



## Integrating Islamic Ethical Values Into Service Quality: Impact on Customer Satisfaction in the Halal Herbal Industry


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[n.aqidah@live.iium.edu.my](mailto:n.aqidah@live.iium.edu.my)<sup>2</sup>, [nonieafrianty@mail.uinfabengkulu.ac.id](mailto:nonieafrianty@mail.uinfabengkulu.ac.id)<sup>3</sup>

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<p><b>Submitted:</b> August 11<sup>st</sup>, 2025</p> <p><b>Revised:</b> November 17<sup>th</sup>, 2025</p> <p><b>Accepted:</b> December 16<sup>th</sup>, 2025</p> <p><b>Published:</b> December 28<sup>th</sup>, 2025</p> <p><b>By:</b> International Journal of Islamic Economics (IJIE)</p> <p><b>Copyright:</b> ©2025. Lilia Gina Febrila, Nurul Aqidah, Nonie Afrianty</p>  <p>This article is licensed under the Creative Commons Attribution- Share Alike 4.0 International License. <a href="http://creativecommons.org/licenses/by-sa/4.0/">http://creativecommons.org/licenses/by-sa/4.0/</a></p>	<p><b>Introduction:</b> The rapid growth of the halal industry has intensified competition, requiring companies to focus not only on product quality but also on service quality. Customers evaluate services based on functionality, ethical standards, transparency, and compliance with Islamic values.</p> <p><b>Objective:</b> This study examines the effect of Islamic service quality on customer satisfaction at Alfatih Business Center II of PT Herba Penawar Alwahida Indonesia (HPAI) in Bengkulu.</p> <p><b>Methods:</b> An associative quantitative survey was conducted with 83 respondents selected via accidental sampling. Data were collected using a validated and reliable questionnaire (<math>r &gt; 0.2159</math>; Cronbach's Alpha <math>&gt; 0.60</math>) and analyzed using simple linear regression, t-tests, F-tests, and the coefficient of determination (<math>R^2</math>).</p> <p><b>Results:</b> Islamic service quality positively and significantly influences customer satisfaction, with the regression equation <math>Y = 13.563 + 0.350X</math>. The correlation coefficient (<math>R = 0.696</math>) indicates a strong relationship, and <math>R^2 = 0.485</math> indicates that 48.5% of the variance in customer satisfaction is explained by service quality. Both t-test and F-test significance values were <math>0.000 (&lt; 0.05)</math>, confirming statistical significance.</p> <p><b>Implications:</b> Integrating Islamic ethics, transparency, and responsive service enhances customer satisfaction. In practice, improving employees' competencies in product communication, information clarity, and responsiveness to inquiries and complaints is essential for fostering customer loyalty in the halal herbal industry.</p> <p><b>Keywords:</b> Customer Satisfaction; Islamic Economics Perspective; Service Quality.</p>

### A. Introduction

The rapid expansion of the halal industry has intensified competition among firms, compelling businesses to strengthen not only product quality but also service quality as a strategic source of sustainable competitive advantage. In halal-based markets, customers increasingly evaluate service encounters not merely from a functional perspective, but also in terms of ethical conduct, transparency, and compliance with Islamic values (Anwar et al.,

2024). Consequently, service quality has become a critical determinant of customer satisfaction and long-term loyalty within halal-oriented industries (Butt et al., 2022).

From a theoretical standpoint, customer satisfaction is shaped by cognitive and affective evaluations of service experiences relative to prior expectations. (Baidhowi & Triwibowo, 2025). Within the framework of Islamic economics, this relationship is conceptualized through Islamic Service Quality (ISQ), which extends conventional service quality models by integrating Islamic ethical principles such as amanah (trustworthiness), justice, and transparency. (Abdul Ghafar Ismail & Zulkhibri, 2024). Recent empirical studies confirm that service quality aligned with Islamic values enhances not only perceived service performance but also moral credibility, which, in turn, strengthens customer satisfaction and intention to repurchase. International evidence from halal-related service contexts further demonstrates that clear information disclosure, quality service interactions, and ethical risk management significantly influence customer satisfaction and loyalty, particularly in halal food services and dining industries (Ismah Osman et al., 2024; Kayumov et al., 2024).

Despite the growing body of literature on Islamic Service Quality, existing studies are predominantly concentrated in Islamic banking, halal tourism, and financial services. Empirical investigations focusing on the halal herbal industry remain limited, particularly those examining service quality at the outlet or business center level, where direct interactions between firms and customers occur (Al-Diabat, 2022). Moreover, quantitative studies analyzing the effect of ISQ on customer satisfaction in non-metropolitan contexts remain scarce. This lack of empirical evidence indicates a clear research gap regarding the applicability and effectiveness of Islamic Service Quality within decentralized halal distribution networks, such as herbal business centers operating outside major urban areas (Nguyen et al., 2018).

This gap is particularly relevant in the context of PT Herba Penawar Alwahida Indonesia (HPAI), a leading halal-certified herbal company with an extensive distribution network across Indonesia. Preliminary observations at Alfatih Business Center II HPAI in Bengkulu indicate customer complaints regarding insufficient product explanations and unclear communication regarding product characteristics and usage. Such issues suggest potential weaknesses in service communication and transparency, which are essential components of Islamic service ethics. From an Islamic economic perspective, inadequate disclosure of information contradicts the principles of amanah and accountability that should underpin halal business practices.

Based on these considerations, this study explicitly addresses the following research question: Does Islamic Service Quality significantly influence customer satisfaction at Alfatih Business Center II of PT Herba Penawar Alwahida Indonesia in Bengkulu? Accordingly, the objective of this research is to examine the effect of Islamic Service Quality on customer satisfaction within the halal herbal industry using a quantitative approach. This study is expected to contribute empirically to the Development of Islamic Service Quality literature and to offer practical insights for halal herbal businesses to enhance ethical, transparent, and value-driven service practices that foster customer satisfaction and long-term loyalty.

## **B. Literature Review**

Service quality is widely acknowledged as a central determinant of customer satisfaction in service-oriented industries, particularly in sectors that rely heavily on direct interaction and consumer trust. The service marketing literature consistently emphasizes that service quality is evaluated through dimensions such as reliability, responsiveness, assurance, empathy, and communication clarity, which collectively shape customers' perceptions of service performance and satisfaction (Hapsari, Clemes, & Dean, 2017). In value-based markets, including the halal industry, service quality extends beyond functional efficiency to encompass ethical integrity and behavioral consistency, particularly in the honest and responsible communication of product-related information (Triwibowo et al., 2024).

From the perspective of Islamic economics, service quality is conceptualized within the Islamic Service Quality (ISQ) framework. (H. A. Ali et al., 2023), which integrates conventional service performance dimensions with Islamic ethical values, including amanah (trustworthiness), justice, moral responsibility, and compliance with Sharia principles. Sharia-compliant service quality is therefore more comprehensive, as it encompasses not only technical competence but also moral and spiritual dimensions that influence customer perceptions and evaluations. (Lotko, 2022). Empirical evidence further indicates that Islamic service quality strengthens customer satisfaction by fostering trust and reinforcing ethical perceptions toward service providers (Aisyah, 2018).

Customer satisfaction is a post-consumption evaluative judgment that arises from comparing customers' expectations with their perceived service performance. Within the halal business context, satisfaction is not merely utilitarian; it also reflects psychological reassurance and moral alignment, whereby customers experience comfort and confidence when the services and products they receive conform to their religious values. Supporting this view, (M. Q. Ali & Ahmad, 2023) Demonstrate that service quality grounded in Islamic values has a significant positive effect on customer satisfaction, both directly and indirectly through enhanced customer trust.

The relationship between Islamic Service Quality and customer satisfaction has been empirically validated in numerous quantitative studies. (Amin & Isa, 2008) Provide evidence that Islamic service quality positively and significantly influences customer satisfaction by strengthening perceptions of justice, honesty, and service provider credibility. These findings are consistent with empirical studies conducted in Indonesia, which reveal that the integration of Islamic values into service delivery enhances customer satisfaction through both service performance and moral value mechanisms operating in tandem (Aisyah, 2018; Abror et al., 2021).

Despite the expanding literature, empirical research on Islamic Service Quality remains predominantly concentrated in Islamic banking and financial institutions. Studies examining the impact of ISQ on customer satisfaction in non-financial sectors, particularly the halal herbal industry, are still limited. Moreover, existing studies primarily focus on urban and centralized organizational contexts, providing limited insight into the implementation of ISQ within agent-based distribution systems or regional business centers. This gap is significant, given that the halal herbal industry depends heavily on effective communication, clear product information, and customer trust. Accordingly, this study examines the effect of

Islamic Service Quality on customer satisfaction at PT Herba Penawar Alwahida Indonesia (HPAI), with specific reference to Alfatih Business Center II in Bengkulu.

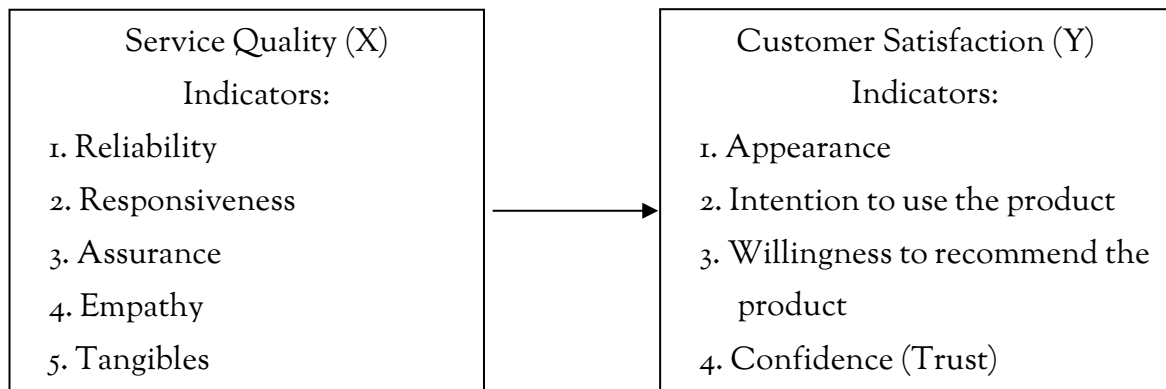


Figure 1. Conceptual Framework of the Effect of Service Quality on Customer Satisfaction at PT Herba Penawar Alwahida Indonesia, Bengkulu City (A Study at Alfatih Business Center II HPAI).

Based on the theoretical and empirical arguments presented above, the research hypotheses are formulated as follows:

H<sub>0</sub>: Service quality has no significant effect on customer satisfaction at PT Herba Penawar Alwahida Indonesia (a study at Alfatih Business Center II HPAI, Bengkulu City).

H<sub>1</sub>: Service quality has a positive and significant effect on customer satisfaction at PT Herba Penawar Alwahida Indonesia (a study at Alfatih Business Center II HPAI, Bengkulu City).

### C. Research Methodology

This study employs an associative research design to analyze the influence of service quality on customer satisfaction at PT Herba Penawar Alwahida Indonesia, particularly at Alfatih Business Center II, HPAI Bengkulu. A quantitative approach was applied because the study focuses on numerical measurement and objective statistical analysis. The use of quantitative methods also aligns with the Islamic economic principle of *itqan*, which emphasizes accuracy, clarity, and validity in decision-making processes.

The research was conducted at Alfatih Business Center II HPAI in Bengkulu City. The target population consists of all customers who have purchased HPAI products more than twice, totaling 480 individuals. The sample size was determined using Slovin's formula. (Sevilla et al., 2007) With a 10% margin of error, resulting in 83 respondents. Slovin's formula used is:

$$n = \frac{N}{1 + (N \times e^2)}$$

The sampling technique used was accidental sampling, in which respondents were selected through direct encounters and based on their relevance to the study criteria. (Sugiyono, 2019). This technique was chosen to accommodate practical field

conditions while ensuring honesty (*shidq*) and responsibility (*amanah*) in data collection, in accordance with Islamic economic values.

The research utilized both primary and secondary data. Primary data were collected through questionnaires distributed to customers, while secondary data were obtained from company documents, academic journals, and related literature. Data collection procedures included observation, questionnaires, and literature review. (Arikunto, 2013). From an Islamic economic standpoint, data collection was conducted transparently and through truthful communication to avoid deceit or ambiguity (*gharar*).

The research instrument consisted of a five-point Likert-scale questionnaire, which is highly appropriate for measuring an individual's perceptions, attitudes, and opinions. (Sugiyono, 2019). The service quality variable (X) was measured using indicators of reliability, responsiveness, assurance, empathy, and tangible evidence. Meanwhile, the customer satisfaction variable (Y) comprised indicators of repurchase intention, satisfaction with the service experience, and willingness to recommend the products to others. These indicators were contextualized with Islamic principles of *ihsan* (excellent service), *adab al-khidmah* (service ethics), and truthful communication.

Prior to analysis, instrument validity was assessed using Pearson's correlation coefficient in SPSS, and reliability was assessed using Cronbach's Alpha. Items were deemed valid when the significance value was  $< 0.05$  and reliable when the Cronbach's Alpha value was  $\geq 0.60$  (Ghozali, 2018). Classical assumption tests, including normality, homogeneity, and linearity, were also administered as prerequisites for linear regression.

Simple linear regression was used to examine the influence of service quality on customer satisfaction. The regression model applied is:

$$Y = a + bX$$

Where Y denotes customer satisfaction, X represents service quality, a is the constant, and b is the regression coefficient. The t-test was used to measure partial effects, while the F-test was used to assess the overall effect of the independent variable. The coefficient of determination ( $R^2$ ) was used to quantify the proportion of variance in the dependent variable explained by the independent variable. All analyses were conducted objectively and transparently to uphold the Islamic economic value of *al-'adalah* (justice), ensuring the credibility and accountability of the research findings.

#### D. Results and Discussion

The initial stage of this study involved testing the instrument's validity and reliability to ensure that the questionnaire accurately measures the variables under investigation. The results indicated that all items had calculated r values exceeding the r Table value (0.2159) at the 5% significance level with a sample of 83 respondents, confirming that all questionnaire items were valid. Additionally, Cronbach's alpha for each variable exceeded 0.60, indicating instrument reliability. Therefore, the data used in this study were highly reliable and could be relied upon to measure service quality and customer satisfaction consistently.

Prior to conducting regression analysis, the basic assumption tests also yielded favorable results. The normality test demonstrated that the data were normally distributed (Asymp. Sig. = 0.991  $> 0.05$ ), while the homogeneity test confirmed uniform variance across respondents (Asymp. Sig. = 0.198  $> 0.05$ ). These results indicate that the data met the

requirements for linear regression analysis, ensuring that the findings could be interpreted scientifically and validly.

Based on the simple linear regression analysis, the following equation was obtained:  $Y = 13.563 + 0.350X$ . The positive coefficient on  $X$  indicates that higher service quality is associated with higher customer satisfaction. This is supported by a correlation value ( $R$ ) of 0.696, indicating a strong and significant relationship between service quality and customer satisfaction. The coefficient of determination ( $R^2$ ) was 0.485, suggesting that service quality accounts for 48.5% of the variation in customer satisfaction. This means that nearly half of customer satisfaction is influenced by how the company delivers its services, ranging from friendliness, honesty, timeliness, clear explanations, to empathy in interactions, while other factors, such as product quality, price perception, halal assurance, or customer religiosity, likely contribute to the remaining variance. These findings align with previous empirical studies emphasizing the role of service quality in enhancing customer satisfaction (Siti Fatimah et al., 2022; Sulistiowati et al., 2025).

The t-test and F-test results yielded a p-value of 0.000 ( $< 0.05$ ), confirming that the hypothesis that service quality has a significant effect on customer satisfaction at Alfatih BC II HPAI Bengkulu is supported. This demonstrates that one of the primary ways to satisfy customers is to deliver services as effectively as possible. High-quality service leads to higher customer satisfaction, which in turn encourages repeat purchases and positive word-of-mouth recommendations, consistent with findings from prior conceptual and empirical research.

Theoretically, these results are consistent with the SERVQUAL model, which identifies reliability, responsiveness, assurance, empathy, and tangibles as key elements shaping customer evaluations of service and perceived satisfaction. Previous research has consistently shown that service quality significantly affects customer satisfaction across various service sectors, including transportation, retail, and halal-based service products (Hapsari et al., 2017; Farooq et al., 2018; Gopi & Samat, 2020; Novad & Hendrawan, 2024). In the context of HPAI, the reliability and assurance dimensions are particularly relevant, as customers demand consistent information, clear product benefits, and confidence in product safety and halal compliance. Empirical field observations confirm that customers pay close attention to how staff explain product characteristics, including composition and benefits, which directly influence their satisfaction.

Furthermore, this study reinforces the Islamic Service Quality (ISQ) framework, emphasizing the importance of honesty, trustworthiness, transparency, and responsibility in service practice. Research by (Janahi and Al Mubarak, 2017) and (Abror et al., 2020) demonstrates that service quality integrated with Islamic ethical values enhances customer satisfaction by increasing trust and perceptions of service fairness. In the context of HPAI as a halal and herbal product-based company, the assurance and empathy dimensions serve not only as technical aspects of service but also as mechanisms for building trust, thereby strengthening long-term customer relationships. Therefore, the influence of service quality on customer satisfaction in this study is both functional and normative, operating through mechanisms of trust and ethical legitimacy.

From a practical perspective, the finding that nearly half of the variation in customer satisfaction is explained by service quality indicates that improvements in satisfaction can be achieved by enhancing human resource competencies, particularly in product communication, information clarity, and responsiveness to inquiries or complaints.

Standardizing product explanations, providing easily understandable informational materials, and implementing trust-based service training are relevant strategies to enhance service quality. From a theoretical standpoint, this study expands the empirical evidence on the relevance of the ISQ concept in non-financial sectors, particularly the halal herbal industry, and demonstrates that service quality remains a primary predictor of customer satisfaction even in contexts where product benefits are not directly verifiable. These findings open opportunities for future research to examine the mediating roles of variables such as trust and perceived product quality, and to analyze the contributions of each service quality dimension, partially using multivariate approaches.

## **E. Conclusion**

This study confirms that service quality has a positive and statistically significant effect on customer satisfaction at Alfatih Business Center II HPAI Bengkulu. The regression analysis demonstrates a strong relationship between service quality and customer satisfaction ( $R = 0.696$ ), with service quality explaining 48.5% of the variance in customer satisfaction ( $R^2 = 0.485$ ). The significance value of 0.000 ( $p < 0.05$ ) supports the research hypothesis, indicating that improvements in service quality are associated with meaningful increases in customer satisfaction. These results provide empirical evidence that service quality is a key determinant of customer satisfaction in the halal herbal industry.

From a theoretical perspective, the findings strengthen the empirical validity of service quality models, particularly SERVQUAL and Islamic Service Quality (ISQ), in non-financial halal industries. The results suggest that service quality remains a robust predictor of customer satisfaction even in product categories where benefits are experiential and not immediately verifiable. This study thus extends the application of ISQ beyond Islamic financial institutions and contributes to the growing literature on ethical and value-based service quality in halal-oriented businesses.

From a practical standpoint, the findings imply that managerial efforts to improve customer satisfaction should prioritize service-related dimensions, particularly reliability, assurance, responsiveness, and communication clarity. For halal herbal businesses such as HPAI, strengthening employees' competencies in providing accurate product information, maintaining consistent service delivery, and responding empathetically to customer concerns may significantly enhance customer satisfaction. These improvements can serve as a strategic lever to foster repeat purchases and positive word-of-mouth in highly competitive halal markets.

Future research is therefore encouraged to incorporate broader samples across different regions or distribution centers to enhance external validity. Subsequent studies may also examine mediating variables, such as trust or perceived value, or apply multivariate techniques, such as structural equation modeling, to analyze the relative contributions of each service quality dimension. Such approaches would provide a more comprehensive understanding of how service quality shapes customer satisfaction in halal-based industries.

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