4. Likewise, IFL-4 shows a value. The meaning of 3.22 indicates that understanding of how this instrument works could be higher, with 44.60% giving a rating of 4 but only 8.96% giving a rating of 5.

Awareness of Certain Sharia Banking Products and Services is represented by the IFL-5 item with a mean value of 3.34. This indicates a medium to high frequency of using Sharia banking products and services, with 36.22% giving a rating of 4. In line with IFL-6, with a mean value of 4.27, the importance of choosing products that comply with Sharia received a high rating, with 48.59 % giving a rating of 5, which means robust compliance with Sharia principles in choosing banking.

The Practical Skills Indicator in Managing Sharia Finance is represented by item IFL-7 3.78. Many respondents apply Sharia financial principles in daily management, with 44.89% scoring 4. IFL-8 3.32 indicates that managing finances with Sharia

principles shows a balanced response; the majority, 53.65%, gave a score of 3, which shows there is still capacity for repairs.

IFL-9 represents awareness of Ethical Principles in Islamic Finance, with a mean of 4.18. This indicates that ethical considerations in financial decisions are critical, with 51.70% rating it a 4 and 34.47% rating it a 5, indicating robust ethical awareness. IFL-10 has a mean of 3.90. It also shows that respondents often think about the moral implications of their financial activities, with 50.24% rating it 4 and 23.47% rating it 5.

In Summary, the data shows that although respondents demonstrate strong adherence to and importance of Islamic finance principles and ethical considerations, there is variability in understanding and practical application, particularly in managing finances and understanding specific financial Instruments. The average score in the recapitulation was 3.67 for all items, indicating a generally high level of Islamic Financial Literacy (IFL), but there is still potential for further education and improvement.

Table 4. 3 Halal Brand Awareness (HBA)

No	Item		Responses					Total	Mean
			1	2	3	4	5		
1	HBA-1	Frek	17	67	154	505	284	1027	3.95
		%	1.66	6.52	15.00	49.17	27.65	100	
2	HBA-2	Frek	22	67	227	428	283	1027	3.86
		%	2.14	6.52	22.10	41.67	27.56	100	
3	HBA-3	Frek	10	38	307	330	342	1027	3.93
		%	0.97	3.70	29.89	32.13	33.30	100	
4	HBA-4	Frek	5	16	115	326	565	1027	4.39
		%	0.49	1.56	11.20	31.74	55.01	100	
5	HBA-5	Frek	21	65	196	416	329	1027	3.94
		%	2.04	6.33	19.08	40.51	32.04	100	
6	HBA-6	Frek	5	43	186	301	492	1027	4.20
		%	0.49	4.19	18.11	29.31	47.91	100	
7	HBA-7	Frek	15	56	242	434	280	1027	3.88
		%	1.46	5.45	23.56	42.26	27.26	100	
8	HBA-8	Frek	16	85	229	427	270	1027	3.83
		%	1.56	8.28	22.30	41.58	26.29	100	
9	HBA-9	Frek	43	99	384	404	97	1027	3.40
		%	4.19	9.64	37.39	39.34	9.44	100	
10	HBA-10	Frek	32	100	169	454	272	1027	3.81
		%	3.12	9.74	16.46	44.21	26.48	100	
Total		Frek	186	636	2209	4025	3214	1027	3.70
		%	18.11	61.93	215.09	391.92	312.95	100	

Source: Processed by author

The Halal Brand Awareness (HBA) component shows that most respondents are often familiar with the Bank Sharia Indonesia (BSI) brand, as shown by 49.17% giving a rating of 4 and 27.65% giving a rating of 5. Item HBA-2, with a mean value of 3.86, indicates that awareness of the BSI halal brand significantly influences bank selection decisions, with a 41.67% rating of 4 and a 27.56% rating of 5.

The Ethical Dimension is represented by HBA-3 with a mean value of 3.93, which means that respondents consider BSI to be committed to ethical banking practices, as indicated by 32.13% giving a rating of 4 and 33.30% giving a rating of 5. Likewise, item HBA-4 has a mean value of 4.39. means that compliance with Sharia principles is essential, with 31.74% rating it 4 and 55.01% rating it 5, which indicates a high ethical value towards Sharia compliance.

In terms of Importance in Bank Selection, item HBA-5, with a mean value of 3.94, means that BSI's Halal Brand Awareness (HBA) influences the decision to use its banking services, with 40.51% giving a rating of 4 and 32.04% giving a rating of 5. The next item is HBA-6 with a value. The meaning of 4.20 indicates that vital Halal Brand Awareness (HBA) makes respondents trust and choose BSI more than conventional banks, as evidenced by 29.31% giving a rating of 4 and 47.91% giving a rating of 5.

Regarding trust-building mechanisms, item HBA-7, with a mean of 3.88, indicates that Halal Brand Awareness (HBA) can build trust in BSI services, with 42.26% rating of 4 and 27.26% rating of 5. Item HBA-8, with a mean of 3.83, shows that confidence in using BSI services is due to robust Halal Brand Awareness (HBA), with 41.58% rating it 4 and 26.29% rating it 5.

The Distinctiveness and Differentiation indicators are represented by the HBA-9 item with a mean of 3.40, indicating that BSI is considered somewhat unique compared to conventional banks, with 39.34% giving a rating of 4 and 9.44% giving a rating of 5. The HBA-10 item with a mean of 3.81 indicates that Halal Brand Awareness (HBA) differentiates BSI from other banks in respondents' minds, with 44.21% rating it 4 and 26.48% rating it 5.

Accordingly, the data above shows that respondents have high recognition and trust in Bank Sharia Indonesia (BSI) because of its robust Halal Brand Awareness (HBA). The average score across all items was 3.70, indicating generally high awareness and positive perceptions of halal brands, emphasizing ethical compliance, and building trust.

However, there is still room for improvement in differentiating BSI from conventional banks and increasing the practical aspects of brand awareness.

Table 4. 4 Customer Decision Making

No	Item		Response					Total	Mean
			1	2	3	4	5		
1	CDM-1	Frek	18	111	304	421	173	1027	3.95
		%	1.75	10.81	29.60	40.99	16.85	100	
2	CDM-2	Frek	16	89	250	422	250	1027	3.86
		%	1.56	8.67	24.34	41.09	24.34	100	
3	CDM-3	Frek	14	85	254	416	258	1027	3.94
		%	1.36	8.28	24.73	40.51	25.12	100	
4	CDM-4	Frek	15	92	262	458	200	1027	4.40
		%	1.46	8.96	25.51	44.60	19.47	100	
5	CDM-5	Frek	9	36	171	350	461	1027	3.94
		%	0.88	3.51	16.65	34.08	44.89	100	
6	CDM-6	Frek	17	57	248	412	293	1027	4.20
		%	1.66	5.55	24.15	40.12	28.53	100	
Total		Frek	89	470	1489	2479	1635	1027	4.05
		%	8.67	45.76	144.99	241.38	159.20	100	

Source: Processed by author

The recapitulation of the average value of Islamic Financial Literacy (IFL) is represented by several items, including CDM-1, with a mean value of 3.95, which shows that respondents generally feel confident in measuring Sharia compliance and ethical aspects of banking products and services, with 40.99% rating of 4 and 16.85% rating of 5. Item CDM-2, with a mean value of 3.86, indicates that respondents feel they know Islamic financial principles, products, and services, with a 41.09% rating of 4 and a 24.34% rating of 5.

Halal Brand Awareness (HBA) on the CDM-3 item with a mean value of 3.94 shows that respondents are familiar with the Bank Sharia Indonesia (BSI) brand, 40.51% gave a rating of 4, and 25.12% gave a rating of 5. On the CDM-4 item, with a mean value of 4.40, it shows BSI's vital Halal Brand Awareness (HBA) has a positive influence on perceptions of its reliability and credibility, with 44.60% giving it a rating of 4 and 19.47% giving it a rating of 5.

An average of 3.94 CDM-5 Ethical Considerations items indicate that it is essential that respondents that their chosen bank complies with Sharia and ethical practices, with 34.08% rating of 4 and 44.89% rating of 5. Next, CDM-6 items with a mean of 4.20 show that BSI's ethical reputation influences the decision to use its services, with 40.12% giving a score of 4 and 28.53% giving a score of 5. In Summary, the average score of 4.05 across all items indicates a high level of trust, knowledge, and positive perception

among respondents regarding Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA).

By Halal Brand Awareness (HBA), BSI's strong halal brand is seen as reliable and credible, strengthening market position and customer trust. Meanwhile, by Islamic Financial Literacy (IFL), respondents demonstrated strong self-confidence and knowledge, highlighting the effectiveness of educational initiatives related to Sharia compliance and Islamic financial principles. Meanwhile, according to the Ethical Considerations indicator, ethical practices and reputation are important factors affecting customers' decisions. This shows the importance of maintaining high ethical standards in banking operations. This preliminary data recapitulation shows that customers highly value Islamic Financial Literacy, Halal Brand Awareness, and ethical considerations, significantly influencing respondents' banking choices and perceptions.

4.2 Evaluation of Measurement Models

PLS is a multivariate statistical analysis method that estimates the simultaneous influence between variables with the aim of prediction, exploration, or development of structural models, as Hair et al., (2017) explain. There are three evaluation models in PLS: measurement model evaluation, structural model evaluation, and goodness-of-fit evaluation model. The reliability and validity of the analysis Instruments are used for each variable assessed in the measurement model evaluation. This assessment ensures that the instrument can accurately capture the studied construct.

Meanwhile, the relationships and paths between latent constructs are used to understand their contribution to the overall model, which can be done through structural model evaluation. Lastly, the assessment of how well the model fits the data and whether the model explains the observed variance and the relationships between variables is carried out in the fit evaluation part.

In summary, this study shows that PLS provides a comprehensive approach to analyzing complex relationships and is very useful for understanding predictive relationships or developing and refining structural models.

Evaluation of measurement models consists of reflective and formative measurement models. In this study, Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) are measured reflectively, and Consumer Decision Making is measured formatively.

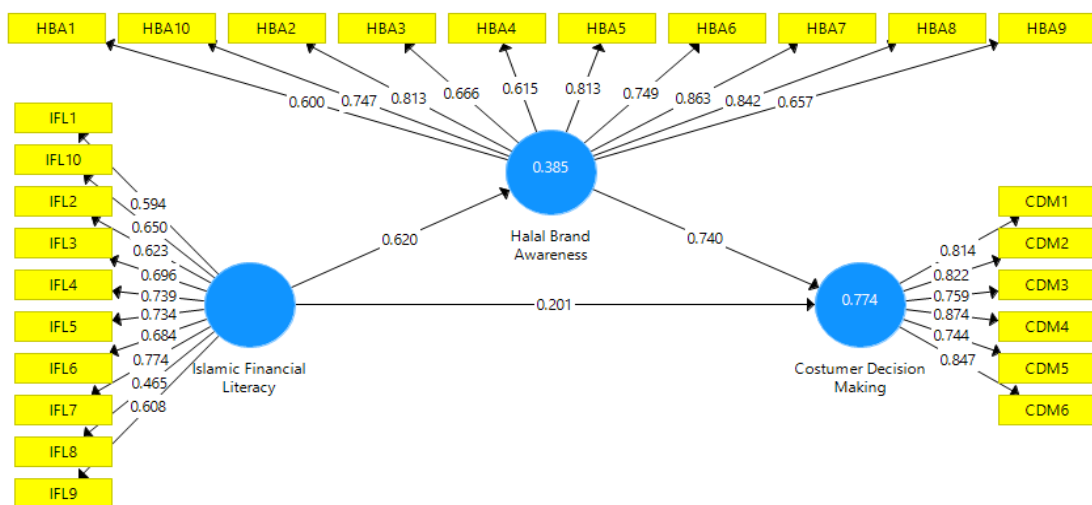
In this study, the reflective measurement model was evaluated following the criteria outlined by Hair et al., (2020), the measurement indicator factor loading must be ≥ 0.70 to show a strong reflection of the measured construct. Furthermore, composite reliability ≥ 0.70 and Cronbach's alpha must meet the standards to indicate good internal consistency of the measurement indicators. An Average Variance Extracted (AVE) ≥ 0.50 is also required to indicate that the measured constructed variable is quite dominant in explaining the variation in the indicators.

Discriminant validity is assessed using the Fornell-Lacker and HTMT (Heterotrait Monotrait Ratio) criteria. Discriminant validity was established with a value of 0.71 for HTMT (0.85) Zmnako & Chalabi, (2019) or HTMT .90, 0.90 (Gold et al., 2001). As a statistical test he can test for zero hypothesis ($H_0: HTMT < 1$) vs ($H_A: HTMT \geq 1$) (Henseler et al., 2015) with HTMT The 95% confidence interval contains the value 1 (i.e H_A) then there is no discriminant validity.

On the other hand, the evaluation of formative measurement models mainly focuses on the significance of the outer weight of the formative indicators and ensuring that there is no multicollinearity between measurement items, which can be seen from the Outer VIF value, which should be below 5. By meeting these criteria, reflective and formative measurement models can be considered valid and reliable for further analysis.

4.2.1 Outer Loading

Figure 4. 2 Initial Model



Source: processed by author

An outer loading value > 0.5 indicates that each indicator meets the convergent validity criteria. This shows that each indicator effectively reflects the latent variable. However, one indicator is invalid, namely IFL-8, with a factor loading of 0.465. This problem can be resolved by deleting the invalid item IFL-8. The following is the Outer Loading table after re-estimating the model:

Table 4. 5 Loading Factor

Item	Customers Decision-Making (CDM)	Halal Brand Awareness (HBA)	Islamic Financial Literacy (IFL)
CDM-1	0.851		
CDM-2	0.834		
CDM-4	0.890		
CDM-6	0.853		
HBA-10		0.750	
HBA-2		0.807	
HBA-3		0.666	
HBA-4		0.613	
HBA-5		0.822	
HBA-6		0.759	
HBA-7		0.870	
HBA-8		0.849	
HBA-9		0.662	
IFL-10			0.688
IFL-3			0.681
IFL-4			0.727
IFL-5			0.761
IFL-6			0.709
IFL-7			0.790
IFL-9			0.646

Source: Processed by author

Based on the initial estimation results, the measurement model shows that one item, namely IFL-8, is invalid, with a loading value of 0.465. As a result, this item was removed from the model, and then the estimation was repeated. However, after re-estimating, the discriminant validity results on the Customers Decision-Making (CDM) item were invalid with a value of 0.811, which is lower than the Halal Brand Awareness (HBA) item, which has a value of 0.865. Therefore, the next step is to eliminate several latent variables, namely CDM-3, CDM-5, IFL-1, IFL-2, IFL-8, and HBA-1, to increase the validity and reliability of the measurement model.

The following table presents the outer loading, Composite Reliability, and AVE values for the Islamic Finance Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM) variables after re-estimating the model.

4.2.2 Composite Reliability, and AVE

Table 4. 6 Outer Loading, Composite Reliability, and Average Variance Extracted (AVE)

Variable	Measurement Item	Indicator	Outer Loading	CR	AVE
Islamic Finance Literacy	IFL-3	Understanding of Islamic Financial Instrument	0.681	0.88	0.513
	IFL-4		0.727		
	IFL-5	Awareness of Sharia banking Products and Services	0.761		
	IFL-6		0.709		
	IFL-7	Practical Skills in Managing Islamic Finance	0.790		
	IFL-9	Awareness of Ethical Principles in Islamic Finance	0.646		
	IFL-10		0.688		
Halal Brand Awareness	HBA-2	Components of Halal Brand Awareness (HBA)	0.807	0.924	0.578
	HBA-3	Ethical Dimension	0.666		
	HBA-4		0.613		
	HBA-5	Importance in Bank Selection	0.822		
	HBA-6		0.759		
	HBA-7	Trust-Building Mechanism	0.870		
	HBA-8		0.849		
	HBA-9	Uniqueness and Differentiation	0.662		
	HBA-10		0.750		
	Customer Decision Making	CDM-1	Islamic Financial Literacy (IFL)		
CDM-2		0.834			
CDM-4		Brand Awareness	0.890		
CDM-6		Ethical Considerations	0.853		

Source: Processed by author

Based on the table above, the Customers Decision-Making (CDM) Variable is measured with four valid items, with outer loading values ranging from 0.834 to 0.890. This value shows that the four measurement items are strongly related to explaining Customers Decision-Making (CDM). The composite reliability value of 0.917 is above

the threshold of 0.70, indicating that the reliability of the Customers Decision-Making (CDM) variable is acceptable, with convergent validity indicated by an AVE of 0.735, which is above the threshold of 0.50. Among the four valid measurement items, Customers Decision-Making (CDM) is most strongly reflected in CDM-4 (LF=0.890), which relates to brand awareness, and CDM-6 (LF=0.853), which relates to ethical considerations.

The Halal Brand Awareness (HBA) variable shows that the outer loading value for the indicator ranges from 0.613 to 0.870, indicating that all items contribute significantly to explaining Halal Brand Awareness (HBA). Meanwhile, the composite reliability value is 0.924, and the AVE is 0.578, indicating good internal consistency and sufficient convergent validity. HBA-7 (LF=0.870) and HBA-8 (LF=0.849), which relate to trust-building mechanisms, show the most robust reflection among the other items.

For the Islamic Financial Literacy (IFL) variable, the outer loading value ranges from 0.646 to 0.790, with IFL-7 (LF=0.790), which reflects practical skills in managing Islamic finance, being the strongest indicator. IFL-5 (LF=0.761), which reflects awareness of Sharia banking products and services, was next. Meanwhile, the composite reliability was 0.88, and the AVE was 0.513, indicating acceptable reliability and convergent validity. Accordingly, this analysis confirms the validity and reliability of the measurement model, allowing for accurate and reliable further analysis.

4.2.3 Fornell and Larcker

Table 4. 6 Fornell and Larcker

Item	Customers Decision-Making (CDM)	Halal Brand Awareness (HBA)	Islamic Financial Literacy (IFL)
Customer Decision Making	0.857		
Halal Brand Awareness	0.855	0.76	
Islamic Financial Literacy	0.649	0.607	0.716

Source: Processed by author

Discriminant validity is an evaluation to ensure the variables measured are theoretically different and proven empirically by statistical testing. Discriminant validity is evaluated using the Fornell and Larcker criteria, which states that the square root of the AVE of a variable must be greater than the correlation between those variables and other variables. The discriminant validity of the model is shown that all values on the diagonals were greater than the others in the corresponding row, which verified that the measures

were discriminant. Thus, we were convinced that it was suitable to conduct factor analysis (Jiang et al., 2023).

In this study, the Customers Decision-Making (CDM) variable has a square root AVE of 0.857, which is greater than the correlation with Halal Brand Awareness (HBA) of 0.855 and with Islamic Financial Literacy (IFL) of 0.649. Accordingly, the results of the discriminant validity of the Customers Decision-Making (CDM) variable are met; the Halal Brand Awareness (HBA) variable has a square root AVE of 0.760, which is greater than its correlation with Customers Decision-Making (CDM) (0.855) and with Islamic Financial Literacy (IFL) (0.607). This shows that Halal Brand Awareness (HBA) has good discriminant validity and differs from other model variables.

Likewise, the Islamic Financial Literacy (IFL) variable has a square root AVE of 0.716, which is greater than the correlation with Customers Decision-Making (CDM) of 0.649 and with Halal Brand Awareness (HBA) of 0.607. This confirms that Islamic Financial Literacy (IFL) also has discriminant solid validity, showing apparent differences between these and other variables in the model.

Accordingly, the discriminant validity of the three variables in this study is Halal Brand Awareness (HBA), Customers Decision-Making (CDM), and Islamic Financial Literacy (IFL). Following the Fornell and Larcker criteria, the square root of the AVE for each variable is greater than the correlation between those variables and other variables. So, in summary, the measurement model in this study has good discriminant validity and can be relied upon for further analysis.

4.2.4 Heterotrait-Monotrait Ratio (HTMT)

Table 4. 7 Heterotrait-Monotrait Ratio (HTMT)

Item	Customers Decision-Making (CDM)	Halal Brand Awareness (HBA)	Islamic Financial Literacy (IFL)
Customer Decision Making			
Halal Brand Awareness	0.953		
Islamic Financial Literacy	0.750	0.686	

Source: Processed by author

The HTMT is considered more accurate in detecting discriminant validity, as stated by Hair et al., (2019). With the recommended threshold below 0.90, the test results in this

study show HTMT values below 1 for all pairs of variables, accordingly, indicating the achievement of discriminant validity.

The HTMT values of Islamic Financial Literacy (IFL) with Customers Decision-Making (CDM) and Halal Brand Awareness (HBA) are 0.750 and 0.686, respectively. Both are below the 1 threshold. This confirms that Islamic Financial Literacy (IFL) is different from Customers Decision-Making (CDM) and Halal Brand Awareness (HBA), which also shows its discriminant validity.

4.2.5 Cross Loading

Table 4. 8 Cross Loading

Item	Customer Decision Making (CDM)	Halal Brand Awareness (HBA)	Islamic Financial Literacy (IFL)
CDM-1	0.851	0.725	0.552
CDM-2	0.834	0.669	0.634
CDM-4	0.890	0.788	0.539
CDM-6	0.853	0.745	0.506
HBA-10	0.671	0.750	0.438
HBA-2	0.666	0.807	0.540
HBA-3	0.551	0.666	0.414
HBA-4	0.486	0.613	0.423
HBA-5	0.686	0.822	0.485
HBA-6	0.613	0.759	0.496
HBA-7	0.765	0.870	0.489
HBA-8	0.763	0.849	0.497
HBA-9	0.600	0.662	0.356
IFL-10	0.403	0.339	0.688
IFL-3	0.433	0.384	0.681
IFL-4	0.445	0.385	0.727
IFL-5	0.551	0.522	0.761
IFL-6	0.475	0.506	0.709
IFL-7	0.501	0.479	0.790
IFL-9	0.414	0.381	0.646

Source: Processed by author

The Customers Decision-Making (CDM) measurement items (CDM-1, CDM-2, CDM-4, and CDM-6) have higher loading coefficients among the Halal Brand Awareness (HBA) and Islamic Financial Literacy (IFL) measurement items. This shows that these items are better at measuring the Customers Decision-Making (CDM) variable compared to other variables and have a low correlation with the Halal Brand Awareness (HBA) and Islamic Financial Literacy (IFL) variables.

Likewise, the Halal Brand Awareness (HBA) measurement items (HBA-2, HBA-3, HBA-4, HBA-5, HBA-6, HBA-7, HBA-8, HBA-9, HBA-10) have a higher loading coefficient on the Halal Brand Awareness (HBA) measurement items; this shows that these items are better in measuring Halal Brand Awareness (HBA) compared with measurement items in the Customers Decision-Making (CDM) and Islamic Financial Literacy (IFL) items.

Furthermore, the Islamic Financial Literacy measurement items (IFL-10, IFL-3, IFL-4, IFL-5, IFL-6, IF7, and IFL-9) have a higher loading coefficient on the Islamic Financial Literacy (IFL) variable compared to the Halal Brand Awareness (HBA) and Customers Decision-Making (CDM) measurement items. This shows that these items are better at measuring Islamic Financial Literacy (IFL) than Customers Decision-Making (CDM) and Halal Brand Awareness (HBA) Variables.

Consequently, it can be concluded that this cross-loading analysis confirms that each variable measuring Customers Decision-Making (CDM), Halal Brand Awareness (HBA), and Islamic Financial Literacy (IFL) has items that are better at measuring their respective variables compared to other variables and are by the research conceptual framework.

4.4 Structural Model Evaluation

In this study, evaluating the structural model begins by measuring path coefficients that indicate the strength and direction of relationships between constructs. The significance of this relationship was then tested using the P-value and T-statistics obtained by the bootstrapping method. After that, the endogenous construct's R-squared (R^2) value is examined to determine the proportion of variance explained by the exogenous construct, thereby providing insight into the explanatory power of the model.

Furthermore, the predictive relevance was evaluated using the Q-squared (Q^2) value to assess the model's ability to predict endogenous constructs. Meanwhile, model fit is evaluated using Standardized Root Mean Square Residual (SRMR) criteria to measure the difference between observed and expected correlations.

This comprehensive evaluation ensures that the structural model accurately reflects the underlying theoretical framework and provides reliable insight into the relationships between the CDM, HBA, and IFL variables.

4.4.1 Multicollinearity Check

This assessment uses the Inner Variance Inflated Factor (VIF) statistic. Before testing the structural model hypothesis, ensuring no multicollinearity between endogenous and exogenous variables is essential. The low limit of multicollinearity between variables is proven by the Inner VIF value below 5. The following is the Inner VIF estimation table:

Table 4. 10 Inner VIF

Item	Customers Decision-Making (CDM)	Halal Brand Awareness (HBA)	Islamic Financial Literacy (IFL)
Customer Decision Making			
Halal Brand Awareness	1.583		
Islamic Financial Literacy	1.583	1	

Source: Processed by author

With the VIF values for Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) being 1.583 or below 5, these variables have a relatively low level of correlation with each other, thereby minimizing the possibility of multicollinearity problems. This indicates that the regression analysis results based on these variables are reliable, and their interpretation is more stable. This supports that the parameter estimates in SEM PLS are robust (unbiased).

4.4.2 Hypothesis Testing

The next step is to test the hypothesis between variables by looking at the T-statistic or P-value. If the P-value is less than 0.05 or the calculated T-statistic is more significant than 1.96 (t-table), it indicates a significant influence between variables. Then, the results and 95% confidence intervals for the estimated path coefficients should be reported.

Table 4. 9 Path coefficients

Hypothesis	Path Coefficient	P-value	95% Confidence Interval of Path Coefficient		F-square
			Lower Bound	Upper Bound	
H1: HBA -> CDM	0.730	0.000	0.690	0.770	1.388
H2: IFL -> CDM	0.206	0.000	0.159	0.250	0.110
H3: IFL -> HBA	0.607	0.000	0.563	0.651	0.583

Source: Processed by author

1) Hypothesis 1 (H-1)

There is a significant influence of Halal Brand Awareness (HBA) on Customers' Decision-Making (CDM), with a path coefficient of 0.730 and a P-value of 0.000 (less than 0.05). This shows that the first hypothesis (H-1) is accepted. This means that every Halal Brand Awareness (HBA) change will increase Customer Decision-Making (CDM).

At the 95% confidence interval, the influence of Halal Brand Awareness (HBA) on Customers Decision-Making (CDM) ranges from 0.690 to 0.770. Although this impact is considered moderate at a structural level ($f\text{-square}=1.388$), it underlines the importance of increasing Halal Brand Awareness (HBA). Implementing banking policies to increase Halal Brand Awareness (HBA) can significantly improve Customers Decision-Making (CDM) by up to 0.770. This aligns with BSI's marketing strategy for 2022, emphasizing the importance of increasing awareness and interest in BSI products, improving financial literacy in Sharia banking, and involving the community with various initiatives to strengthen brand image (BSI, 2022).

2) Hypothesis 2 (H-2)

There is a significant influence of Islamic Financial Literacy (IFL) on Customers Decision-Making (CDM) with a path coefficient of 0.206 and a P-value of 0.000, indicating that the second hypothesis (H-2) is also accepted. This shows that an increase in Islamic Financial Literacy (IFL) positively impacts Customers Decision-Making (CDM). The 95% confidence interval for this influence ranges from 0.159 to 0.250. Meanwhile, the $f\text{-square}$ value of 0.110 indicates a small effect size at the structural level, which means that although the Islamic Financial Literacy (IFL) variable influences Customers Decision-Making (CDM), the impact is less intense than Halal Brand Awareness (HBA).

3) Hypothesis 3 (H-3)

The path coefficient and P-value of Islamic Financial Literacy (IFL) show 0.607 and 0.000, respectively. This indicates that the increase in Islamic Financial Literacy (IFL) causes Halal Brand Awareness (HBA) to increase. Accordingly, Islamic Financial Literacy (IFL) has a significant influence on Halal Brand Awareness (HBA), which means the third hypothesis (H-3) is accepted. Furthermore, the 95% confidence interval for this effect is between 0.563 and 0.65, with an $f\text{-square}$ value of 0.583, indicating a large effect size indicating that Islamic Financial Literacy (IFL) plays a significant role in increasing Halal Brand Awareness (HBA).

In summary, it can be concluded that HBA significantly and moderately influences CDM. In contrast, IFL has a more minor but still significant influence on CDM and an enormous impact on HBA. These outcomes highlight the importance of developing strategies to increase Halal Brand Awareness (HBA) and Islamic Financial Literacy (IFL) to improve effective Customer Decision-Making (CDM).

4.4.3 Effect Size (f^2) Evaluation

The next step is to test the effect size (f^2), which represents the direct impact of a variable at the structural level. Based on Hair et al., (2021), f^2 value criteria are as follows: small effect (0.02), medium effect (0.15), and significant effect (0.35). The mediation effect or f^2 value is obtained by squaring the mediation coefficient.

According to Lahowicz et al., (2018), as highlighted in Ogbeibu et al., (2022), the size of the mediation effect is categorized as small (0.02), medium (0.075), and significant (0.175). This stage requires a thorough structural model evaluation and allows an accurate understanding of the relationships and influences between research variables.

In this case, SmartPLS 3 and 4 automatically generate a squared f value, which is used to evaluate the size of the direct influence of a variable at the structural level. However, reporting the magnitude of the mediation effect cannot be done automatically in SmartPLS 3 and 4, so this value can be calculated manually for the mediation effect (mediation testing). Several measures for the size of the mediation effect have been developed. However, according to Ogbeibu et al., (2020) and Lahowicz et al., (2017), the preferred measure is the upsilon (v) mediation effect size. Interpretation of the upsilon (v) mediation effect size, as recommended by Cohen in Ogbeibu et al., (2020), amounting to 0.01 (low mediation effect), 0.075 (medium mediation effect), and 0.175 (high mediation effect).

Table 4. 10 Mediation Effect Hypothesis Testing

Hypothesis	Path Coefficient	P-value	95% Confidence Interval of Path Coefficient		Upsilon v
			Lower Bound	Upper Bound	
H4: IFL -> HBA-> CDM	0.443	0.000	0.402	0.48	0.196

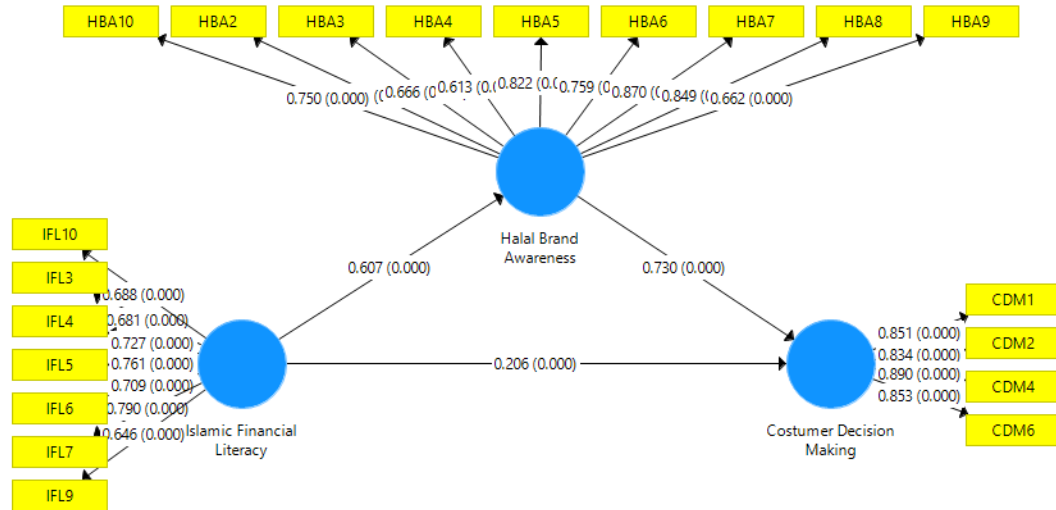
Source: Processed by author

Halal Brand Awareness (HBA) significantly acts as a mediating variable that mediates the indirect influence of Islamic Financial Literacy (IFL) on Customers

Decision-Making (CDM) with a mediation path coefficient of 0.443 and a P-value of 0.000 (< 0.05), this proves that the fourth hypothesis (H-4) is accepted. Furthermore, at the structural level, the mediating role of Halal Brand Awareness (HBA) is considered to have a high mediating effect with an epsilon value of $v = 0.196$, as stated by Ogbeibu et al., (2020). Accordingly, it can be concluded that, within a 95% confidence interval, increasing Halal Brand Awareness (HBA) will increase this mediating role to 0.480.

4.4.4 The PLS Path Coefficients Model

Figure 4. 3 Path Coefficient and P-value



Source: Processed by author

The image above illustrates the Partial Least Squares (PLS) model used to analyze the relationship between three primary constructs, namely the variables Islamic Financial Literacy (IFL), Halal Brand Awareness (HBA), and Customers Decision-Making (CDM). Islamic Financial Literacy (IFL) and its indicators (IFL-10, IFL-3, IFL-4, IFL-5, IFL-6, IFL-7, and IFL-9) are indicators used to measure Islamic Financial Literacy (IFL). The path coefficient (loading) between each Islamic Financial Literacy (IFL) indicator is relatively high, ranging from 0.646 to 0.790. The P-value of all these indicators is 0.000, which shows that all indicators are significant in measuring Islamic Financial Literacy (IFL).

Halal Brand Awareness (HBA) and its indicators (HBA-1-HBA-10) are indicators used to measure Halal Brand Awareness (HBA). The path coefficient between each Halal Brand Awareness (HBA) indicator is also high, ranging from 0.613 to 0.870. The P-value of all these indicators is 0.000, which shows that all indicators are significant in measuring Halal Brand Awareness (HBA).

Customers Decision-Making (CDM) and its indicators (CDM-1-CDM-6) are indicators used to measure Customers Decision-Making (CDM). The path coefficient between each indicator and Customers Decision-Making (CDM) is very high, ranging from 0.851 to 0.890. The P-value of all these indicators is also 0.000, which shows that all indicators are significant in measuring Customers Decision-Making (CDM). The

relationship between the Islamic Financial Literacy (IFL) construct and Halal Brand Awareness (HBA) has a path coefficient of 0.629 and a P-value of 0.000. This shows that Islamic Financial Literacy (IFL) positively and significantly influences Halal Brand Awareness (HBA).

Likewise, Halal Brand Awareness (HBA) on Customers Decision-Making (CDM) shows a path coefficient of 0.736 and a P-value of 0.000. This indicates that Halal Brand Awareness (HBA) also positively and significantly influences Customers Decision-Making (CDM). Islamic Financial Literacy (IFL) on Customers Decision-Making (CDM) has a path coefficient of 0.206 and a P-value of 0.000. This also shows that Islamic Financial Literacy (IFL) positively and significantly influences Customers Decision-Making (CDM).

Therefore, based on the results of this PLS model, it can be concluded that Islamic Financial Literacy (IFL) has a positive and significant effect on Halal Brand Awareness (HBA), and Halal Brand Awareness (HBA) has a positive and significant impact on Customers Decision-Making (CDM), and Islamic Financial Literacy (IFL) also has a substantial influence on Halal Brand Awareness (HBA). HBA directly influences Customers Decision-Making (CDM), although it has a minor impact on Halal Brand Awareness (HBA). This model shows that increasing customers' Islamic Financial Literacy (IFL) can increase their Halal Brand Awareness (HBA), ultimately influencing their decision-making regarding Sharia banking services.

4.5 Evaluation of Model Fit and Suitability

PLS is a variance-based Structural Equation Modeling analysis focusing on theory testing and considering prediction studies (Evermann et al., 2016). Several measures have been developed to demonstrate that the proposed model is acceptable. These measurements include R Square, Q Square, SRMR, PLS predictions, and Goodness of Fit Index (GoF Index), as stated by Sarstedt & Henseler (2013) and Hair et al., (2019). The independent variable explains the proportion of variance in the dependent variable, where the higher the value indicates, the better the explanatory ability is shown by R Square. The model's predictive relevance via cross-validated redundancy, with positive values indicating good predictive relevance, was assessed with Q Square.

Furthermore, the difference between the practical and predicted correlation, with a value below 0.08, is appropriate for measuring SRMR. The model's out-of-sample prediction accuracy helps determine how well the model predicts new data evaluated by

PLS Predict. Finally, the GoF index measure combines measurement performance and structural models to assess the suitability of the summary.

Potential bias due to endogenous relationships between variables, ensuring model robustness by identifying and correcting endogeneity is addressed with endogeneity. As Hair et al., (2019) and Sarstedt et al., (2020) stated, the robustness of the model is assessed by testing the linearity of the relationship between variables to ensure validity in SEM analysis. Meanwhile, sample heterogeneity was detected and calculated using Fimix PLS to ensure that the model accurately represents the various subpopulations in the study sample.

This comprehensive approach will evaluate the fit and suitability of the model to ensure that the PLS-SEM model is robust, reliable, suitable for making accurate predictions and theoretical assessments, and by contemporary standards in SEM analysis.

4.5.1 R Square and Q Square

Table 4. 11 R Square and Q Square

Item	R Square	Q Square
Customer Decision Making	0.757	0.553
Halal Brand Awareness	0.368	0.211

Source: Processed by author

The R Square and Q Square Tables show the most important statistical measures in the model, which describe the extent to which exogenous variables or other endogenous variables can explain variations in endogenous variables. Based on the table above, the R Square value for Consumer decision-making is 0.757, indicating that 75.7% of the variation in consumer decision-making can be explained by Halal Brand Awareness (HBA) and Islamic Financial Literacy (IFL). This has a high impact, according to Chin (1998).

Meanwhile, the R Square value of Halal Brand Awareness (HBA) of 0.368 shows a moderate influence, with 36.8% of the variation explained by another exogenous variable, Islamic Financial Literacy (IFL). Prediction accuracy, which shows how well changes in exogenous or endogenous variables can predict endogenous variables, is measured by Q Square. A Q Square value above 0 indicates predictive relevance, with qualitative interpretations being 0 (low effect), 0.25 (medium effect), and 0.50 (high effect), according to Hair et al., (2019). Based on the table above, the Q Square value for

Consumer Decision Making is 0.553, which shows high prediction accuracy. Meanwhile, the Q Square value for Halal Brand Awareness (HBA) is 0.211, close to 0.25, which indicates low prediction accuracy.

4.5.2 Standardized Root Mean Square Residual (SRMR)

Table 4. 12 Standardized Root Mean Square Residual (SRMR)

Item	Model Estimate
SRMR	0.66

Source: Processed by author

SRMR indicates model suitability, measuring the difference between the data correlation matrix and the estimated model correlation matrix. The SRMR table above displays a Standardized Root Mean Square Residual (SRMR) value of 0.066. An SRMR value below 0.08 indicates that the model fits the data, according to Yamin, (2021). However, research by Karin Schmelleh et al., (2003) shows that SRMR values in the range of 0.08 to 0.10 can also be considered acceptable suitability. The estimated model with an SRMR of 0.066 indicates a good fit in this context. Accordingly, it can be concluded that the empirical data used in the analysis effectively explains the relationship between variables in the model.

4.5.3 Analysis of Goodness of Fit (GoF) Index

Table 4. 13 Goodness of Fit (GoF) Index

Mean Communality	Mean R Square	GoF Index
0.749	0.585	0.662

Source: Processed by author

A comprehensive measure to evaluate both measurement and structural models in the reflective measurement model is carried out by the Goodness of Fit (GoF) Index. The square root of the product of the community average and the average R2 value were performed to calculate the GoF Index. Based on the table above, the Community Average is 0.749; the R2 Average is 0.585. So, the calculation of the Federal Government Index:

$$\begin{aligned}
 \text{GoF Index} &= \sqrt{(\text{Average Communality} \times \text{Average R2})} &= \sqrt{(0.749 \times 0.585)} \\
 & &= 0.662
 \end{aligned}$$

Wetzels et al., (2009) stated, as quoted in Yamin, (2021), that the interpretation of the GoF Index value is a low 0.1, 0.25 Medium GoF, 0.36 High GoF. In this context, the calculated GoF Index is 0.662, interpreted as High GoF.

The empirical data in the research corresponds to a model with a high level of adequacy because it has a GoF Index of 0.662. GoF 0.662 indicates that the measurement and structural models explain the observation data well. The implications of the high GoF Index of 0.662 indicate that the reflective measurement model is robust and provides a good fit for the data. Model validation is demonstrated by the high GoF, which strengthens the validity and reliability of the constructs in the model, stating that these indicators effectively reflect the latent variables to be measured. This suggests that the model in this research can accurately capture the relationship between constructs and the indicators used to measure them.

The empirical data's fit strongly supports the theoretical model and demonstrates that the constructs and their relationships are well represented in the data. In conclusion, the GoF index calculated in this study of 0.662 indicates a high level of model fit, which validates the model's ability to fully represent the underlying constructs and their interrelationships, thereby supporting the robustness of the measurement and structural model used in this study.

4.5.4 Analysis of PLS Predict Results

Partial Least Squares (PLS) prediction values are used to validate the predictive power of the PLS model by comparing it with the linear regression model (LM). Meanwhile, the RMSE and MAE values between the PLS and LM models were compared to determine the effectiveness value of the PLS model.

Table 4. 14 Comparison of Root Mean Square Error (RMSE) and Mean Absolute Error (MAE)

Indicator	PLS		LM	
	RMSE	MAE	RMSE	MAE
CDM-1	0.785	0.611	0.789	0.614
CDM-4	0.772	0.599	0.764	0.595
CDM-6	0.800	0.625	0.794	0.624
CDM-2	0.740	0.587	0.738	0.580
CDM-5	0.741	0.589	0.722	0.555
CDM-3	0.830	0.661	0.822	0.655
HBA-8	0.827	0.653	0.816	0.646
HBA-9	0.871	0.679	0.870	0.680
HBA-3	0.843	0.698	0.847	0.702
HBA-4	0.697	0.559	0.687	0.539

HBA-10	0.917	0.712	0.913	0.712
HBA-7	0.791	0.614	0.782	0.612
HBA-2	0.801	0.618	0.787	0.605
HBA-5	0.840	0.643	0.829	0.641
HBA-6	0.783	0.630	0.771	0.617
HBA-1	0.786	0.595	0.771	0.595

Source: Processed by author

According to Hair et al., (2019), PLS models were evaluated based on their predictive power. A PLS model can have a high predictive ability if the model consistently shows lower RMSE and MAE values than the linear regression model (LM). Based on the table above, the indicators with lower RMSE on PLS are shown by CDM-1 and HBA-3. CDM-1 and HBA-3 show indicators with Lower MAE in PLS. Of the 32 comparisons (16 RMSE and 16 MAE values), 4 out of 32 RMSE and MAE values are lower in PLS, and 2 RMSE and MAE values have the same value. Accordingly, it can be concluded that the predictive ability of the PLS model is not too high because only 6 out of 32 (0.19%) showed lower or the same value in PLS.

However, in summary predictive power, considering that most values do not consistently show lower errors in PLS, the model can be classified as having moderate predictive ability. Therefore, the proposed PLS model has moderate predictive ability, indicating its performance is comparable to the linear regression model but does not consistently outperform the model across all indicators.

4.5.5 Linearity Test

Table 4. 15 Linearity Test Table (P > 0.05)

Item	Path Coefficient	P Values	Explanation
QE1 -> Halal Brand Awareness	-0.004	0.869	Linearity Achieved
QE2 -> Costumer Decision Making	0.02	0.137	Linearity Achieved
QE3 -> Costumer Decision Making	0.006	0.683	Linearity Achieved

Source: Processed by author

Analyzing the linearity of the relationship between variables needs to be done, as mentioned by Hair et al., (2019). It is assumed that the influence between variables is linear. This test is part of the model robustness in SEM PLS, which involves testing the quadratic effect (QE). Based on the results of this study, the quadratic influence of Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) is significant in Customers Decision-Making (CDM). Therefore, the influence of Islamic Financial

Literacy (IFL) and Halal Brand Awareness (HBA) on Customers Decision-Making (CDM) is linear; this shows the impact of linearity.

CHAPTER V

CONCLUSION

5.1 Results

Supported by data analysis and hypothesis testing, it is concluded that Islamic Financial Literacy (IFL) significantly affects Customers Decision-Making (CDM) in choosing a Sharia bank.

1. The first hypothesis stated that Islamic Financial Literacy (IFL) significantly influences Customer Decision Making (CDM) in choosing Islamic banks. The analysis results show a path coefficient of 0.206 with a t-value of 1.96 ($p < 0.05$), indicating a positive and significant relationship between IFL and CDM. Consumers with high financial literacy have a better understanding of Islamic financial principles and products, aiding them in making decisions that align with Islamic financial values. Based on the table data, the indicator with the highest outer loading is IFL-7 (0.790), highlighting the importance of practical skills in managing Islamic finance. This is supported by Albaity & Rahman (2019) and Grohmann et al. (2018).
2. The second hypothesis stated that Halal Brand Awareness (HBA) significantly influences Customer Decision Making (CDM) in choosing Islamic banks. The analysis results show a path coefficient of 0.736 with a t-value of 1.96 ($p < 0.05$), indicating a significant influence of HBA on CDM. Consumers with high halal brand awareness tend to choose Islamic banks because these banks operate according to Sharia principles, prohibiting interest and transactions that do not comply with Islamic law. Based on the table data, the indicator with the highest outer loading is HBA-8 (0.890), showing that trust-building mechanisms are crucial. This finding aligns with Al-Awlaqi & Aamer (2022), Kurniawati & Savitri (2020), and Ahmad, et al., (2011).
3. The third hypothesis stated that the Islamic Financial Literacy (IFL) significantly influences Halal Brand Awareness (HBA). Path coefficient and P-value of Islamic Financial Literacy (IFL) show 0.607 and 0.000, respectively. This indicates that the increase in Islamic Financial Literacy (IFL) causes Halal Brand Awareness (HBA) to increase. Accordingly, Islamic Financial Literacy (IFL) has a significant influence on Halal Brand Awareness (HBA), which means the third hypothesis (H-3) is accepted. Furthermore, the 95% confidence interval for this

effect is between 0.563 and 0.65, with an f-square value of 0.583, indicating a large effect size indicating that Islamic Financial Literacy (IFL) plays a significant role in increasing Halal Brand Awareness (HBA).

4. The fourth hypothesis stated that Halal Brand Awareness (HBA) significantly acts as a mediating variable that mediates the indirect influence of Islamic Financial Literacy (IFL) on Customers Decision-Making (CDM) with a mediation path coefficient of 0.443 and a P-value of 0.000 (< 0.05), this proves that the fourth hypothesis (H-4) is accepted. Furthermore, at the structural level, the mediating role of Halal Brand Awareness (HBA) is considered to have a high mediating effect with an upsilon value of $v = 0.196$, as stated by Ogbeibu et al. (2020). Therefore, it can be concluded that, within a 95% confidence interval, increasing Halal Brand Awareness (HBA) will increase this mediating role to 0.480.

Accordingly, this research emphasized the importance of increasing Islamic Financial Literacy (IFL) and building Halal Brand Awareness (HBA) to support better Customers Decision-Making (CDM) when choosing a Sharia bank. Strengthening these aspects will help Sharia banks attract and retain customers and increase financial inclusion in society.

5.2 Recommendations

1. **Increasing Islamic Financial Literacy**

To increase Islamic Financial Literacy (IFL), Sharia banks must invest in educational programs and workshops to improve customers' understanding of Islamic financial principles and products. The program can be carried out in collaboration with academic institutions and community organizations to reach a wider audience. Second, develop easy-to-use and informative online resources, such as videos, articles, and interactive tools, to educate customers about Islamic finance and introduce Sharia banking products and services.

2. **Building Halal Brand Awareness (HBA)**

Sharia banks can implement comprehensive marketing strategies highlighting the unique features and ethical principles of Sharia banking products. Use multiple channels to increase brand visibility, including social media, traditional media, and community events. Brand awareness can also be built by establishing partnerships with leading halal certification institutions to increase customer credibility and trust.

3. Improve Customers Decision-Making (CDM) Support

Personalized financial consulting services to help customers make informed decisions can enhance credibility. These services may include one-on-one consultations, financial planning tools, and customized product recommendations.

4. The study's findings on the significant relationship between Islamic Financial Literacy (IFL) and consumer decision-making in choosing Sharia banking products can be further explored in the context of capturing market share and improving services comparable to the conventional banking segment. Analyzing the specific areas where IFL positively impacts consumer behavior, such as understanding the principles of Islamic finance, ethical investment practices, and financial risk management, can provide valuable insights for Islamic financial institutions to tailor their products and services effectively.

5. To leverage the limitation, there are potential to extend the impact on Halal Brand Awareness (HBA) not only commercially but also socially within Islamic finance, including areas such as waqf, zakat, infaq, and shadaqah, presents an opportunity for enhancing consumer confidence and decision-making in choosing Sharia-compliant financial products. By integrating social responsibility and ethical considerations into branding strategies, Islamic financial institutions can build trust and loyalty among consumers seeking Halal financial solutions. Exploring the impact of HBA beyond traditional marketing approaches and into the realm of community engagement and social impact initiatives can further strengthen consumer perceptions of Sharia-compliant financial products and services.

Addressing these points can provide a more comprehensive understanding of how Islamic Financial Literacy and Halal Brand Awareness influence consumer behavior in Islamic finance and highlight opportunities for improving market positioning and social relevance within the industry.

5.3 Implications

1. For Sharia Commercial Banks

Strengthening financial literacy initiatives and brand awareness can increase customer trust, loyalty, and Summary satisfaction, ultimately resulting in higher customer retention and market share. In addition, by prioritizing education and

awareness, Sharia banks can distinguish themselves from conventional banks and attract a more knowledgeable and loyal customer base.

2. For Customers

Increasing financial literacy empowers customers to make better financial decisions, maximizing the benefits of Sharia banking products. Customers who are more knowledgeable about Islamic finance and Sharia banking products and services will likely experience greater economic well-being and security. Ultimately, increasing brand awareness helps customers identify trustworthy and reliable Sharia banks, reducing the risk of choosing unsuitable financial products.

3. For Policy Makers

Supporting initiatives that increase Islamic Financial Literacy (IFL) and brand awareness can contribute to broader financial inclusion goals. Policies that encourage educational programs and banking transparency can benefit the economic ecosystem.

5.4 Suggestions for Future Research

1. Explore Additional Factors

Other variables influencing Customers Decision-Making (CDM) in choosing a Sharia bank, such as service quality, customer satisfaction, and digital banking capabilities, can be investigated in future research.

2. Longitudinal Study

Longitudinal research approaches can provide deeper insight into the long-term impact of educational and marketing initiatives. The approach was taken to examine how changes in financial literacy and brand awareness over time influence customers' decisions.

3. Comparative Study

Compare the influence of Islamic Financial Literacy (IFL) and Halal Brand Awareness (HBA) across different countries or demographic groups to identify variations in customer behavior and preferences, especially in Muslim countries. Such studies can help tailor strategies to specific market segments.

4. Integration with Technology

Investigate the role of technology, such as mobile banking apps and fintech solutions, in increasing financial literacy and brand awareness. In this way, understanding how digital tools can support customer's education and engagement can encourage innovation in the Sharia banking sector.

By responding to these recommendations and exploring related research areas, stakeholders such as the government and OJK can further strengthen the effectiveness of Sharia banking and make sure that banks meet the needs of their customers.

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APPENDIX

Questionnaire

Assalamu'alaikum Warahmatullahi Wabarakatuh.

Thank you for taking the time to participate in this research. This study aims to understand the relationship between Islamic financial literacy, Halal brand awareness, and consumer decision-making in choosing Islamic banks.

The objectives of this study are to:

Measure the level of Islamic financial literacy among the Indonesian public.

Analyze the level of Halal brand awareness for Islamic bank products and services.

Examine the influence of Islamic financial literacy and Halal brand awareness on consumer decision-making in choosing Islamic banks.

Develop a research model that explains the relationship between Islamic financial literacy, Halal brand awareness, and consumer decision-making in choosing Islamic banks.

The results of this research are expected to benefit:

The public in improving Islamic financial literacy and Halal brand awareness when choosing Islamic banks.

Islamic banks in developing more effective marketing strategies to reach and attract customers.

Stakeholders in the Islamic financial industry in developing policies and regulations that support the growth of the Islamic finance industry in Indonesia.

Your participation in this research is crucial to achieving the research objectives. We assure you that all the information you provide will be kept confidential and will only be used for this research.

Instructions for Completing the Questionnaire

Please read each question carefully before answering.

Answer the questions honestly and based on your experience.

For each question, choose the answer that best reflects your opinion on the scale 1-5.

You can go back to previous questions to change your answers.

Once you have answered all the questions, please click the "Submit" button.

We sincerely thank you for your participation and assistance in this research. May Allah SWT reward your kindness.

Wassalamu'alaikum Warahmatullahi Wabarakatuh.

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Variable: Islamic Financial Literacy Indicator 1: Knowledge of Islamic Finance Principles: 1. I feel confident about my knowledge of Islamic finance principles	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
2. I believe I have a good understanding of the laws of Islamic finance	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Indicator 2: Understanding of Shariah Financial Instruments 3. How familiar are you with Shariah financial instruments such as Mudarabah and Musharakah?	Not familiar at all	Somewhat familiar	Neutral	Quite familiar	Very familiar
4. To what extent do you understand how Shariah financial instruments work?	Do not understand at all	Somewhat understand	Neutral	Understand well	Understand very well
Indicator 3: Awareness of Specific Islamic Banking Products and Services 5. How often do you use Islamic banking products and services?	Very rarely	Rarely	Sometimes	Often	Very often
6. How important is it for you to choose Islamic banking products and services that comply with Shariah principles?	Not important at all	Somewhat important	Neutral	Important	Very important
Indicator 4: Practical Skills in Managing Shariah Finance 7. How often do you apply Shariah finance principles in your daily financial management?	Very rarely	Rarely	Sometimes	Often	Very often
8. How well do you manage your finances using Shariah finance principles?	Very poorly	Poorly	Fairly well	Well	Very well
Indicator 5: Awareness of Ethical Principles in Islamic Finance 9. How important is it for you to consider ethical aspects in your financial decisions?	Not important at all	Somewhat important	Neutral	Important	Very important
10. How often do you think about the ethical implications of your financial activities?	Very rarely	Rarely	Sometimes	Often	Very often
Variable: Brand Awareness Indicator 1: Brand Awareness Components 11. How often do you recognize the Bank Syariah Indonesia (BSI) brand when presented with its name, logo, or visual cues?	Never	Rarely	Occasionally	Often	Always
12. How much do you believe that halal brand awareness of Bank Syariah Indonesia (BSI) influences your decision in choosing a bank?	Not at all	Slightly	Moderately	Considerably	Extremely
Indicator 2: Ethical Dimensions	Not at all	Not much	Neutral	Somewhat	Completely

13. Do you consider Bank Syariah Indonesia (BSI) committed to ethical banking practices?					
14. How important is it to you that Bank Syariah Indonesia (BSI) adheres to Sharia principles?	Not important	Slightly important	Moderately important	Important	Very important
Indicator 3: Importance in Bank Selection 15. How much does halal brand awareness of Bank Syariah Indonesia (BSI) influence your decision to use their banking services?	Not at all	Slightly	Moderately	Considerably	Extremely
16. Are you more likely to trust and choose Bank Syariah Indonesia (BSI) over conventional banks because of their strong halal brand awareness?	Not likely at all	Slightly likely	Neutral	Likely	Very likely
Indicator 4: Trust-Building Mechanism 17. How much does halal brand awareness of Bank Syariah Indonesia (BSI) build your trust in their services?	Not at all	Slightly	Moderately	Considerably	Extremely
18. Do you feel more confident in using Bank Syariah Indonesia (BSI) services because of their strong halal brand awareness?	Not confident at all	Slightly confident	Moderately confident	Confident	Very confident
Indicator 5: Uniqueness and Differentiation 19. How unique do you consider the Bank Syariah Indonesia (BSI) brand compared to conventional banks?	Not unique at all	Slightly unique	Moderately unique	Unique	Extremely unique
20. To what extent does halal brand awareness of Bank Syariah Indonesia (BSI) differentiate it from other banks in your mind?	Not much differentiation	Slight differentiation	Neutral	Some differentiation	Significant differentiation
Variable: Customer Decision Making in Choosing Islamic Banks Indicator 1: Islamic Financial Literacy 21. How confident are you in assessing the Sharia compliance and ethical aspects of banking products and services?	Not confident at all	Slightly confident	Moderately confident	Confident	Very confident
22. To what extent does your understanding of Islamic financial principles influence your decision to engage with Islamic banking services?	Not at all	Slightly	Moderately	Considerably	Extremely

Indicator 2: Brand Awareness 23. How familiar are you with the Bank Syariah Indonesia (BSI) brand?	Not familiar at all	Slightly familiar	Moderately familiar	Very familiar	Extremely familiar
24. To what extent does the strong halal brand awareness of Bank Syariah Indonesia (BSI) influence your perception of its reliability and credibility?	Not at all	Slightly	Moderately	Considerably	Extremely
Indicator 3: Ethical Considerations 25. How important is it for you that the bank you choose adheres to Sharia-compliant and ethical practices?	Not important	Slightly important	Moderately important	Important	Very important
26. How much does the ethical reputation of Bank Syariah Indonesia (BSI) influence your decision to engage with its services?	Not at all	Slightly	Moderately	Considerably	Extremely