

ABSTRACT

This study aims to examine the determinants of customer switching behavior in Islamic banking by incorporating both economic and non-economic factors, namely price, switching cost, service failure, mobile banking service failure, data breach, reputation, and religiosity, with Bank Syariah Indonesia (BSI) as the research object. The data were obtained through online and offline surveys of 180 respondents who are current or former BSI customers and were analyzed using a binary logistic regression approach. The empirical results show that price, mobile banking service failure, and data breach have a positive and significant effect on customer switching behavior, indicating that unfavorable perceptions of these factors increase the likelihood of customers switching to other banks. In contrast, switching cost, reputation, and religiosity have a negative and significant effect, suggesting that higher perceived switching barriers, stronger bank reputation, and higher levels of religiosity are associated with a lower tendency to switch. Meanwhile, general service failure does not exhibit a significant effect on customer switching behavior. Overall, the findings emphasize the critical role of digital service reliability, data security, institutional reputation, and religious commitment in reducing customer switching behavior within the Islamic banking industry.

Keywords: Price; Switching Cost; Customer Switching Behavior; Islamic Banking; Service Failure; Bank Reputation; Religiosity

