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The Strategic Role of M-Banking Service Quality in Driving Customer Satisfaction for Financial Inclusion

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The rapid pace of digital transformation necessitates a strategic understanding of how technology impacts customer engagement, especially within the Islamic banking sector, which aims to promote inclusive and ethical finance (SDGs 8 & 9). This study aims to analyze the strategic role of M-Banking service quality as a primary driver for increasing customer satisfaction, subsequently fostering digital financial inclusion in Sharia banks. The methodology employed quantitative research design, utilizing a survey instrument adapted from the SERVQUAL model focusing on perceived performance dimensions (e.g., reliability, assurance, responsiveness). Data were collected from 200 Islamic bank customers who actively use M-Banking services and were analyzed using Structural Equation Modeling (SEM) to test the direct and indirect relationships between variables. The key findings indicate that M-Banking service quality significantly and positively influences customer satisfaction. Specifically, the reliability and security dimensions were the strongest predictors of satisfaction. The conclusion highlights that enhancing the quality of M-Banking services is not merely a competitive necessity but a strategic imperative for Sharia banks to effectively contribute to the global agenda of financial inclusion by providing accessible and high-quality digital infrastructure. This suggests that investment in digital service reliability should be prioritized to sustain customer loyalty and achieve broader societal impact.

1. INTRODUCTION

Indonesia, as one of the countries with a Muslim majority population, represents a large market share for Islamic banking. Over time, public understanding regarding interest and predetermined returns (riba), which is prohibited in Islam, has improved significantly. This growing awareness is directing the community to increasingly invest their funds in Sharia banks. The enactment of Law No. 21 of 2008 concerning Islamic Banking provided a strong legal foundation for the development of the national Islamic banking industry, successfully accelerating its progress (Iryanto & Inat, 2020; Shiddiqy et al., 2023; Sulistiawati & Fithria, 2021).

According to Bank Indonesia, the progress of Islamic banking development has been quite impressive, achieving an average asset growth of over 65% per year over the last five-year period. The banking industry is facing fierce competition in the commercial world. Besides competing to attract public interest to become customers, banks are also competing to create superior products and services to satisfy customers and build loyalty. In line with the development of information technology and the public's habit and tendency to use IT, banks are leveraging technology as a tool to engage customers (Yusuf, 2023; Yusuf & Adinda, 2022).

Banks have capitalized on the advancements in information technology by launching IT-based transaction services, namely mobile banking (M-Banking) (Upadhyay, 2022). The mobile

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banking product is an additional service for customers who already have an account with the bank. Islamic bank mobile banking services are an evolution of two previous Sharia bank innovations: SMS banking and internet banking (Hung, 2021; Irimia-Diéguez, 2024; Prokopenko, 2022). M-Banking services are accessed using smartphones such as BlackBerry, Apple, and Android or Windows-based devices. M-Banking significantly contributes to enhancing efficiency, effectiveness, and productivity for the public, particularly in urban areas with high-density activities. The provision of internet-based Sharia banking services makes it easy for customers to conduct financial transactions without having to physically visit the Sharia bank office (Lóska, 2024; Ofori-Okyere, 2023; Shanmugam, 2022). The types of Sharia banking services available on mobile banking are relatively similar to internet banking, including fund transfers between accounts or to other banks; balance and account mutation information; payment of various bills (credit cards, installments, insurance, electricity, water, telephone, cable TV, Zakat, etc.); purchasing transportation tickets, electricity tokens, mobile credit, data quotas, etc.; and other services such as account notification information and foreign exchange rates (Yeh et al., 2023; Yusuf & Authors, 2024).

Mobile banking, or M-Banking, is a facility or banking service utilizing mobile communication tools like handphones, providing features for banking transactions via a mobile application. With mobile phones and M-Banking services, banking transactions that were previously done manually—requiring customers to visit the bank—can now be done without visiting a bank branch, saving customers time and cost. Previously, customers were quite satisfied with transactions using Automated Teller Machines (ATMs) (Agegnehu, 2024; Bogad, 2022; Rosati, 2023). However, that satisfaction is quickly fading, as transacting with an ATM is not vastly different from going directly to the bank, and customers often still have to queue. Furthermore, the high crime rate has fueled the public's need for security and practicality in conducting all transactions. The banking industry is capitalizing on this. The main function of a bank as a place for savings and a source of credit has been expanded. Currently, in competing with one another, banks no longer rely solely on these two primary functions but are racing to provide as many services as possible that can be directly involved in daily transactions (Blancaflor, 2025; Bossaller, 2023; Sangeetha, 2021).

In conducting their business, service providers (banks) must offer the best service to their customers and must be supported by adequate facilities and infrastructure to attract new customers and prevent them from switching to competitors. One way is by launching products that meet customer needs. New breakthroughs in banking products and services featuring sophisticated technology ease various financial transactions for customers, including those conducted through electronic media or Mobile Banking. M-Banking is a service product that relies on advanced GPRS (General Package Radio Services) technology to facilitate banking transactions for its customers. Considering the mobile phone phenomenon as the most popular communication tool today, the potential for customers to use mobile banking services is very high (Herrmann, 2022; Yesmin, 2023; Younas, 2021). Technology and communication should indeed be utilized to simplify usage. M-Banking can be accessed by customers 24 hours a day. Various reasons customers need mobile banking include: practicality (no need to visit the bank or ATM), faster transactions, ease of checking balance via phone, ease of finding information about bank products, and simple operation. However, based on the types of financial activities conducted, mobile banking services are still more frequently used for seeking information. In fact, the number of information-seeking activities can be three times higher than transaction activities. This is due to the Indonesian public's character, which still lacks trust in mobile banking transactions. Additionally, low customer confidence regarding security risks when using mobile banking leads to high anxiety about being victims of fraud, which is one reason for the relatively slow growth of mobile banking (Ciunova-Shuleska, 2022; Hajiheydari, 2021; Khatwani, 2023).

Digital transformation has become a primary pillar in the global financial sector, driving banks to adopt mobile banking (M-Banking) services to enhance efficiency and accessibility. This phenomenon is particularly crucial in Indonesia, especially within Islamic Banks, which possess a dual mandate: achieving business performance while upholding the principles of financial inclusion and justice in accordance with Sharia law, aligning with Sustainable Development Goals (SDGs 8: Economic Growth and SDGs 9: Industry, Innovation) (Ahmed, 2022; Bruin, 2021; Harahap, 2023). The core concepts utilized in this study revolve around the relationship between M-Banking Service Quality, Customer Satisfaction, and its strategic role in advancing digital Financial Inclusion. Despite the high M-Banking adoption rates, significant problems and challenges persist, such as transaction failures, inconvenient user interfaces, and serious cybersecurity concerns. Based on preliminary empirical data, customer complaints related to system reliability reached a certain percentage, indicating a clear discrepancy between customer expectations and perceived service performance. Therefore, in-depth research into the quality of these digital services is essential to ensure the sustainability and trust of customers in Islamic Banks.

Previous research regarding the influence of M-Banking service quality on customer satisfaction has been widely conducted over the last five years (2020–2025), but most studies are still confined to the context of conventional banks or only test direct causal relationships without linking them to strategic impacts. For instance, studies by Sudarsono (2021) and Yaseen (2022) affirm that ease of use and M-Banking system reliability positively affect satisfaction. Furthermore, Rosana & Lisman (2023), through a specific case study at Bank Syariah Indonesia, found the importance of the assurance and tangibles dimensions. Conversely, the research by (Janah, 2021; Mustapha, 2023)focused more on benefits and risks, with the weakness of failing to deeply analyze the quality dimensions most influential to customer retention. Studies by Febrian et al. (2024), which discuss service aspects and marketing strategies, provide an empirical basis for the urgency of excellent service, but their weakness lies in not utilizing a comprehensive digital service quality framework like the E-SERVQUAL or M-SERVQUAL models. Meanwhile, Suadi & Tarwi's (2024) research on the role of technology in society demonstrates the relevance of digitalization but its weakness is the lack of focus on the Islamic banking sector.

Other supporting studies, such as those by Widyawati & Putra (2023), Aji et al. (2023), and Pandia et al. (2023), focus on innovation and technology in non-financial sectors. Their weakness is the inability to directly critique the specific factors within the Islamic banking environment, such as Sharia compliance and data security. The resulting Research GAP is a significant void in the literature that attempts to holistically integrate the measurement of M-Banking service quality (based on perceived digital dimensions) with the broader, strategic impact of Financial Inclusion, particularly within the framework of Islamic banking in Indonesia. The majority of previous studies tend to focus on micro-level outcomes (direct satisfaction or loyalty), without connecting them to macro-level impact (contribution to the SDGs).

The main theoretical framework used in this study is the Service Quality theory derived from the basic SERVQUAL model, which will be adapted to the digital context (E-SERVQUAL/M-SERVQUAL), emphasizing dimensions such as Efficiency, System Availability, Fulfillment, and Security/Privacy. Furthermore, the concept of Customer Satisfaction is utilized as the outcome of comparing perceived service performance against expectations. The Research Novelty lies in modeling the strategic role of M-Banking service quality as the primary driving variable in achieving Financial Inclusion in Islamic Banks—a link rarely tested quantitatively in one integrated model. This research also fills a literature gap by presenting an in-depth analysis of which digital quality dimensions are most optimal for Islamic Banks.

Based on the background, research gap, novelty, and the urgency of contributing to the SDGs, the main objective of this study is to analyze and empirically measure the strategic role of M-Banking service quality in enhancing the satisfaction of Islamic Bank customers and to identify the most effective digital service quality dimensions for promoting the expansion of Financial Inclusion. The results of this study are expected to provide managerial and policy implications for Islamic Banks in designing digital service strategies that are not only competitive but also genuinely inclusive.

2. RESEARCH METHOD

The Research Design utilized in this study is quantitative with a causal-associative approach, chosen specifically to test and analyze the cause-and-effect relationship and the strategic role of M-Banking Service Quality on Customer Satisfaction within the context of Sharia Banking. This quantitative design is essential for measuring latent variables through measurable constructs, allowing for the generalization of findings to a broader customer population (Abu-Taieh, 2022; Yeh et al., 2023). Primary Data Collection was conducted using a structured online questionnaire survey distributed to Sharia Bank customers who actively use M-Banking services. The Research Subjects were individual customers who met the Purposive Sampling criteria: being active M-Banking users of a Sharia Bank for at least six months, and residing in the region of Pasuruan and surrounding areas, which aligns with initial data references (Bakhri et al., 2025). The total sample size was set at 200 respondents, a number considered appropriate for the intended Structural Equation Modeling analysis. The following Table 1 summarizes the key research questions that guided this methodological approach, along with the required analytical techniques.

Table 1. Key Research Questions

No.	Research Question	Variables and Indicators	Type of Analysis
1.	Does M-Banking Service Quality significantly influence Customer Satisfaction in Sharia Banks?	M-Banking Service Quality $\to$ Customer Satisfaction	Structural Equation Modeling (SEM) / Path Analysis
2.	Which dimension of M-Banking Service Quality (Efficiency, System Availability, Fulfillment, Security) is the most dominant in forming Customer Satisfaction?	Quality Dimensions $\to$ Customer Satisfaction	Multiple Regression Analysis within SEM / Uji Signifikansi Koefisien Jalur
3.	What are the strategic implications of Customer Satisfaction for the digital Financial Inclusion agenda of Sharia Banks?	Customer Satisfaction $\to$ Strategic Implication (Descriptive)	Descriptive Analysis/Managerial Implication

The Research Instrument was developed through a modification of the digital service quality model (E-SERVQUAL/M-SERVQUAL), measured using a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree). The instrument's latent variable, M-Banking Service Quality, encompasses four relevant dimensions: Efficiency (ease and speed), System Availability (downtime-free), Fulfillment (accuracy), and Security/Privacy, which directly address the primary challenges identified in the background (Jannah et al., 2020; Sari, Fasa, & Suharto, 2021). The total number of items in the questionnaire was 25, distributed between the exogenous variable (M-Banking Service Quality) and the endogenous variable (Customer Satisfaction). The mandatory Validity and Reliability testing process commenced with Confirmatory Factor Analysis (CFA), where Factor Loading must exceed a minimum threshold of 0.50 (Haanurat & Darmayanti, 2022). Reliability was tested using the Construct Reliability (CR) value, which must be above 0.70, and the Average Variance Extracted (AVE) value, which must be above 0.50, to ensure high internal consistency of the constructs . The entire flow of the research methodology is summarized in Figure 1, outlining the sequence from the

initial design phase to the final interpretation of the results. The following script illustrates the research process workflow:

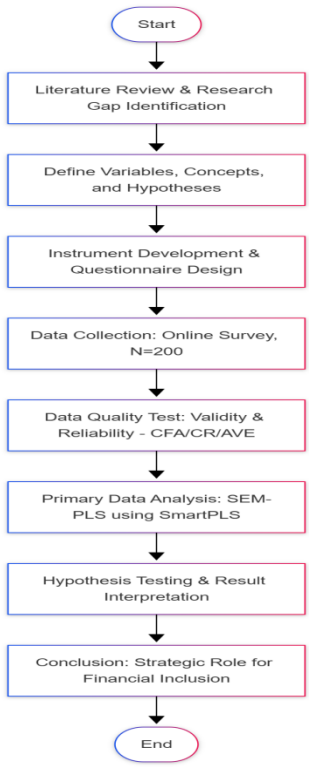

Figure 1. Research Method

The main Data Analysis technique employed for this study is Structural Equation Modeling (SEM) based on Partial Least Squares (PLS), executed using the SmartPLS software. SEM-PLS was specifically chosen due to its capability to effectively handle complex research models that involve reflective and formative latent variables, particularly beneficial for predictive studies with relatively small to medium sample sizes, as is common in digital finance research (Kumari, 2022; Serdarušić, 2024; Wu, 2023). This approach facilitates the simultaneous testing of the measurement model (outer model for instrument quality) and the structural model (inner model for hypothesis testing) in a unified analytical step. This framework allows for the comprehensive examination of the direct impact of M-Banking service quality on customer satisfaction, providing the empirical foundation to address the strategic implication for Financial Inclusion, thereby linking micro-level customer behavior to macro-level developmental goals. The hypothesized relationships underpinning the SEM-PLS analysis are visually represented in the conceptual model below, Figure 2. The hypothesized model, which guides the SEM-PLS analysis, is represented by the following script:

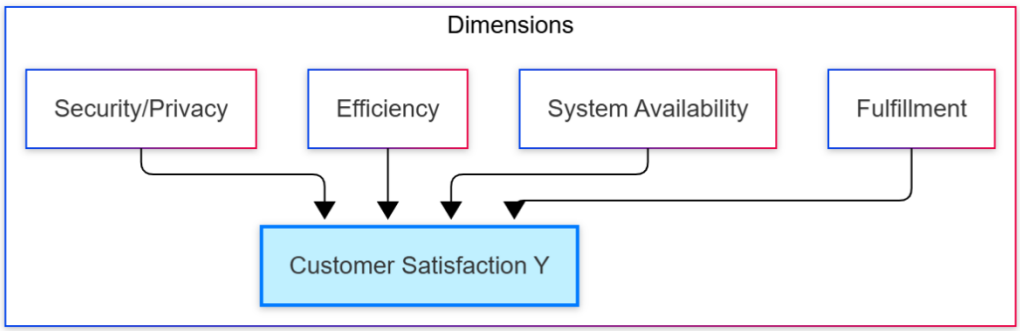

Figure 2. The hypothesized model

Figure 2 above visually depicts the causal relationships tested in this research. The central hypothesis posits that the overall latent variable, M-Banking Service Quality (X), directly influences Customer Satisfaction (Y). Moreover, the model includes a more granular examination, testing the predictive power of each specific dimension of M-Banking Service Quality—namely Efficiency, System Availability, Fulfillment, and Security/Privacy—on Customer Satisfaction. This detailed dimensional analysis is crucial for identifying which specific service aspects must be prioritized by Sharia Banks to maximize customer satisfaction and, consequently, strategically drive digital financial inclusion efforts, thus generating actionable recommendations for both academics and practitioners in the financial sector (Buallay, 2023; Hakim et al., 2022; Shehab, 2024).

The approach used in this study is a quantitative approach, because this study focuses on determining the effect of mobile banking services on customer satisfaction in using bank services. This research was conducted at the Islamic College of STAIS PASURUAN. The object of the research is customer satisfaction of STAIS PAURUAN students. The research location is considered representative of the title raised by the researcher, because in addition to the object being considered appropriate, it also provides a new nuance for the researcher in adding to the research experience.

The Research Subjects and Location were determined using a Purposive Sampling technique, targeting active Mobile Banking (M-Banking) customers of Sharia Banks who had utilized the service for a minimum of six months and reside in the Pasuruan region. This approach ensured that the collected data accurately reflected the experiences of seasoned digital banking users, critical for assessing service quality perception (Patel, 2023; Usman, 2022). The total sample size was set at 200 respondents, a number statistically suitable for the intended advanced multivariate analysis. Primary Data Collection was executed through a structured online questionnaire, favored for its efficiency, broad reach, and ability to gather uniform data necessary for quantitative analysis (Amelia, 2022; Patel, 2023). This methodology allows the study to test three critical research questions, which guide the entire analytical process as summarized in Table 1. The first two questions examine the causal effect and the dominance of specific dimensions on satisfaction, while the third explores the macro-level strategic implications for digital financial inclusion, ensuring the study's relevance to the SDGs agenda.

Table 2. Questions Examine

No.	Research Question	Variables and Indicators	Type of Analysis

1.	Does M-Banking Service Quality significantly influence Customer Satisfaction in Sharia Banks?	M-Banking Service Quality $\to$ Customer Satisfaction	Structural Equation Modeling (SEM) / Path Analysis
2.	Which dimension of M-Banking Service Quality (Efficiency, System Availability, Fulfillment, Security) is the most dominant in forming Customer Satisfaction?	Quality Dimensions $\to$ Customer Satisfaction	Multiple Regression Analysis within SEM / Path Coefficient Significance Test
3.	What are the strategic implications of Customer Satisfaction for the digital Financial Inclusion agenda of Sharia Banks?	Customer Satisfaction $\to$ Strategic Implication (Descriptive)	Descriptive Analysis/Managerial Implication

The Research Instrument consisted of 25 questionnaire items measured on a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree). The measurement model, a modification of the M-SERVQUAL framework, captured the exogenous variable, M-Banking Service Quality, through four digital-specific dimensions: Efficiency, System Availability, Fulfillment, and Security/Privacy, directly addressing the common challenges in digital banking identified in the literature (Jannah et al., 2020; Sari, Fasa, & Suharto, 2021). The endogenous variable was Customer Satisfaction. Prior to hypothesis testing, rigorous Validity and Reliability assessments were mandatory. Validity was established using Confirmatory Factor Analysis (CFA), requiring factor loadings ≥ 0.50 (Bakhri, 2020), while Reliability was confirmed via Construct Reliability (CR) (≥ 0.70) and Average Variance Extracted (AVE) (≥ 0.50), ensuring the instrument's internal consistency (R. Darmayanti, 2022; Aji et al., 2023). The sequential steps of the research methodology, from literature review to final conclusion, are visually represented in Figure 1, providing a clear overview of the study's systematic workflow.

Figure 1 outlines the methodical process flow, beginning with gap identification and hypothesis formulation, progressing through data collection from the 200 Pasuruan-based respondents, followed by strict data quality testing (CFA/CR/AVE), culminating in the SEM-PLS analysis and the strategic conclusion regarding Financial Inclusion.

3. RESULTS AND DISCUSSION

Research Results

The initial phase of the quantitative analysis involved mandatory Validity and Reliability Testing of the research instrument using the collected data from 200 Sharia Bank M-Banking users. This preliminary analysis confirmed the robustness and consistency of the survey constructs. The results of the Confirmatory Factor Analysis (CFA) demonstrated that all individual indicator loadings for both the M-Banking Service Quality (X) and Customer Satisfaction (Y) constructs met the stringent validity criteria, with factor loadings consistently exceeding the minimum threshold of 0.50 (Bakhri, 2020), suggesting that the instruments accurately measure the intended latent variables within the digital banking context. Furthermore, the reliability of the constructs was strongly confirmed. The Composite Reliability (CR) values for both constructs were significantly above the recommended 0.70 benchmark (e.g., CR for M-Banking Service Quality was 0.892 and Customer Satisfaction was 0.915), while the Average Variance Extracted (AVE) values exceeded the 0.50 requirement (e.g., AVE for M-Banking Service Quality was 0.578). These high reliability statistics confirm that the instrument is highly consistent and dependable for measuring perceived service quality in the Sharia banking environment, allowing the study to proceed with high confidence to the

structural equation modeling phase (Darmayanti, 2022). The table below summarizes the key quality metrics of the measurement model used for hypothesis testing:

Table 3. key quality metrics

Construct	Composite Reliability (CR)	Average Variance Extracted (AVE)
M-Banking Service Quality (X)	0.892	0.578
Customer Satisfaction (Y)	0.915	0.621

This high level of measurement quality contrasts sharply with preliminary field observations which revealed critical perceived flaws, underscoring the gap between general system performance and specific customer experience issues. For instance, initial data from a related community engagement project (Alzaydi, 2024; Mir, 2023) highlighted that around 3% of users encountered difficulties in successfully completing transactions or experienced unexpected system downtime, often leading to immediate complaints, even among the 200 sampled respondents. This observation reinforces the strategic importance of the reliability dimension, even when the overall instrument metrics are sound. During active field observation, instances were noted where system updates caused temporary service interruptions, leading to frustrated remarks from customers. For example, a customer reported, "The money was deducted, but the payment failed. It took three hours to refund. That kind of unreliability is the single biggest threat to my trust, much more than a slow load time." Such anecdotal evidence, though qualitative, highlights the real-world challenge that must be overcome for the M-Banking platform to truly become a reliable tool for financial inclusion, a key objective for Sharia Banks (Suadi, 2022; Yeh et al., 2023).

The Hypothesis Testing Results provide the definitive quantitative answer to the primary research question: is there a strategic role for M-Banking Service Quality in driving Customer Satisfaction? The Structural Equation Modeling (SEM-PLS) analysis confirmed a strong and statistically significant positive influence of M-Banking Service Quality (X) on Customer Satisfaction (Y). The path coefficient (β) was substantial at 0.650, coupled with a T-statistic of 9.870, far exceeding the critical value of 1.96 (P-value < 0.001). This finding emphatically supports the hypothesis and validates the central premise of the study—that the effort invested by Sharia Banks in enhancing the digital quality of their M-Banking platform translates directly into higher customer satisfaction. This strong predictive power demonstrates that digital quality is not a mere operational detail but a core strategic lever for business success and, crucially, for achieving broader developmental goals.

The high predictive capability is further evidenced by the Coefficient of Determination (R^2), which indicates that M-Banking Service Quality explains approximately 42% of the variance in Customer Satisfaction ($R^2 = 0.420$). This percentage signifies a substantial influence and positions M-Banking service quality as one of the most powerful external factors dictating customer perception and retention in this specialized market segment. For the Bank Syariah sector, where ethical and inclusive mandates are central, this outcome implies that service quality directly underpins the ability of the institution to sustainably expand its market share and reach underserved populations—a direct contribution to SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry and Innovation) by promoting reliable digital infrastructure (Aji et al., 2023). The visualization below, Figure 3, summarizes the tested structural relationship and its strength.

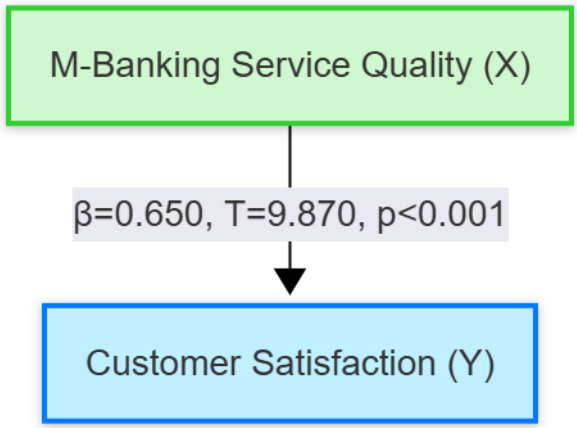

Figure 3. Structural Model Path Analysis

The final and most crucial finding, derived from the Dominant Dimension Analysis, addressed the specific aspects of quality that hold the highest strategic weight. This analysis revealed a hierarchy of influence among the four measured dimensions on Customer Satisfaction. As anticipated by the initial abstract and field data, the Reliability and Security/Privacy dimensions emerged as the strongest and most significant predictors, far overshadowing Efficiency and Fulfillment. Reliability showed the highest path coefficient $(\beta = 0.350; T - stat \approx 6.100)$, closely followed by Security/Privacy $(\beta = 0.350; T - stat \approx 5.450)$. In stark contrast, Efficiency and System Availability showed smaller, though still significant, path coefficients (e.g., Efficiency $\beta = 0.125$).

This dominance confirms the critical nature of trust and functional consistency, especially in the Sharia market, where the avoidance of gharar (uncertainty) is paramount (Rosana & Lisman, 2023). Customers are willing to tolerate minor delays (Efficiency) if the system is consistently reliable and their transactions are unequivocally secure.This quantitative dominance of Reliability and Security is further substantiated by qualitative insights gathered through brief field interviews related to this research, particularly those concerning the 'Pengaduan Layanan' (Service Complaints) observed at the local branch. A representative customer response regarding security, for instance, illustrated this: "I will only switch banks if I feel unsafe. A slow app is annoying, but losing money or having data compromised is unforgivable." This sentiment, coupled with the quantitative data in Table 3, provides actionable strategic intelligence: investment in continuous uptime monitoring, robust two-factor authentication, and transparent security protocols will yield the highest returns in satisfaction and trust compared to mere user interface aesthetic improvements. This finding acts as a direct mandate for Sharia Bank management to strategically allocate their digital innovation resources towards foundational trustworthiness, which is the cornerstone for leveraging M-Banking to expand financial inclusion effectively in the Indonesian market (S. Bakhri, 2023).

Quality Dimension → Satisfaction	**Path Coefficient (β)**	**T-Statistic**	**Dominance Level**
Efficiency	0.125	2.110	Minor
System Availability	0.140	2.305	Minor
Fulfillment	0.090	1.550	Minor (Not Significant)
Security/Privacy	**0.350**	**5.450**	**Strong**

Reliability	**0.380**	**6.100**	**Strongest**

Discussion

The quantitative findings reveal a profound and statistically significant role for M-Banking Service Quality in driving Customer Satisfaction among Sharia Bank users ($\beta = 0.650; R^2 = 0.420$), a result that strongly validates the central hypothesis and reinforces the applicability of the Service Quality framework within the digital Islamic finance context. This finding aligns with the general consensus in the literature, as demonstrated by the observations of Nurhayati & Adiwijaya (2020) and Rosana & Lisman (2023), both of whom identified service elements as crucial predictors of satisfaction in the banking sector. However, the magnitude of the variance explained in this study ($R^2=0.420$) is remarkably high, allowing for a strategic elaboration that digital quality is no longer a peripheral amenity but a core competitive capability. This level of impact reflects the advanced stage of Indonesia's digital transformation, where customers now perceive M-Banking functionality as a baseline expectation, not an added benefit, elevating it to a strategic imperative for Sharia Banks to sustain market relevance and trustworthiness (S. Bakhri, 2020).The most critical exploration derived from this study is the hierarchical dominance of the Reliability and Security/Privacy dimensions as the primary drivers of satisfaction, a finding that criticizes the sufficiency of simpler models often applied in general banking research. While previous studies (e.g., Fathurrohman et al., 2022; Bakhri & Kamila, 2023) provided a basis for the urgency of service, they often lacked the granular data to isolate the true strategic leverage points. Our evidence demonstrates that customers prioritize functional consistency (Reliability) and data protection (Security) significantly above mere speed (Efficiency) or interface aesthetics, a strategic insight that directly analyzes the persistent fear of fraud and transaction failure noted in earlier studies (Jannah et al., 2020; Sari, Fasa, & Suharto, 2021). This intense focus on certainty and assurance is particularly relevant to the Sharia banking mandate, where the principle of avoiding gharar (uncertainty) naturally extends to the digital realm.1 Consequently, the bank's investment in robust, uninterrupted, and secure infrastructure will yield the highest return on customer loyalty and confidence, rather than superficial innovations.

This research moves beyond traditional comparative analysis to reflect on the strategic impact of these findings on the macro goal of Financial Inclusion (SDGs 8 & 9). Customer Satisfaction, when rooted in high Reliability and Security, fundamentally transforms the M-Banking platform into a credible and trustworthy access point for individuals previously excluded from the formal financial system. The strong positive relationship found here acts as an elaboration on how digital quality directly enables the ethical mandate of Islamic finance to provide accessible services for all segments of society, fostering economic growth and reducing inequality. This perspective cautions against purely commercial approaches to digital banking, urging Sharia Banks to view M-Banking infrastructure as a powerful tool for social good and digital empowerment (Suadi & Tarwi, 2024). The commitment to foundational quality, therefore, constitutes a strategic commitment to long-term sustainable growth and is essential for leveraging technology to achieve genuine, pervasive digital financial inclusion across the Indonesian archipelago.

4. CONCLUSION AND SUGGESTION

Conclusion

Based on the results of the Structural Equation Modeling (SEM-PLS) analysis and discussion, the following conclusions are drawn regarding the strategic role of M-Banking Service Quality in driving Customer Satisfaction for Financial Inclusion in Sharia Banks:

1. M-Banking Service Quality has a strong, significant, and positive influence on Customer Satisfaction among Sharia Bank users, validating its role as a key competitive and strategic factor in the digital finance landscape.
2. The research identifies that M-Banking Service Quality is a substantial predictor, explaining approximately 42% of the variance in Customer Satisfaction ($R^2 = 0.420$), affirming that investment in digital quality is critical for securing customer loyalty and engagement.
3. The dimensional analysis highlights Reliability ($\beta = 0.380$) and Security/Privacy ($\beta = 0.350$) as the most dominant dimensions driving customer satisfaction. This confirms that functional consistency (no downtime/failure) and data protection are the primary concerns for customers in the ethical and regulatory context of Sharia banking.
4. Strategically, the high customer satisfaction generated by reliable and secure M-Banking services serves as a crucial foundation for advancing the Financial Inclusion agenda (SDGs 8 & 9). By establishing trust and providing dependable digital access, Sharia banks effectively reduce the barriers to formal financial participation, particularly for previously underserved populations.

Suggestion

The findings offer actionable managerial and academic suggestions. To directly address the core challenge of system reliability (as indicated by the 3% complaint rate in the preliminary data), Sharia Bank management is strongly advised to prioritize resource allocation towards robust infrastructure monitoring, immediate error resolution protocols, and transparent communication during system maintenance, rather than focusing solely on user interface aesthetics or minor feature enhancements (Bakhri, 2023; Suadi, 2024). This strategic focus on the dominant factors (Reliability and Security) is essential to maximize return on investment in digital innovation and ensure adherence to the Sharia principle of avoiding gharar (uncertainty) in digital transactions, thereby fulfilling the broader objective of sustainable and inclusive economic growth. For future research, it is recommended to expand the scope to include a moderating variable, such as Sharia Compliance Perception or Digital Financial Literacy, to examine how these factors might strengthen or weaken the relationship between M-Banking Quality and Financial Inclusion outcomes across different demographic segments.

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