# FACTORS INFLUENCING MUSLIM PREFERENCE FOR ISLAMIC BANKING IN RUSSIA

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## ABSTRACT

This study analyzes factors influencing preference of Muslims in Russia to choose Islamic Banking. This is important as Russia has recently introduced Islamic banking into their national banking system. Modified Theory of Planned Behavior is used to structure the empirical model which is analyzed using SMART PLS4 with PLS-SEM method. Using data gathered from 476 respondents, the result shows that attitude, perceived behavioral control, and religiosity have significant influences on intention, and intention significantly influences the behavior of choosing Islamic Banking in Russia. However, subjective norms and trust are not significant. Educational campaigns incorporating norms and Islamic values, along with developing a special regulatory framework to ensure Sharia compliance, are recommended. Future studies may explore additional variables to enhance understanding of Islamic Banking practices in Russia.

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## I. INTRODUCTION
### 1.1. Background

The Islamic finance industry is increasingly being developed in various countries (Dmitrieva, 2023), not only in Muslim-majority nations but also in Muslim-minority countries such as Russia. Despite being a predominantly Orthodox Christian country, Russia has shown growing interest in Islamic finance (Bananuka et al., 2019). With over ten million Muslim residing in Russia, the country holds strong potential for Islamic financial development (Tokmakov, 2023).

The growth of Islamic finance in Russia encompasses insurance, capital markets, and Islamic banking (Sidorenko, 2020). A major step was taken by the Russian Central Bank and the Republic of Tatarstan through the 2016 roadmap for Islamic banking (El'shin, 2017). In September 2023, President Putin signed a law introducing Islamic banking, launching a two year-pilot in four Muslim-majority regions- Tatarstan, Bashkortostan, Chechnya and Dagestan. These are the most experienced regions in Islamic finance.

Key challenges include financial regulation, limited awareness among staff of financial institutions, and the demand for the development of Islamic financial models (Hidayat et al., 2020; Makarenko, 2023; Юзеф, 2021). Hidayat et al., (2020) find that employees in Moscow's Islamic banks lack basic knowledge of Islamic finance principles, indicating the need for education and training (Shamsudheen & Chowdhury, 2022). Legal differences, such as restrictions on trading by credit institutions, also pose regulatory barriers (Mikheeva, 2016).

Prospects for Islamic finance in Russia are supported by both market demand and legal reviews (Kalimullina, 2020). Strengthening ties with Arab countries -as global leaders in Islamic finance- is essential for advancing the sector (Shovkhalov, 2023b, 2023a). Islamic finance in Russia can potentially gain global relevance by establishing partnerships and attracting foreign investment (Zaripov, 2023).

Within the conventional system, Islamic banking in Russia can integrate and complement existing financial services. Raising public awareness will help increase demand for Islamic banking products and services (Aladdin et al., 2020). The Russian government's efforts to institutionalize Islamic finance align with global economic trends (Fedorovich & Albertovich, 2021; Муталиева & Кругляк, 2024).

Integrating Islamic banking faces structural and regulatory hurdles, and addressing these is critical to building an inclusive financial ecosystem in Russia (Махмуд, 2024). Despite challenges, interest in Islamic banking is growing (Tokmakov, 2023), requiring research into what influences people's decision to use such services. However, existing literature on Islamic bank demand is lacking.

This study explores determinants of Muslims' preferences for Islamic banks in Russia. Understanding these factors can guide marketing strategies and enhance customer attraction and loyalty. Insights into Muslim financial behavior in Russia also offer valuable lessons for expanding Islamic finance into non-traditional markets. Given recent reforms and Russia's strategic importance, identifying user preferences is essential for shaping inclusive financial strategies.

Previous studies show that demand for Islamic banking are influenced by attitude, religiosity, subjective norms, awareness, reputation, financial literacy, trust, Sharia compliance, and customer satisfaction (Albaity & Rahman, 2019;

Bananuka et al., 2019; Charag et al., 2020). Among these, attitude, religiosity, and subjective norms are the most dominant factors (Bananuka et al., 2019, 2020; Kaakeh et al., 2018; Muslichah & Sanusi, 2019; Maryam et al., 2022).

Islamic banking in Russia remains in early stage, with no full-fledged Islamic banks operating under the Central Bank's regulation. Pilot programs in Tatarstan are limited, and a comprehensive legal framework is lacking (Fedorovich & Albertovich, 2021). Thus, this study focuses on intention formation rather than usage behavior, contributing to literature in emerging contexts. Reputation and Sharia compliance also shape customers' intentions (Chan et al., 2022; Suhartanto, 2019). Ultimately, the decision to use Islamic banking is multifactorial, influenced by both personal and institutional factors.

This research offers benefits to both the banking sector and regulators. For banks, it provides insights to design targeted marketing and service strategies. For regulators, it proposes framework for developing inclusive Islamic banking policies in Russia, helping accelerate Russia's entry into the global Islamic finance market.

## II. BACKGROUND AND LITERATURE REVIEW
### 2.1. Key Concepts
### 2.1.1. Islamic Banking Concept
There are two main banking systems: conventional and Islamic banking. Conventional banking is based on interest (*riba*), commonly used in Western financial systems (Singh, 2021). In contrast, Islamic banking adheres to Sharia principles, strictly prohibits *riba* (Roski, 2019). It also forbids transactions involving *gharar* (excessive uncertainty) and *maysir* (gambling) (Kettell, 2011).

The prohibition of riba follows the Qur'an, particularly Al-Baqarah 2: 275, aligning with the goals of promoting socio-economic justice and avoiding harmful financial practices (Rosmanidar et al., 2021). Islamic banking products are designed to comply with these principles, including *mudharaba, murabahah, musyarakah*, and others (Mustapha et al., 2023).

### 2.1.2. Islamic Banking & Finance Development in Russia
Russia has made increasing contributions to global Islamic finance over the past two decades. According to Refinitiv (2021), Russia ranked 126th in the Islamic Finance Development Indicator (IFDI) in 2020. IFDI evaluates growth based on Quantitative Development, Knowledge, Governance, Corporate Social Responsibility, and Awareness. Sharia standards from Islamic Financial Services Board (IFSB) and Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) have been translated into Russian to support development.

Despite being a Muslim-minority country, Russia's sizable Muslim population offers strong potential for Islamic finance (UNDP, 2021). A key milestone is the 2023 law allowing the pilot implementation of Islamic banking, a significant move in the industry.

Currently, Islamic finance in Russia is largely driven by non-banking institutions offering Sharia-compliant services, such as micro-finance, leasing,

and investment companies (Kalimullina, 2020). The operational area coverage is also limited to concentrated Muslim-majority regions like Tatarstan, Dagestan and Chechnya.

Islamic financial services in Russia began in 1997 with Badr-Forte Bank, which had operated in over 60 countries before its license being revoked in 2006 for alleged money laundering (Kazak, 2017). Today, major institutions like Ak Bars Bank and Sber Bank continue to offer Islamic finance products (Nagayev & Jahangir, 2022).

### 2.1.3. Theory of Planned Behavior

The Theory of Planned Behavior (TPB), proposed by Ajzen (1985), is a psychological framework developed from the Theory of Reasoned Action (TRA). The TPB seeks to predict and explain individual behavior through three key components: attitude toward the behavior, subjective norms (perceived social pressure), and perceived behavioral control (Ajzen, 1991).

The TPB is widely used in consumer behavior studies, including financial decision-making (Ajzen, 1991). Over time, researchers have extended the model by incorporating context-specific variables to enhance its explanatory power. For instance, Amin et al. (2011) add perceived financial cost and perceived benefit in studying Islamic home financing, while Han et al. (2010) include moral norms to better predict environmentally responsible behavior.

In the context of Islamic banking, Amin et al. (2014) expand the TPB by integrating Islamic religiosity and awareness, and Kumar & Mohd (2021) add trust and knowledge to explain Islamic banking adoption in India. These extensions highlight that the TPB's core constructs-attitude, subjective norms, and behavioral control- can be enriched with culturally and contextually relevant factors, especially in emerging or niche markets such as Islamic banking in Russia. The integration of such variables strengthens the TPB's ability to describe and predict individual behavior more systematically and measurably, enabling better understanding of consumer decision-making in specialized markets.

### 2.2. Previous Studies

The development of Islamic finance in Russia has been addressed in previous studies. Kalimullina et al. (2010) note that research in this area remains limited, especially regarding market development among potential consumers. However, following following the passage of the Islamic banking trial law in 2023, there has been an increasing number of studies on Islamic banking in Russia.

Most existing literature focuses on the challenges and prospects of Islamic finance development in Russia (Aidrous et al., 2020; Bekkin, 2006; Dmitrieva, 2023; Garifullin et al., 2018; Hajjar & Habib, 2019; Redkin et al., 2018). Bekkin (2006) explores Islamic economic instruments -such as Islamic banking, Islamic insurance, waqf, and taxation in Islam, and their implementation barriers. Hajjar & Habib (2019) discuss the early efforts of Russian Muslims in advancing Islamic economics amid socio-political difficulties in the 1900s. Following the 2008-2009 global financial crisis, Islamic finance has gained attention as an alternative, stable

financial system, yet it remains poorly integrated into Russian law (Redkin et al., 2018).

Legal and regulatory aspects have been studied by Hazzar et al. (2018); Kalimullina (2020); Makarenko (2023); and Yastrebov et al. (2015). These works address the importance of legal reform to protect Islamic banking consumers. On a regional scale, studies in Dagestan, Tatarstan, and Chechnya highlight these areas as key centers for Islamic finance, with potential to attract foreign investment and improve local welfare (Rashidov & Danchenko, 2017; Saralieva & Tashtamirov, 2015; Taimaskhanov et al., 2015).

Research on determinants of Islamic bank selection has been conducted previously in several countries, such as Pakistan (Butt et al., 2018), Malaysia (Amin, 2020), the USA (Zinser, 2019), Bangladesh (Uddin, 2022) and Indonesia (Junaidi et al., 2023). In Pakistan, religiosity is not the primary factor; instead, service quality, branch network, and ease of access are more influential (Butt et al., 2018). In Malaysia, value- added benefits, Sharia-compliance, and installment policies influence consumer acceptance (Amin, 2020). In Indonesia, religiosity significantly influences consumer preferences, especially when products aligned with Islamic principles. Moreover, materialism and brand image partially mediate the relationship between religiosity and consumer preferences (Junaidi et al., 2023).

### 2.2.1. Attitude and Intention to Choose Islamic Banking

According to Ajzen (1991), attitude is an individual's evaluative judgment toward performing a behavior, shaped by perceptions and emotional responses. It is considered a key determinant of a person's intention to engage in a certain activity (Albaity & Rahman, 2019).

Several studies have examined the link between attitude and intention to adopt Islamic banking. Albaity & Rahman (2019) find that attitude serves as a bridge between Islamic financial literacy and intention to use Islamic banking services. In Kashmir, Charag et al. (2020) show that attitude mediates the effects of religiosity, perceived risk, government support, and culture on the intention to adopt Islamic banking. In Indonesia, Effendi et al. (2020) find a significant influence of both attitude and subjective norms on customer intention. Similarly, in Bangladesh, Hoque et al. (2022) observe a strong relationship between attitude and behavioral intention to use Islamic banking services. In the United Arab Emirates, Kaakeh et al. (2019) identify that brand image, familiarity, Shariah compliance, and individualism influence public intention through the attitude construct. This study examines the influence of attitude toward the intention to use Islamic banking services in Russia. Based on these, we state the following hypothesis:

**Hypothesis 1**: Attitude has a significant effect on the intention to choose Islamic Banking.

### 2.2.2. Subjective Norm and Intention to Choose Islamic Banking

Subjective norms refer to an individual's perception of **social pressure** to perform or not perform a particular behavior (Ajzen, 1991). These norms stem from

**normative beliefs**—expectations of important referent groups or society—and can significantly shape behavior (Riptiono & Setyawati, 2019; Aziz & Afaq, 2018).

In the context of Islamic banking, subjective norms consistently emerge as an important determinant of intention (Aziz & Afaq, 2018; Lujja et al., 2016; Reni & Ahmad, 2016). Aziz & Afaq (2018) report that in Pakistan, subjective norms significantly influence consumers' decisions to adopt Islamic banking. In Uganda, Lujja et al. (2016) find that subjective norms have a significant effect on intention. In Indonesia, Reni & Ahmad (2016) also confirm a significant effect of subjective norms in shaping Islamic banking preferences. Our hypothesis is:

**Hypothesis 2**: Subjective Norm has a significant effect on the intention to choose Islamic Banking.

### 2.2.3. Perceived Behavioral Control and Intention to Choose Islamic Banking

Perceived Behavioral Control (PBC) reflects an individual's assessment of the ease or difficulty of performing a given behavior and is influenced by both past experiences and anticipated obstacles (Ajzen, 1991; Ashfahany et al., 2023). Allah Pitchay et al. (2020) identify PBC—along with attitude and subjective norms—as a major factor influencing depositors' intention to adopt Islamic banking. Santoso & Nurzaman (2023) emphasize that among the millennial generation, PBC plays the most critical role in choosing Islamic mortgage products, illustrating the importance of individual self-efficacy and control over financial decisions. In addition, practical operational factors, such as accessibility and user-friendliness, also significantly impact PBC and influence decision-making.

**Hypothesis 3**: Perceived Behavioral Control has a significant effect on the intention to choose Islamic Banking.

### 2.2.4. Religiosity and Intention to Choose Islamic Banking

Religiosity refers to the degree of individual belief and practice that acknowledges the presence of a divine power influencing everyday decisions (Egbert et al., 2004) In the context of Islamic banking, religiosity is often a foundational motivator for adoption, especially when services align with Shariah principles (Souiden & Rani, 2015).

Charag et al. (2020) identify religiosity as a key factor—alongside attitude, culture, and government support—that shapes intention to use Islamic banking. Likewise, Bananuka et al. (2019) confirm that **religious motivation** significantly impacts consumer choices. Riptiono et al. (2021) emphasize that religiosity shapes consumer preferences for Shariah-compliant products, while Alzadjal et al. (2021) demonstrate its role as a **moderator** in the TPB model, strengthening the effect of TPB variables on behavioral intention. Sudarsono (2023) further supports that religiosity influences the relationship between attitude, subjective norms, perceived behavioral control, and intention.

**Hypothesis 4**: Religiosity has a significant effect on the intention to choose Islamic Banking.

**2.2.5. Trust and Intention to Choose Islamic Banking**

Trust is a fundamental element in marketing and service adoption, representing a willingness to rely on another party's competence and integrity (Ltifi et al., 2016). Jevons & Gabbott (2000), note that trust emerges in contexts involving risk, uncertainty, and vulnerability.

Trust is critical in shaping customer intention toward Islamic banking (Wardana et al., 2021). Tabrani et al. (2018), find that trust enhances customer intimacy, commitment, and ultimately, loyalty. In addition, Islamic service quality positively influences trust, which in turn increases the likelihood of Islamic banking adoption (Saputra & Rahmawaty, 2023).

**Hypothesis 5**: Trust has a significant effect on the intention to choose Islamic Banking.

**2.2.6. Intention and Behavior to Choose Islamic Banking**

According to Morwitz & Munz (2021), intention is a direct antecedent of behavior, acting as a reliable proxy for predicting actual actions. Godin & Kok (1996) and Allah Pitchay et al. (2020) highlight that behavioral intention is shaped by attitudinal and control beliefs that precede the actual decision.

Charag et al. (2020) state that the formation of intention is complex and influenced by many factors such as religiosity, attitude, culture, government support, and perceived risk. The TPB model framework in this study helps understand how factors of attitude, subjective norms, perceived behavioral control, religiosity and trust influence each other in shaping consumer intentions towards Islamic banking in Russia.

**Hypothesis 6**: Intention has a significant influence on the behavior to choose Islamic Banking.

**III. METHODOLOGY**

**3.1. Method**

This study uses the Partial Least Square Structural Equation Model (PLS-SEM) method together with a qualitative statistical approach. There are two SEM modeling methods that can explain the relationship between latent variables, namely Covariance-Based SEM (CB-SEM) initiated by Jöreskog (1969), or Partial Least Square SEM (PLS-SEM), proposed by Wold (1975). According to Hair et al. (2021), CB-SEM is generally used to validate theories, while PLS-SEM is generally used to validate measurement models. This study uses PLS-SEM to analyze the factors that influence muslim preference in choosing Islamic banking, since it has a rigorous and powerful analysis technique to explain causal relationships (Hair et al., 2017). Besides, PLS-SEM is also recommended by Ascarya & Tekdogan (2022) for Islamic economics and finance studies.

According to Wold (1975), the PLS-SEM method is generally also referred to as "soft modeling", because the PLS-SEM method can test small sample sizes. This method can combine features from two different models (hybrid models), namely the outer model (measurement model) and the inner model (structural model). In general, this PLS-SEM method is also similar to OLS regression-based

measurement/estimation. Because the PLS-SEM method focuses on predicting a series of hypothesized associations that maximize the variation determined in the endogenous variable. This PLS-SEM method is also an appropriate tool for analyzing factors that influence specific aspects, such as the drivers of success, sources of competitive advantage, and the like, because PLS-SEM analysis emphasizes the estimation of influencing factors (Hair et al., 2017).

The PLS-SEM method in this study is carried out in four stages, namely the Model Designation Stage, Outer Model Assessment (Measurement Model) Stage, Inner Model Assessment (Structural Model) Stage, and Robustness Check Stage. At the Model Designation stage, this study designs a model through a literature review to determine the appropriate variables and indicators for crafting a questionnaire. Then, after data being collected through questionnaire and then filtered, we proceed to the Outer Model Assessment (Measurement Model) stage. To ensure that there is no CMV (common method variance) in the data, the Harman single-factor test is performed. Podsakoff et al. (2003) state that validity may be compromised by CMV concerns asthe research is carried out utilizing the same source. Furthermore, the reliability test and validity test are conducted. The convergent and discriminant validity tests are based on the Fornell-Lacker criterion value, outer loading value, and Average Variance Extract (AVE).

At the Inner Model Assessment (Structural Model) stage, the appropriateness of the research model is gauged using the standardized root mean square residual, or SRMR. Furthermore, this study computes the Variance Inflation Factor (VIF) value to confirm that multicollinearity is not an issue, checks the influence between variables using Cohen's $F^2$, tests predictive relevance analysis using Stone-Geisser's $Q^2$, and evaluates the coefficient determination using $R^2$. Finally, in the robustness check stage, we address Quadratic Effect. We follow Sarstedt et al. (2020) by employing non-linearity criteria for robustness checks.

The PLS-SEM method has an advantage in that it is able to handle small sample sizes or non-normality (Wold, 1975). This indicates that the strength of PLS-SEM lies in its ability to perform modeling even though the data used are not normally distributed (Nusrang et al., 2023). Moreover, in addition to explaining the relationship between latent variables, PLS-SEM also allows for validation of applicable theories. Apart from the above, the PLS-SEM has two additional strengths. First, SEM can integrate latent variables and manifest variables. In this way, it becomes possible to model the relationship between latent variables that are difficult to observe and manifest variables that can be measured directly. And second, SEM allows modeling causal relationships. This method can test causal hypotheses and understand cause-and-effect relationships between observed variables.

### 3.2. Data

This research focuses on examining the determinants of Islamic banking choice in Russia. The data used in this research are primary data, principally gathered by means of questionnaires from Islamic banking customers of four Islamic banking trial regions in Russia, namely Dagestan, Tatarstan, Chechen, Bashkortostan, and other regions of the Russian Federation. The questionnaire distributed is designed

to obtain the information or data needed. The Likert scale 1-6 is used in this study to measure respondents' opinions. Scale 1 indicates "totally disagree", while scale 6 indicates "completely agree". This is intended so that PLS-SEM modeling can obtain operational definitions of the variables used. There are 3-5 indicators for each of the endogenous and exogenous variables as explained in Table 1.

**Table 1.**
**SEM Manifest Variables**

| Variable | Code | Manifest Variables | Reference |
|---|---|---|---|
| **Attitude** | A1 | I believe that Islamic banking offers ethical and morally justified financial services | (Bananuka et al., 2019; Charag et al., 2020; Hoque et al., 2022) |
| | A2 | Using Islamic banking services aligns with my personal values and beliefs. | |
| | A3 | I believe that Islamic banking services are more beneficial than conventional ones | |
| | A4 | I have a positive attitude towards applying Islamic banking practices in my financial transactions | |
| | A5 | I feel comfortable and confident using Islamic banking services | |
| Subjective Norm | S1 | Important people to me encourage the use of Islamic banking services | (Aziz & Afaq, 2018; Lujja et al., 2016; Reni & Ahmad, 2016) |
| | S2 | I believe that people whom I respect would approve of my decision to use Islamic banking services | |
| | S3 | I believe that society expects people like me to use Islamic banking services | |
| **Perceived Behavioural Control** | P1 | I feel confident in my ability to effectively use Islamic banking services | (Allah Pitchay et al., 2020; Santoso & Nurzaman, 2023; Sulistiowati et al., 2023) |
| | P2 | I believe I possess the necessary skills to navigate Islamic banking procedures | |
| | P3 | I believe I control my decision to use Islamic banking services | |
| | P4 | I am confident in my ability to overcome any obstacles in using Islamic banking services | |
| | P5 | I feel empowered to make an informed choice regarding Islamic banking options | |
| **Religiosity** | R1 | I regularly adhere to Islamic practices related to finance, such as avoiding interest-based transactions | (Alzadjal et al. 2021; Fauzi et al. 2021; Charag et al. 2020) |
| | R2 | Observing Islamic principles in the banking sector is important to me due to my faith | |
| | R3 | I prefer using Islamic banking services over conventional banking services | |
| | R4 | My religious teachings encourage me to support Islamic financial institutions | |

**Table 1.**
**SEM Manifest Variables (Continued)**

| Variable | Code | Manifest Variables | Reference |
|---|---|---|---|
| **Trust** | T1 | I trust the principles upon which Islamic banking and finance are built. | (Fauzi et al., 2021; Tabrani et al., 2018; Wardana et al., 2021) |
| | T2 | I place my confidence in the integrity of Islamic banking over conventional alternatives. | |
| | T3 | I rely on Islamic banks to operate in accordance with ethical and Sharia-compliant values. | |
| | T4 | I have faith in the Sharia-based principles guiding Islamic financial institutions. | |
| | T5 | I trust that Islamic banking practices evolve in ways that uphold Islamic ethical standards | |
| **Intention** | I1 | I intend to use Islamic banking services for my financial transactions in the future | (Fauzi et al., 2021; Tabrani et al., 2018; Wardana et al., 2021) |
| | I2 | I am motivated to use Islamic banking practices in my financial transactions | |
| | I3 | In my financial decisions, I plan to prefer Islamic banking services over conventional ones | |
| | I4 | I intend to incorporate Islamic banking into my financial lifestyle | |
| | I5 | I have a firm intention to actively seek Islamic banking services | |
| **Behaviour** | B1 | I have already used Islamic banking services for my financial transactions | (Muslichah & Sanusi, 2019; Allah Pitchay et al., 2020) |
| | B2 | I regularly use Islamic banking products such as Islamic savings accounts or Islamic mortgages | |
| | B3 | I have switched from traditional banking services to Islamic ones to meet some of my financial needs | |
| | B4 | I actively seek opportunities to conduct my financial affairs through Islamic banking channels | |
| | B5 | In my financial decisions, I consistently prefer Islamic banking options over conventional banking alternatives | |

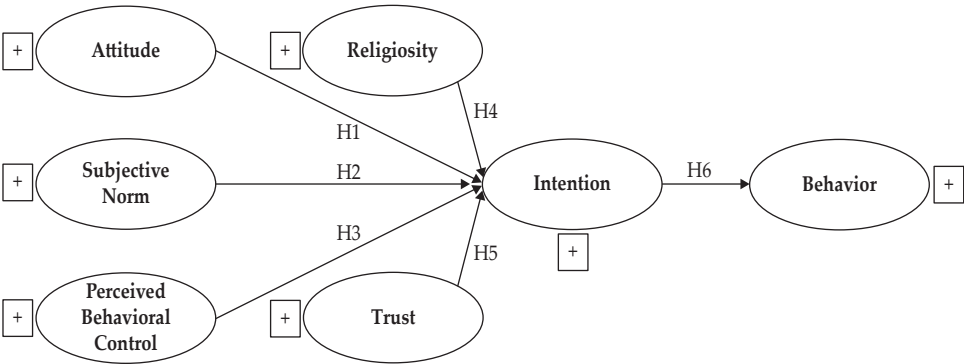Figure 1 presents the model that links the variables, to be estimated using the data collected:



**Figure 1.**
**PLS-SEM Proposed Model**

The plus sign (+) indicates that attitude, subjective norm, perceived behavioral control, religiosity, trust, intention, and behavior are latent variables, each of which is represented by 3 to 5 indicators in this study. The variables related to the use of Islamic banking specifically in Russia cannot be measured meaningfully, as the sector is still in its early stages and lacks a comprehensive legal framework (Fedorovich & Albertovich, 2021). Therefore, this study follows the Theory of Planned Behavior model (Ajzen, 1991) and Diffusion of Innovation (Rogers, 2003) by adopting perception-based constructs such as religiosity, perceived awareness, and attitude toward Islamic banking. Similar methodological approaches have been employed in early-stage Islamic finance markets in non-Muslim countries, such as the UK and Sri Lanka (Hamadou et al., 2025), where consumers' intention is shaped more by belief and perception than by direct experience.

## IV. RESULTS AND ANALYSIS
### 4.1. Results
#### 4.1.1. Respondents' Profile
Table 2 below summarizes the profile of respondents:

**Table 2.**
**Respondent Profile**

| Count of Gender | | |
|---|---|---|
| Female | 385 | 80,88% |
| Male | 91 | 19,12% |
| **Grand Total** | **476** | **100,00%** |

| Age Group | | |
|---|---|---|
| Up to 20 years old | 342 | 71,85% |
| 20-30 | 58 | 12,18% |
| 30-40 | 36 | 7,56% |
| 40-50 | 31 | 6,51% |
| Over 50 | 9 | 1,89% |
| **Grand Total** | **476** | **100,00%** |

| Domicile | | |
|---|---|---|
| Chechen Republic | 53 | 11,13% |
| Other region of the Russian Federation | 57 | 11,97% |
| Republic of Bashkortostan | 63 | 13,24% |
| Republic of Dagestan | 221 | 46,43% |
| Republic of Tatarstan | 82 | 17,23% |
| **Grand Total** | **476** | **100,00%** |

| Education Background | | |
|---|---|---|
| Grade 11 | 28 | 5,88% |
| Grade 9 | 127 | 26,68% |
| Higher | 82 | 17,23% |
| Secondary vocational | 239 | 50,21% |
| **Grand Total** | **476** | **100,00%** |

| Occupation | | |
|---|---|---|
| Businessman | 18 | 3,78% |
| Employee | 20 | 4,20% |
| Specialist | 60 | 12,61% |
| Student | 262 | 55,04% |
| Unemployed | 38 | 7,98% |
| Worker | 78 | 16,39% |
| **Grand Total** | **476** | **100,00%** |

Source: Primary data collected via survey (2024)

The total number of participants is 476. It is interesting to note that 80% of the respondents are female. This figure reflects Russia's demographic composition, where female represents a larger proportion of the total population. This is also in line with Smith (2008) and Singer et al. (2010) who report that female tends to demonstrate higher participation rates in survey-based studies, particularly those related to financial behavior.

A large proportion of the participants, 46.43% (221 people), are from the Republic of Dagestan. In addition, 17.23% (82 people) come from the Republic of Tatarstan, and 13.24% (63 people) from the Republic of Bashkortostan. Smaller numbers come from various other regions of the Russian Federation with 11.97% (57 people) and from the Chechen Republic with 11.13% (53 people).

The overwhelming majority of participants are young, 71.85% (342 people) are up to 20 years old. The 20-30-year-old make up 12.18% (58 people), the 30–40-year-old 7.56% (36 people), and the 40–50-year-old 6.51% (31 people). Only a small proportion, 1.89% (9 people), are over 50 years old. In terms of education, more than half of the participants, 50.21% (239 people), have completed higher vocational education. Those who have completed the 9th grade make up 26.68% (127 people). Meanwhile, 17.23% (82 people) have a college degree, and 5.88% (28 people) have completed the 11th grade.

The majority of participants are students, namely 55.04% (262 people). Workers make up 16.39% (78 people), specialists 12.61% (60 people), unemployed 7.98% (38 people), employees 4.20% (20 people). Only 3.78% (18 people) are businessmen. Workers and employees are classified differently; workers are respondents who work in the informal sector, and employees are respondents who work in the formal sector.

This demographic overview shows that the participants are predominantly young and female, and a significant number of them are actively participating in training/learning; that is, they are students. This indicates that the respondents are well educated enough which can influence the respondents' decisions in adopting Islamic banking. The majority of participants come from the most Islamized region of four Islamic banking trial regions in Russia, the Republic of Dagestan, which underlines a strong regional representation in the study.

### 4.1.2. Outer Model Assessment (Measurement Model)

In Table 3, the Cronbach's alpha ($\alpha$) and Composite Reliability (rho c) values are presented. The results show that Cronbach's alpha ($\alpha$) is in the range of 0.763 to 0.911. The Composite Reliability (rho c) value is in the range of 0.864 to 0.916. Based on Hair et al., (2017), these indicate the constructs' internal consistency and reliability, which are based on Cronbach's alpha ($\alpha$) and CR values exceeding 0.70. According to Kamath et al. (2020), the findings of the statistical tests confirm that there is low likelihood of CMV in the data used in this investigation.

The convergent validity test is based on the outer loading values available in Table 3. The results show that not all outer loading values are above 0.70. The AVE value is in the range 0.585 to 0.737. Thus, the reflective constructs show convergent validity.

The discriminant validity test was assessed based on the Fornell-Lacker criteria available in Table 4. These results show that the square root of each AVE construct is greater than the Fornell-Lacker criteria for the highest correlation with other constructs. So, the research model can be said to have discriminant validity.

**Table 3.**
**Outer Model Output**

| Indicator | Outer Loading | Weights | Descriptive Distribution | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 1 | 2 | 3 | 4 | 5 | 6 |
| Cognitive (rho_a=0.885, AVE=0.686, Cronbach's α=0.888, and rho_c=0.916) | | | | | | | | |
| A1 | 0.779 | 0.224 | 0% | 6.29% | 9.14% | 22.78% | 47.70% | 14.09% |
| A2 | 0.819 | 0.248 | 0% | 5.71% | 7.24% | 26.40% | 44.09% | 16.55% |
| A3 | 0.788 | 0.234 | 0% | 5.28% | 8.21% | 24.05% | 43.99% | 18.48% |
| A4 | 0.846 | 0.256 | 0% | 3.49% | 7.32% | 16.53% | 53.05% | 19.15% |
| A5 | 0.847 | 0.261 | 0% | 5.22% | 8.85% | 19.16% | 46.44% | 20.32% |
| Cognitive (rho_a=0.774, AVE=0.680, Cronbach's α=0.763, and rho_c=0.864) | | | | | | | | |
| S1 | 0.766 | 0.384 | 0% | 24.16% | 13.03% | 24.37% | 31.93% | 6.51% |
| S2 | 0.871 | 0.453 | 0% | 12.60% | 10.19% | 25.41% | 41.62% | 10.19% |
| S3 | 0.832 | 0.373 | 0% | 20.28% | 11.34% | 23.16% | 36.80% | 8.42% |
| Cognitive (rho_a=0.879, AVE=0.658, Cronbach's α=0.869, and rho_c=0.906) | | | | | | | | |
| P1 | 0.828 | 0.257 | 0% | 7.85% | 11.30% | 28.05% | 42.12% | 10.68% |
| P2 | 0.691 | 0.192 | 0% | 13.00% | 14.92% | 26.46% | 36.46% | 9.16% |
| P3 | 0.828 | 0.253 | 0% | 6.69% | 8.82% | 26.56% | 46.38% | 11.56% |
| P4 | 0.835 | 0.254 | 0% | 6.92% | 10.53% | 28.50% | 44.14% | 9.91% |
| P5 | 0.842 | 0.276 | 0% | 6.14% | 8.47% | 22.60% | 47.32% | 15.46% |
| Cognitive (rho_a=0.844, AVE=0.585, Cronbach's α=0.820, and rho_c=0.874) | | | | | | | | |
| R1 | 0.751 | 0.238 | 0% | 7.22% | 2.99% | 16.91% | 48.93% | 23.94% |
| R2 | 0.831 | 0.266 | 0% | 4.73% | 4.31% | 16.50% | 51.67% | 22.80% |
| R3 | 0.790 | 0.312 | 0% | 7.54% | 8.18% | 20.63% | 40.43% | 23.21% |
| R4 | 0.792 | 0.312 | 0% | 6.30% | 7.24% | 23.63% | 44.81% | 18.02% |
| Cognitive (rho_a=0.880, AVE=0.662, Cronbach's α=0.871, and rho_c=0.907) | | | | | | | | |
| T1 | 0.782 | 0.239 | 0% | 7.07% | 10.91% | 24.59% | 44.83% | 12.60% |
| T2 | 0.823 | 0.223 | 0% | 9.87% | 13.47% | 24.32% | 41.18% | 11.16% |
| T3 | 0.889 | 0.266 | 0% | 9.05% | 13.44% | 24.04% | 41.92% | 11.56% |
| T4 | 0.846 | 0.284 | 0% | 9.78% | 13.70% | 23.38% | 42.00% | 11.14% |
| T5 | 0.717 | 0.215 | 0% | 10.50% | 14.43% | 23.14% | 40.33% | 11.60% |
| Cognitive (rho_a=0.911, AVE=0.737, Cronbach's α=0.911, and rho_c=0.933) | | | | | | | | |
| I1 | 0.849 | 0.236 | 0% | 6.96% | 6.71% | 25.26% | 43.76% | 17.30% |
| I2 | 0.856 | 0.241 | 0% | 7.44% | 7.09% | 25.13% | 44.97% | 15.38% |
| I3 | 0.832 | 0.233 | 0% | 6.18% | 9.11% | 22.71% | 47.06% | 14.94% |
| I4 | 0.862 | 0.231 | 0% | 7.43% | 9.77% | 25.43% | 39.67% | 17.70% |
| I5 | 0.851 | 0.235 | 0% | 9.31% | 11.61% | 22.18% | 40.27% | 16.63% |
| Cognitive (rho_a=0.914, AVE=0.638, Cronbach's α=0.867, and rho_c=0.898) | | | | | | | | |
| B1 | 0.768 | 0.211 | 0% | 33.11% | 9.29% | 25.03% | 20.86% | 11.71% |
| B2 | 0.765 | 0.167 | 0% | 33.90% | 11.03% | 21.78% | 23.49% | 9.80% |
| B3 | 0.781 | 0.191 | 0% | 26.36% | 11.13% | 28.41% | 23.35% | 10.75% |
| B4 | 0.848 | 0.334 | 0% | 16.39% | 11.35% | 26.59% | 31.23% | 14.44% |
| B5 | 0.818 | 0.339 | 0% | 12.90% | 9.26% | 29.77% | 37.49% | 10.58% |

Source: Primary data processed (2024)

**Table 4.**
**Fornell-Lacker Criterion Output**

| Construct Relationship | Attitude | SN | PBC | Religiosity | Trust | Intention | Behavior |
|---|---|---|---|---|---|---|---|
| Attitude | 0.828 | | | | | | |
| SN | 0.706 | **0.824** | | | | | |
| PBC | 0.776 | 0.644 | **0.811** | | | | |
| Religiosity | 0.631 | 0.661 | 0.573 | **0.765** | | | |
| Trust | 0.662 | 0.511 | 0.767 | 0.505 | 0.813 | | |
| Intention | 0.808 | 0.624 | 0.815 | 0.606 | 0.673 | 0.859 | |
| Behavior | 0.556 | 0.428 | 0.644 | 0.404 | 0.589 | 0.653 | **0.799** |

Source: Primary data processed (2024)

### 4.1.3. Inner Model Assessment (Structural Model)

The NFI value is 0.80, which is considered good since the value is below 1. The SRMR value is less than 0.080, in line with Gao, Waechter, & Bai's (2015) guidelines. Furthermore, this study computes the Variance Inflation Factor (VIF) to confirm that multicollinearity is not an issue. As shown in Table 5, the VIF ranges from 1.000 to 3.628. According to Hair et al. (2017), the VIF below 5 indicates that multicollinearity is not a problem.

Table 5 shows the influence between the variables in the model using Cohen's $f^2$, which explains a change in the $R^2$ value when an exogenous construct is eliminated. Cohen's $f^2$ values of 0.02 (small), 0.15 (mid), and 0.35 (large) can be used to quantify the predictor effect (Hair et al., 2017). The entire output $f^2$ is explained in Table 5 as existing between 0.000 and 0.746.

**Table 5.**
**Effect Size and Multicollinearity Output**

| Construct Relationship | $f^2$ | $Q^2$ | VIF |
|---|---|---|---|
| Attitude → Intention | 0.186 | 0.441 | 3.314 |
| Subjective Norm → Intention | 0.000 | 0.328 | 2.391 |
| Perceived Behavioral Control → Intention | 0.198 | 0.385 | 3.628 |
| Religiosity → Intention | 0.016 | 0.389 | 1.988 |
| Trust → Intention | 0.002 | 0.407 | 2.391 |
| Intention → Behavior | 0.746 | 0.480 | 1.000 |

Source: Primary data processed (2024)

Table 5 also shows predictive relevance analysis using Stone-Geisser's $Q^2$. The predictive relevance of the exogenous variable on the endogenous variable can be determined using the $Q^2$ value as a guide (Hair et al., 2017). The value of Q-square attitude towards intention is 0.441, subjective norm towards intention is 0.328, perceived behavioral control towards intention is 0.385, religiosity towards intention is 0.389, trust toward intention is 0.407, and intention towards behavior is 0.480. The Q-square score greater than 0 signifies that the model has predictive relevance, and the results are well-constructed.

**Table 6.**
**Coefficient of Determination and Blindfolding Output**

| Construct Relationship | SSO | SEE | $R^2$ | $R^2$ Adjusted | $Q^2$ |
|---|---|---|---|---|---|
| Behavior | 2380.000 | 1424.148 | 0.427 | 0.426 | 0.402 |
| Intention | 2380.000 | 1236.752 | 0.748 | 0.745 | 0.480 |

Source: Primary data processed (2024)

Table 6 above shows that the coefficient of determination of the intention construct has a substantial value ($R^2$ = 0.748, $R^2$ adjusted = 0.745) while the behavior construct has a weak value ($R^2$ = 0.427, $R^2$ adjusted = 0.426). It can be assumed that 75 percent of the variation in intention is explained by attitude, subjective norm, perceived behavioral control, religiosity, and trust, and only 43 percent of the variation in behavior is explained by the variable of intention. The $R^2$ threshold values of 0.75, 0.50, and 0.25 are used as the cut-off values for endogenous constructs that are classified as substantial, moderate, and weak (Hair et al., 2017).

**Table 7.**
**Output of PLSpredict**

| | PLS-SEM | | Benchmark | |
|---|---|---|---|---|
| | RMSE | MAE | RMSE | MAE |
| **B1** | 1.217 | 1.044 | 1.332 | 1.186 |
| **B2** | 1.250 | 1.078 | 1.313 | 1.158 |
| **B3** | 1.228 | 1.044 | 1.317 | 1.182 |
| **B4** | 1.081 | 0.892 | 1.348 | 1.188 |
| **B5** | 0.989 | 0.815 | 1.275 | 1.083 |
| **I1** | 0.804 | 0.556 | 1.223 | 1.008 |
| **I2** | 0.785 | 0.547 | 1.225 | 1.009 |
| **I3** | 0.746 | 0.542 | 1.194 | 0.997 |
| **I4** | 0.906 | 0.622 | 1.246 | 1.028 |
| **I5** | 0.928 | 0.666 | 1.296 | 1.081 |

Source: Primary data processed (2024)

The $R^2$ is not a measure of out-of-sample prediction performance; rather, it solely measures the sample's explanatory power (Shmueli et al., 2019). Therefore, this study employs the PLSpredict approach (Table 7) with the primary goal of focusing on the construct of sustainable performance. The output indicates that the model in this study has high predictive power because the predicted value of $Q^2$ is greater than 0, and the PLS-SEM model's mean absolute error (MAE) and root mean squared error (RMSE) do not exceed those of the naive linear model (Shmueli et al., 2019).

Referring to Cameron & Trivedi (2008) using a bootstrap approach of 5,000 (resampling) Bias-Corrected and Accelerated Confidence Interval (BCCI) with p-value for two-sided significance (*p:0.05, **p: 0.01, ***p:0.001), this study evaluates the level of significance in testing the hypothesis. The results of the direct influence analysis (see Table 8) show that attitude has a significant positive

effect on intention (BCCI = 0.297-0.487, p-value = 0.000), subjective norm has no significant effect on intention (BCCI = -0.060-0.072, p-value = 0.872), perceived behavioral control has a positive effect on intention (BCCI = 0.376-0.581, p-value = < 0.001), perceived behavioral control has a significant positive effect on intention (BCCI = 0.329-0.527, p-value = 0.000), religiosity has positive effect on intention (BCCI = 0.023-0.160, p-value = 0.009 ), trust has no significant effect on intention (BCCI = -0.043-0.121, p-value = 0.376), and intention has a significant positive effect on behavior (BCCI = 0.603-0.704, p-value = 0.000). It can be said that some hypotheses in this study are supported (Hypotheses 1, 3, 4, and 6 = Supported) while some others are not (Hypotheses 2 and 5).

**Table 8.**
**Direct and Indirect Effect Output**

| Construct Relationship | β | *p-values* | 95% (BCCI) | Supported? |
|---|---|---|---|---|
| Attitude → Intention | 0.393 | 0.000 | (0.297-0.487) | Yes |
| Attitude → Intention → Behavior | 0.236 | 0.000 | (0.163-0.312) | Yes |
| Subjective Norm → Intention | 0.005 | 0.872 | (-0.060-0.072) | No |
| Subjective Norm → Intention → Behavior | 0.004 | 0.872 | (-0.041-0.047) | No |
| Perceived Behavioral Control → Intention | 0.425 | 0.000 | (0.329-0.527) | Yes |
| Perceived Behavioral Control → Intention → Behavior | 0.313 | 0.000 | (0.241-0.390) | Yes |
| Religiosity → Intention | 0.090 | 0.009 | (0.023-0.160) | Yes |
| Religiosity → Intention → Behavior | 0.064 | 0.019 | (0.009-0.116) | Yes |
| Trust → Intention | 0.038 | 0.376 | (-0.043-0.121) | No |
| Trust → Intention → Behavior | 0.025 | 0.380 | (-0.029-0.080) | No |
| Intention → Behavior | 0.654 | 0.000 | (0.603-0.704) | Yes |

Source: Primary data processed (2024)

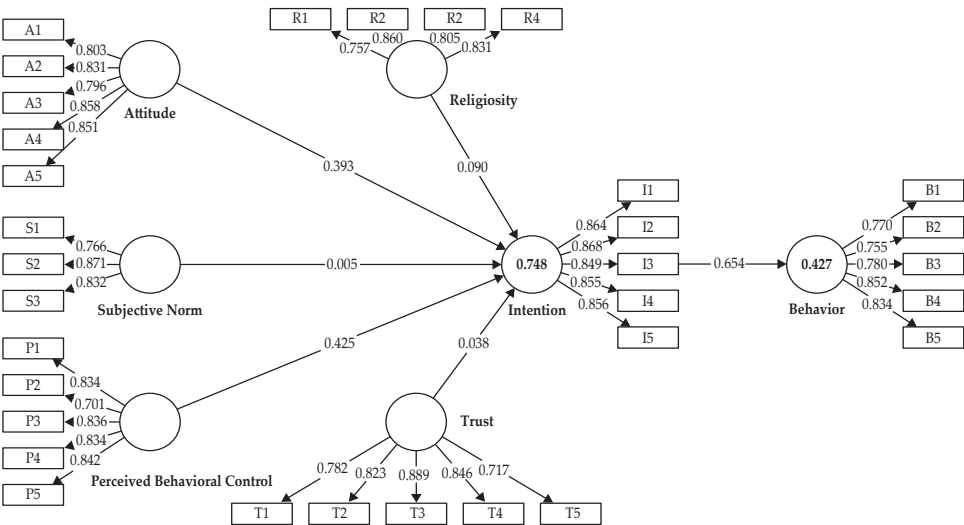The final model of this study is as follows:



**Figure 2.**
**Output Full Model**

As listed in Table 8, based on the Output Full Model in Figure 2, the variables that significantly influence intention and behavior are: Perceived Behavioral Control on intention (p = 0.000), Attitude on intention (p = 0.000), Religiosity on Intention (p = 0.009), and Intention on Behavior (p = 0.000). By contrast, the variables Trust on Intention (p = 0.376) and Subjective Norm on Intention (p = 0.872) are not statistically significant.

### 4.2. Robustness Check

**Table 9.**
**Output of Quadratic Effect**

| Construct Relationship | β | p-values | f² | 95% (BCCI) |
|---|---|---|---|---|
| Attitude → Intention | 0.392 | 0.000 | 0.171 | (0.293; 0.487) |
| Attitude → Intention → Behavior | 0.259 | 0.000 | | (0.191; 0.327) |
| Subjective Norm → Intention | 0.015 | 0.654 | 0.013 | (-0.052; 0.081) |
| Subjective Norm → Intention → Behavior | 0.010 | 0.655 | | (-0.034; 0.054) |
| Perceived Behavioral Control → Intention | 0.410 | 0.000 | 0.171 | (0.313; 0.506) |
| Perceived Behavioral Control → Intention → Behavior | 0.035 | 0.000 | | (0.205; 0.344) |
| Religiosity → Intention | 0.086 | 0.011 | 0.013 | (0.021; 0.155) |
| Religiosity → Intention → Behavior | 0.022 | 0.011 | | (0.014; 0.104) |
| Trust → Intention | 0.052 | 0.206 | 0.004 | (-0.028; 0.134) |
| Trust → Intention → Behavior | 0.034 | 0.211 | | (-0.019; 0.091) |
| Intention → Behavior | 0.661 | 0.000 | 0.711 | (0.601; 0.720) |
| QE (Attitude) → Intention | 0.014 | 0.640 | 0.001 | (-0.049; -0.071) |
| QE (Attitude) → Intention → Behavior | 0.009 | 0.641 | | (-0.032; 0.047) |
| QE (Subjective Norm) → Intention | 0.020 | 0.418 | 0.001 | (-0.028; 0.068) |
| QE (Subjective Norm) → Intention → Behavior | 0.009 | 0.420 | | (-0.019; 0.045) |
| QE Perceived Behavioral Control → Intention | -0.034 | 0.343 | 0.003 | (-0.103; 0.037) |
| QE Perceived Behavioral Control Intention → Behavior | -0.023 | 0.344 | | (-0.068; 0.025) |
| QE Religiosity → Intention | -0.013 | 0.680 | 0.001 | (-0.073; -0.047) |
| QE Religiosity → Intention → Behavior | -0.008 | 0.681 | | (-0.049; 0.031) |
| QE (Trust) → Intention | 0.059 | 0.091 | 0.010 | (-0.008; 0.127) |
| QE (Trust) → Intention → Behavior | 0.039 | 0.092 | | (-0.006; 0.085) |
| QE (Intention) → Behavior | 0.022 | 0.406 | 0.001 | (-0.032; 0.072) |

Source: Primary data processed (2024)

A quadratic model is used in this work. Table 9 presents the results of this quadratic impact and shows that no path exhibits significant interactions. The robustness of the linear impact is supported by this lack of substantial interaction (Sarstedt et al., 2020). Empirical evidence frequently reveals non-linear correlations, challenging the theory's premise that relationships between constructs are always linear. According to the statistics, the effect size of a non-linear relationship between two constructs depends on both the real value of the external construct and the extent of its change (Hair et al., 2017).

### 4.3. Analysis

Based on the results obtained as listed in Table 5, this study analyzes the variables Attitude, Subjective Norm, Perceived Behavioral Control, Religiosity, and Trust towards Intention, as well as the variable Intention towards Behavior, namely the preferences of Muslims in Russia in adopting Islamic banking. The analysis described in the study also includes relevant research that supports the results obtained in this study, as well as previous studies that obtained different results.

### 4.3.1. Attitude and Intention to Choose Islamic Banking

The finding shows that attitude has a significant effect towards intention to choose Islamic banking in Russia. Therefore, this study confirms Albaity & Rahman (2019), Effendi et al. (2020), and Hoque et al. (2022). The t statistics also show that the influence of this variable is the second most significant after perceived behavioral control. It is vital to raise good attitude toward Islamic banking in Russia in order to increase the intention to use Islamic banking.

### 4.3.2. Subjective Norm and Intention to Choose Islamic Banking

Subjective norm, in this study is not significant in influencing intention to use Islamic banking in Russia. Probable explanation for this conclusion is that Russian Muslims' financial choices is self-directed rather that socially affected. This finding resonates with Hanudin Amin (2020) and Abduh & Omar (2012) who state that religious commitment and attitude in addition to economic factors often outweigh social pressure in Islamic banking context.

### 4.3.3. Perceived Behavioral Control and Intention to Choose Islamic Banking

This study also concludes that perceived behavioral control has a positive and significant influence toward the preference of choosing Islamic banking. This study has also confirmed the conclusion of Allah Pitchay et al. (2020), Santoso & Nurzaman (2023), Sulistiowati et al (2023), and Ashfahany et al (2023). In this study, this variable has the most contribution compared to other exogenous variables. As Islamic banking is relatively new in Russia, information about the products and services urgently needs proper socialization.

### 4.3.4. Religiosity and Intention to Choose Islamic Banking

The results also show that religiosity matters, which reaffirm earlier findings by Souiden & Rani (2015), Charag et al. (2020), Bananuka et al. (2019), Suhartanto (2019), Riptiono et al. (2021), Sulistiowati et al. (2023), and Nugroho et al. (2017). The 2023 Russian federal law introduced Islamic financial principles, including profit and loss sharing mechanism. This development aligns with the religiosity aspect of Islamic banking, which adheres to Sharia principles. The next priority for Islamic banking practitioners is to highlight the fulfillment of sharia complaince by Islamic banks for sustainable operation in Russia.

### 4.3.5. Trust and Intention to Choose Islamic Banking

This study finds that trust has no significant influence toward the intention to choose Islamic banking in Russia. One possible explanation on why trust is not significant in this case is that Islamic banking is a new product in Russia, and consumers' trust may be overshadowed by other factors due to their lack of prior experience with such services. As a result, they have not yet had the opportunity to develop trust in Islamic banking institutions. This result is similar to Jolie & Panjaya (2024) who conclude that consumer's choice relies more on tangible factors rather on trust aspect.

### 4.3.6. Intention and Behavior to Choose Islamic Banking

This study also affirms Ajzen (1991) that intention has a significant and positive influence towards behavior. As the number of Islamic banking branches may still be relatively limited, this implies that there is hope from Muslims that they may want to choose Islamic Banking over conventional counterpart once it is available for them. This suggests that more branches of Islamic banks in Russia are likely viable.

## V. CONCLUSION AND RECOMMENDATION

### 5.1. Conclusion

This study concludes that attitude, perceived behavioral control, and religiosity have positive and significant influence on intention. Intention has also a positive and significant influence on the behavior of choosing Islamic Banking in Russia. These variables—attitude, perceived behavioral control, and religiosity—are significant predictors of the intention of Muslims in Russia to support the three regional Islamic banking pilot programs. These initiatives align with a favorable Muslim regional context, coupled with a sufficient understanding to support the development of new Sharia-compliant financial institutions.

In addition, the presence of Islamic microfinance institutions in the region facilitates the adoption of Islamic banking by Muslims and potential customers. Therefore, the results indicate that it is crucial for Islamic banking institutions to operate in accordance with Islamic principles while ensuring clarity and accessibility, so that potential customers feel confident to engage with these institutions.

On the other hand, trust and subjective norm are found to be insignificant. This implies that while internal motivations and religious orientation are influential, external social pressure or general trust alone may not be sufficient to drive the intention to adopt Islamic banking in the current Russian context, possibly due to its early stage of development and limited public familiarity.

### 5.2. Recommendations

### 5.2.1. For Islamic Banks Practitioners

To increase the interest and engagement of Muslims and potential customers, it is important to implement educational campaigns that raise awareness about Islamic

banking in Russia. These efforts should emphasize the core values and principles of Islamic banking and finance, and highlight how Islam views economic activities as an integrated part of religious practices. Educating the public on the functionality and competitiveness of Islamic banking is also essential, as perceived behavioral control was found to be a significant factor in this study.

### 5.2.2. For Regulators
From a regulatory perspective, it is essential to ensure that Islamic banking products and practices are designed and maintained within the boundaries of Islamic law. Establishing Sharia Supervisory Boards and a national standard for assessing Islamic banking products and services is urgently needed to guarantee Sharia compliance. The central bank could also support the integration of Islamic banking and finance into national financial literacy programs.

### 5.2.3. For Academics
As one of the earliest studies examining the intention and behavior of choosing Islamic banking in Russia, future research should include a broader range of respondents and a wider variety of exogenous variables. Scholars may also focus on the experiences of existing customers to understand their perspectives on the actual practices of these institutions. Furthermore, the inclusion of moderating effects could enrich future analyses—such as examining how individual levels of religiosity moderate the impact of attitudes and perceived behavioral control on intention, or exploring how emotional commitment to Islamic principles affects rational financial decision-making.

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