



A Systematic Literature Review of Customer Satisfaction towards Zakat Management: A Comparative Study of Malaysia and Brunei

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Abstract

The purpose of this study was to explore the zakat management practices and its customer satisfaction, focusing in Malaysia and Brunei environment. The study employed PRISMA methodology in preparing this systematic literature review study, focusing on journal articles and conference proceedings available in the databases of Emerald Insight, Google Scholar, MyJurnal, Science Direct, Scopus, and Web of Science. 74 publications about zakat customer satisfaction in Malaysia and Brunei were retrieved for the analysis. Malaysia and Brunei have contrasting governance models which significantly dictate zakat administration and customer satisfaction. Malaysia's decentralized model drives localized innovation and proactive digital adoption yet suffers from inconsistent nationwide service quality and a lack of institutional standardization. Conversely, Brunei's centralized framework ensures robust policy uniformity and high ethical transparency, though it lacks operational flexibility and bottom-up stakeholder engagement. Finally, Malaysia leverages participatory feedback to foster long-term entrepreneurial empowerment, whereas Brunei's top-down structure relies on administrative efficiency where recipient dissatisfaction is culturally moderated by virtues of gratitude (syukur) and sincerity (ikhlas). A comprehensive multi-dimensional framework on zakat management and customer satisfaction was introduced, expanding the related body of knowledge. The findings will significantly inform practitioners involved in zakat distribution frameworks, stakeholder engagement, and the adoption of digital tools for future reforms.

Keywords: Customer Satisfaction, Zakat Governance Models, Islamic Social Finance, Service Quality, Zakat Management

Introduction

Zakat is a form of charity that affluent Muslims (muzakki) must make. The collected zakat must be equally allocated to eight categories of beneficiaries specified in Surah At-Tawbah 9:60, known as the 'asnaf'. Muslims regard zakat as a form of social tax (Ibrahim & Ramli, 2020). These mandatory contributions are used to financially support those in need, as well as relevant educational and healthcare programmes. Zakat recipients are empowered to

improve their socioeconomic circumstances, particularly through entrepreneurship opportunities (Mahamood et al., 2020; Widastuti et al., 2021). Meeting the basic needs of those in need creates a positive loop that mutually strengthens their overall wellbeing and socioeconomic growth (Ahmad et al., 2017).

Despite the massive macroeconomic potential of Islamic social finance to alleviate poverty and achieve the United Nations Sustainable Development Goal (SDG) 1 for no poverty, a profound disparity exists between theoretical zakat capacity and its actual zakat management practices. For example, data from the National Amil Zakat Agency (BAZNAS) indicates that while a nation like Indonesia possesses an estimated annual zakat potential of IDR 327 trillion, actual national collections realize only IDR 13 trillion, which is a mere 4.3% of its true capacity. This is not caused by a scarcity of resources, but rather by widespread muzakki (taxpayer) non-compliance directly triggered by a severe lack of public trust in institutional management (Rusanti et. al., 2025). In addition to that, up to 26% of collected zakat funds remain entirely undistributed annually due to inefficient disbursement infrastructure (Sapingi et. al., 2023). This raise concerns among the public especially the zakat payers, in trusting the zakat centres which makes them prefer to distribute charity directly to the zakat receivers.

The fragile nature of stakeholder trust in religious non-profit institutions has been sharply brought to light by severe governance and integrity failures across the region. While public skepticism is sometimes intensified by high-profile investigations into the mismanagement of broader charitable and humanitarian funds by non-governmental entities, statutory zakat institutions face distinct operational scrutiny concerning disclosure, disbursement timeliness, and administrative transparency (Sapingi et al., 2023; Ismail & Nor, 2020). Reports indicating that substantial portions of collected funds encounter distribution bottlenecks (Sapingi et al., 2023) further exacerbate public hesitation, leading some muzakki to bypass institutional channels in favor of direct informal distribution. This underscores the critical need for an academic re-evaluation of how institutional governance frameworks protect accountability and influence stakeholder satisfaction.

Based on the principles of Islamic jurisprudence, the muzakki is required to donate a mandatory amount of their wealth to the asnaf (Surah At-Tawbah, 9:60). The prominent Islamic economist, Monzer Kahf, explained zakat as a divine tool for wealth redistribution within the Islamic economic system. Zakat serves as a mechanism that purifies and fairly redistributes wealth and improves the socioeconomic circumstances of the asnaf. In this contemporary society, zakat management is no longer part of individual personal efforts and has been systematically institutionalised into state- or federal-level operation systems. Given the customer-centric nature of zakat management based on the Islamic principles, zakat institutions must gain customer trust, satisfaction, and engagement. This has raised scholarly inquiry into how zakat institutions fulfil religious obligations and government requirements. The influence of various interconnected factors on zakat customer satisfaction has garnered immense research interest.

Despite the growing research interest in zakat management, most of the existing studies focused on single-country analysis in regions beyond Southeast Asia, resulting in the paucity of literature on Islamic social finance systems within the Southeast Asian region (Matahir, 2022). Additionally, the lack of studies on Malaysia and Brunei's zakat management calls for

an in-depth assessment of the strengths and drawbacks of its centralised and non-centralised approach. Thus, the current study aimed to explore the zakat management practices and customer satisfaction between Malaysia and Brunei.

Methodology

This study conducted systematic literature review (SLR) to explore on the zakat management practices and how these approaches shape zakat customer satisfaction. Adopting PRISMA guidelines ensured this study's transparency, reproducibility, and methodological clarity (Tranfield et al., 2003; Petticrew & Roberts, 2006; Moher et al., 2009). A multi-dimensional conceptual framework was constructed to facilitate this study's bibliometric mapping and in-depth comparison. This study initiated the selection process from January 2024 to June 2024 using "zakat satisfaction" or "zakat customer satisfaction" and "Malaysia" or "Brunei". A more detailed search applied the following specific keywords: "service quality", "governance", "ethics", and "technology". Only English or Malay peer-reviewed journal articles, conference papers, and institutional reports on zakat customer satisfaction in Malaysia and Brunei between 2003 and 2024 from prominent academic databases, including Scopus, Web of Science, Google Scholar, ScienceDirect, Emerald Insight, and MyJurnal, were selected.

As shown in Figure 1, the initial process gathered 1,138 publications. The screening of titles and abstracts eliminated irrelevant and duplicate publications and ensured the inclusion of only relevant selections for analysis (Donthu et al., 2021). Publications that featured the following criteria were excluded: (1) not related to zakat management or zakat customer satisfaction; (2) conducted in other countries, instead of Malaysia or Brunei; (3) non-peer reviewed publications (e.g., government reports and theses) or non-academic sources (e.g., blogs or newspapers); (4) published in other languages, instead of English or Malay. With that, only 52 Malaysian publications and 22 Bruneian publications were retained for analysis.

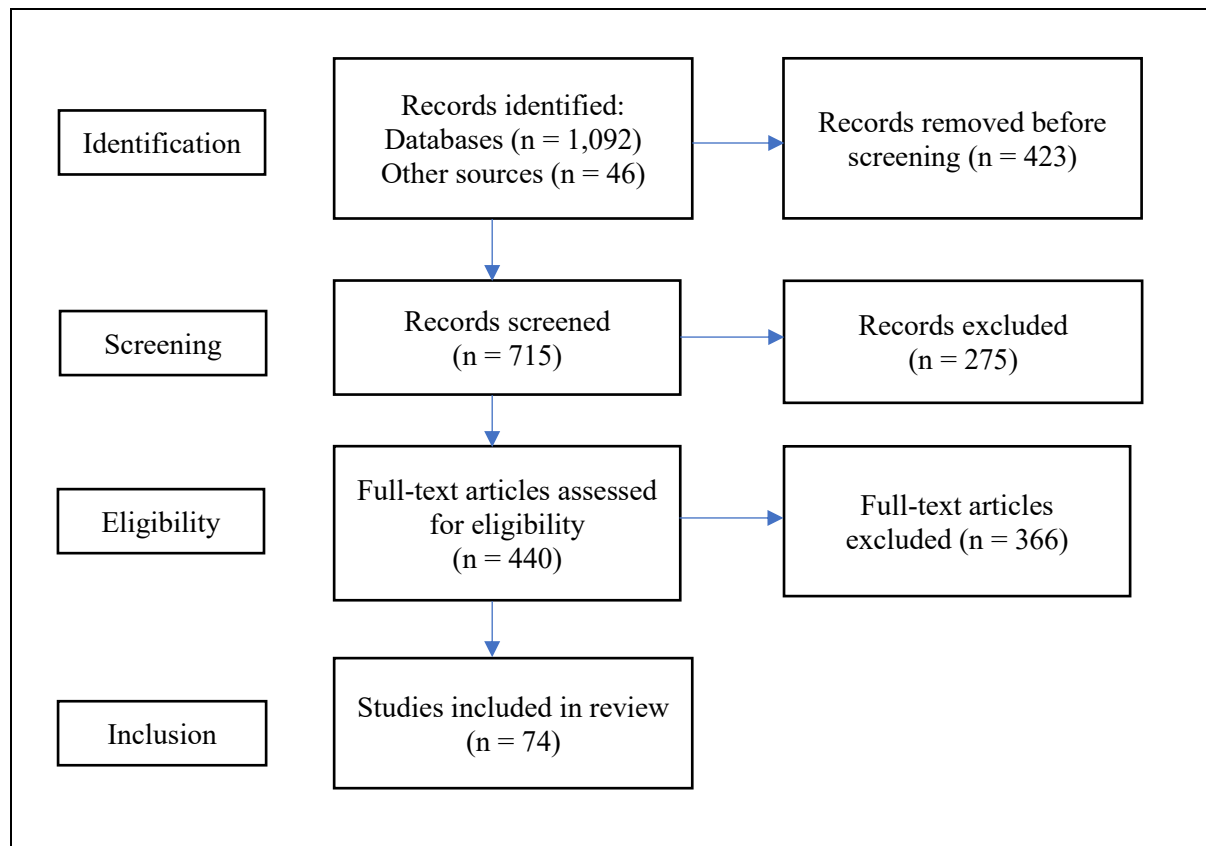


Figure 1: PRISMA Flow Diagram

Microsoft Excel and NVivo 14 were used to create a structured data extraction form that compiled key information about the gathered secondary data, such as the year of publication, author(s), aims, theoretical framework, country focus, sample size, data collection methods, and key findings. As shown in Table 1, six key theme codes were used to group these studies (Yusof et al., 2017; Ramli et al., 2022) for country-level comparability and thematic synthesis. Based on the Critical Appraisal Skills Programme (CASP) checklist (CASP, 2023), this study performed a quality appraisal of the selected studies to ensure their methodological rigour for analysis. The evaluation of these studies based on the compiled key information resulted in the classification of high-quality studies (n = 58) and moderate-quality studies (n = 16), with no low-quality studies.

Table 1

Coding Framework for Thematic Synthesis

THEME CODE	DEFINITION	KEYWORD EXAMPLES
GOV_ACC (Governance and accountability)	Institutional structure, regulations, transparency, decentralisation or centralisation	Governance, authority, structure, oversight
SERV_QUAL (Service quality)	Quality of zakat delivery, consumer experience, satisfaction, accessibility	Satisfaction, quality, outreach, access
TECH_ADPT (Technological adoption)	Use of digital platforms, online services, and mobile apps in zakat systems	Digital, app, e-payment, online, automation

THEME CODE	DEFINITION	KEYWORD EXAMPLES
STAKE_ENG (Stakeholder engagement)	Mechanisms for community involvement, feedback, and public trust	Feedback, consultation, engagement, trust
ETH_ALIGN (Islamic ethical alignment)	Ethical compliance with Islamic principles in operations and disbursements	Amanah, ikhlas, adl, Shariah, ethics
EMPOWER_OUT (Empowerment outcomes)	Socioeconomic upliftment, training, psychological impacts	Empowerment, dignity, training, welfare

Key themes and patterns were identified through narrative synthesis. In addition, Braun and Clarke's (2006) method of thematic synthesis was employed for further conceptualisation and interpretation. A comprehensive comparison analysis was also conducted, comparing Malaysia and Brunei environment (Wahab et al., 2016). This study strictly adhered to relevant ethical standards and APA citation guidelines, despite the absence of human subjects.

Results

The selection process produced 52 publications on Malaysia and 22 publications on Brunei. Analysis revealed a growing trend in research on zakat customer satisfaction after 2012. Related Malaysian literature has shifted its focus from zakat law and basic administrative structures to zakat customer satisfaction, digitalisation, and institutional governance issues after 2015. The most commonly occurring keywords in related Malaysian literature were "zakat distribution", "service quality", and "technology", which reflected the growing emphasis on modernisation and service enhancement. Universiti Kebangsaan Malaysia (UKM), International Islamic University Malaysia (IIUM), and Universiti Malaya (UM) emerged as the main contributors to the intensive research activities and collaborations. Meanwhile, related literature in the context of Brunei was mainly associated with the keywords "centralisation," "Islamic governance," and "religious compliance," reflecting a governance-oriented perspective. The main contributor was Universiti Islam Sultan Sharif Ali (UNISSA), with a high concentration of research output in Brunei.

The shift in how zakat is governed, from a personal religious duty to an institutionalised Islamic financial system, has called for the need to review and establish a more relevant and robust zakat administrative system. How Malaysia and Brunei govern and administer zakat based on the Shafi'i school of Islamic law has been recognised as the pre-eminent example of zakat administrative systems among the Islamic countries. Nevertheless, these two Southeast Asian countries approach zakat governance differently. Malaysia has adopted a decentralised approach. Zakat-related matters and activities are within the purview of the Sultan of the state and the respective State Islamic Religious Council (IRC) (Hidayati & Tohirin, 2010). Meanwhile, under the Brunei Islamic Religious Council (Majlis Ugama Islam Brunei [MUIB]) and the Ministry of Religious Affairs (MoRA), the Department of Zakat, Waqf, and Baitulmal (Jabatan Urusan Zakat, Wakaf dan Baitulmal [JUZWAB]) or formerly known as the Collection and Disbursement Unit (Bahagian Agihan dan Kutipan Zakat [BAKAZ]), which was established back in July 2023, governs and establishes quality zakat management and services (Matahir, 2022), reflecting a more centralised approach to zakat management in Brunei.

Under the state-level religious authorities, Malaysia's zakat management drives competition and innovation and encounters the lack of consistency and standardisation in their services

(Wahab & Abdul Rahman, 2011; Wahab et al., 2020; Hadijah et al., 2024). Their proactiveness to engage and promote digital policies and competitiveness bolsters their service quality, technology integration, and customer feedback system. In Brunei, under the centralised leadership of JUZWAB, zakat management delivers consistency and standardisation (Mahamood et al., 2020; Matahir, 2022) and encounters a certain level of rigidity. Zakat institutions in Brunei display robust theological foundations and ethical transparency. When it comes to customer satisfaction, Malaysia's strengths lie in digitalisation and participatory governance, while Brunei's strengths involve standardisation and religious integration. Table 2 summarises the key comparative findings.

Table 2

Summary of Key Comparative Findings

THEME	MALAYSIA	BRUNEI
Governance	A decentralised approach that fosters innovation but yields inconsistent outcomes	Centralised approach under JUZWAB, promoting consistency and coherence
Service quality	Innovative but uneven across states (potential urban bias)	Efficient, user-friendly, and standardised but less innovative
Technology use	eZakat systems and mobile apps vary across states without central integration.	Unified national digital platform; consistent but less personalised and less innovative
Stakeholder engagement	Participatory approaches (e.g., forums and surveys) in certain states only	Limited bottom-up feedback and more top-down administrative processes
Islamic ethical practice	The level of transparency varies across states; some states conduct Shariah audits, while others have limited transparency.	Uniform Shariah compliance; higher trust due to centralised ethical oversight
Empowerment programmes	Diverse but fragmented, with limited impact	Structured vocational training and long-term support integrated into Zakat management

Zakat Management and Customer Satisfaction

Malaysia's state-specific, decentralised approach to zakat management allows each state to personalise its operations according to local needs. However, such an approach results in inconsistent quality of zakat services and governance due to the different administrative skills, leadership, and local policies employed (Wahab & Rahman, 2011). For instance, the Federal Territory of Kuala Lumpur and Selangor feature more advanced services and digital innovation, with other states struggling with outdated systems and limited outreach.

To gain muzakki's trust and confidence, zakat institutions must be transparent in how they administer zakat and fair in their eligibility assessment (Hassan & Mohd Noor, 2015), ensuring clarity and fairness. Otherwise, zakat customers would be dissatisfied (Saad et al., 2014) and even experience confusion and scepticism due to the absence of national standards and guidelines (Ismail et al., 2017). The delay in fund distribution or the ineligibility to receive aid may further exacerbate the sense of unfairness (Hairunnizam et al., 2009). Moreover, the lack of vocational training programmes or business support puts the asnaf at a disadvantage in the long run, as these resources can empower them and help build independence, while the

zakat contribution only serves as short-term relief. Urbanites can access relevant zakat services due to the expansion of digitalisation, but the widening digital divide has unfavourably impacted the rural and elderly populations (Ramli et al., 2021). A strategic collaboration is imperative due to the inconsistency and lack of standardisation in the availability of tools and systems for more robust performance monitoring, consumer feedback systems, and community outreach across states (Ahmad et al., 2020).

On the contrary, the adoption of a centralised approach through JUZWAB for Brunei's zakat management establishes a more integrated ecosystem and structure of religious authority under the Sultan. Policy enforcement and eligibility guidelines are more consistent and standardised, with digital tool adoption and minimal administrative overlap (Haji-Awang, 2018). The provided clarity and efficiency provide zakat customers a better service experience and satisfaction (Salleh & Rani, 2019). However, such clarity comes with rigidity and detachment. This approach contradicts the fundamentals of zakat services, which are to provide emotional support and demonstrate empathy. Brunei's national welfare system is undoubtedly efficient and accessible, but the widening digital divide has exacerbated the problems rural and elderly populations encounter (Halim & Ismail, 2022). Furthermore, zakat customer satisfaction is influenced by the notions of sincerity (ikhlas) and gratefulness (syukur) (Yusof & Harun, 2020). As with zakat, customer dissatisfaction may be concealed due to cultural influence or being respectful; the perceived satisfaction ratings do not reflect the level of service quality.

This study unravelled the lack of literature on cross-country comparison of zakat customer satisfaction, service quality delivery, and responsiveness of zakat institutions, as well as the non-material aspects of zakat, such as psychological and empowerment outcomes and their ramifications for zakat beneficiaries, reflecting the need for an in-depth evaluation. Furthermore, digitisation exerts substantial dual effects on zakat customer groups with resource, learning, and logistic constraints, making it increasingly relevant to embrace digital inclusion and outreach.

Multi-Dimensional Conceptual Framework for Zakat Customer Satisfaction

Governance and Accountability

Governance constitutes administrative, financial, and operational activities. Its robustness across institutional and supervisory structures is often characterised by ethical leadership and the adherence to and practice of Islamic principles and values. Every decision made by zakat institutions directly impacts their stakeholders, especially muzakki and the asnaf, which is why it is highly integral that these institutions remain accountable, fair, and transparent. To gain stakeholders' trust, confidence, and satisfaction, zakat institutions disclose audit findings, financial disclosures, and third-party review (Wahab & Rahman, 2011; Saad & Farouk, 2019). Brunei's centralised government enforces stringent policies and authority, making it a positive example of robust governance. However, such rigidity impacts their service-orientated and customer-focused administration. On the other hand, Malaysia's decentralised, state-based system delivers local innovation and closer stakeholder engagement, despite various issues and challenges with standardising accountability across jurisdictions.

Service Quality and Accessibility

Customers display a higher level of satisfaction when they encounter quality and accessible services. Parasuraman et al.'s (1988) SERVQUAL model has been widely employed in zakat research (Saad et al., 2014; Ramli et al., 2021; Ma'ruf et al., 2025). According to this model, Zakat institutions that deliver efficient Zakat fund distribution, fair and standardised Zakat eligibility assessments, and strict professionalism in their service quality boost Zakat customers' satisfaction. Being accessible is more than just being physically present; for zakat institutions, accessibility entails taking proactive measures for zakat customers, such as providing multilingual or assistive services, standardising zakat application procedures, and engaging in community outreach, especially for marginalised communities (Hairunnizam et al., 2009).

Technology Integration

Malaysia and Brunei experience a notable shift in zakat management through digitisation. To remain relevant and updated with the changing customer needs, Malaysian zakat institutions implement digital platforms, mobile applications, and online systems for zakat payment and application. Meanwhile, Bruneian zakat institutions operate under a single national welfare system, implement a central online system, and digitalise zakat services, making their overall management and monitoring more efficient following the removal of bureaucracy (Halim & Ismail, 2022). It would be a challenge for Malaysian Zakat institutions to achieve Brunei's integration success due to the adoption of a decentralised system that has, inadvertently, led to inconsistent technology integration across states, widening the existing digital gaps.

Stakeholder Engagement and Feedback

Stakeholder engagement profoundly influences customer satisfaction. Advisory councils, grievance channels, surveys, town hall sessions, and other tools and mechanisms promote stakeholder engagement and participation and foster continuous improvement. Under the decentralised approach, zakat institutions in Malaysia may struggle to do so, especially with only customer satisfaction surveys and feedback systems (Ahmad et al., 2020). Meanwhile, Brunei's centralised approach may have strengthened the operational efficiency of zakat institutions, but the processes may have restricted stakeholder engagement.

Islamic Ethical Alignment

Based on the Islamic principles of justice (adl), trustworthiness (amanah), sincerity (ikhlas), and compassion (rahmah), zakat institutions serve zakat customers, especially the asnaf. Zakat institutions ethically and fairly distribute zakat among the asnaf and ensure no misuse of funds and fairness in the decision-making process. Zakat customers can discern the extent of Islamic ethical alignment in the operations of zakat institutions (Dusuki & Abdullah, 2007; Yusof & Harun, 2020). Compromising religious legitimacy and moral fulfilment would cause dissatisfaction among Zakat customers, who prioritise spiritual trustworthiness and adherence to Islamic principles.

Psychological and Empowerment Outcomes

Psychologically, zakat institutions provide resources and assistance, educational training, and business opportunities that can empower the asnaf to be more financially independent (Hairunnizam et al., 2009; Sulaiman et al., 2020). Zakat institutions that respect the asnaf and treat them more than mere passive beneficiaries without stigma or discrimination gain

greater customer satisfaction. In Brunei, the prevalence of practising the notions of 'syukur' and 'ikhlas' often conceals any dissatisfaction; customers are more hesitant to express unfavourable feedback (Yusof & Harun, 2020). With that, this study examined psychological and empowerment outcomes using culturally relevant tools, leveraging the elements of emotional wellbeing, self-esteem, social inclusion, and economic independence.

As shown in Table 3, this study constructed a six-dimensional conceptual framework as a foundation to comprehensively examine the governance and effectiveness of zakat management and its ramifications on zakat customer satisfaction in Malaysia and Brunei. It took into account both Islamic ethics and social-emotional dimensions, providing a more exhaustive view of service quality measures, to direct a stakeholder-focused study on zakat institutions with dual purposes: to perform both religious obligations and governmental requirements.

Table 3

Multi-Dimensional Conceptual Framework for Zakat Customer Satisfaction

DIMENSION	DESCRIPTION	RELEVANCE TO ZAKAT MANAGEMENT
Governance and accountability	Denotes the institutional transparency, leadership integrity, legislative clarity, and oversight procedures of zakat institutions.	To gain customer trust and ensure fair distribution of zakat in line with Islamic legal principles
Service quality and accessibility	Refers to service efficiency, responsiveness, timeliness, and physical and digital accessibility for muzakki and asnaf, from the initial point of application service to the final point of distribution service within the zakat administrative system.	Exercise direct influence on customer satisfaction and the usability of Zakat services.
Technology integration	It encompasses the perceived ease of use and security of digital platforms, digital accessibility, mobile applications, customer support, and data management systems for zakat management.	To strengthen operational efficiency and facilitate digital payment, tracking, and disbursement
Stakeholder engagement and feedback	Refers to the effectiveness of feedback mechanisms, transparency of institutional responses, frequency of community consultations, and policy inclusiveness	To enhance the responsiveness and adaptability of zakat institutions to the local needs
Islamic ethical alignment	Refers to the effectiveness of zakat services in reflecting the core Islamic values.	To bolster religious legitimacy and moral fulfilment
Psychological and empowerment outcomes	Denotes the contributions of zakat to the asnaf in terms of sense of dignity, empowerment, social inclusion, and spiritual upliftment.	For the realisation of non-material aspects and long-term social-emotional outcomes, especially for the asnaf

Zakat Management and Customer Satisfaction in Malaysia and Brunei

Governance and Accountability

Governance influences how zakat customers view institutional accountability and trust. In zakat management, responsible stewardship includes being transparent by disclosing zakat collection, management, and distribution, which effectively boosts zakat customers' confidence and satisfaction (Wahab & Abdul Rahman, 2011). Malaysia's Lembaga Zakat Selangor launched a performance management system, which enabled stakeholders to evaluate the institutional effectiveness and efficiency of zakat institutions (Hairunnizam et al., 2017). In Brunei, zakat management is governed by JUZWAB. Although its centralised approach enables zakat institutions to deliver consistent and transparent policy enforcement and decision-making, operational flexibility and innovation are impacted (Mahamood et al., 2020).

Both countries implement significantly different approaches to zakat management (Figure 2). Decentralised governance in Malaysia's Zakat management results in inconsistent service quality, whereas centralised governance in Brunei's Zakat management can be more rigid but provides consistent and standardised administrative outcomes. Essentially, governance architecture and the operational effectiveness of zakat management link to each other and achieving customer trust and satisfaction requires transparency and robust structural design.

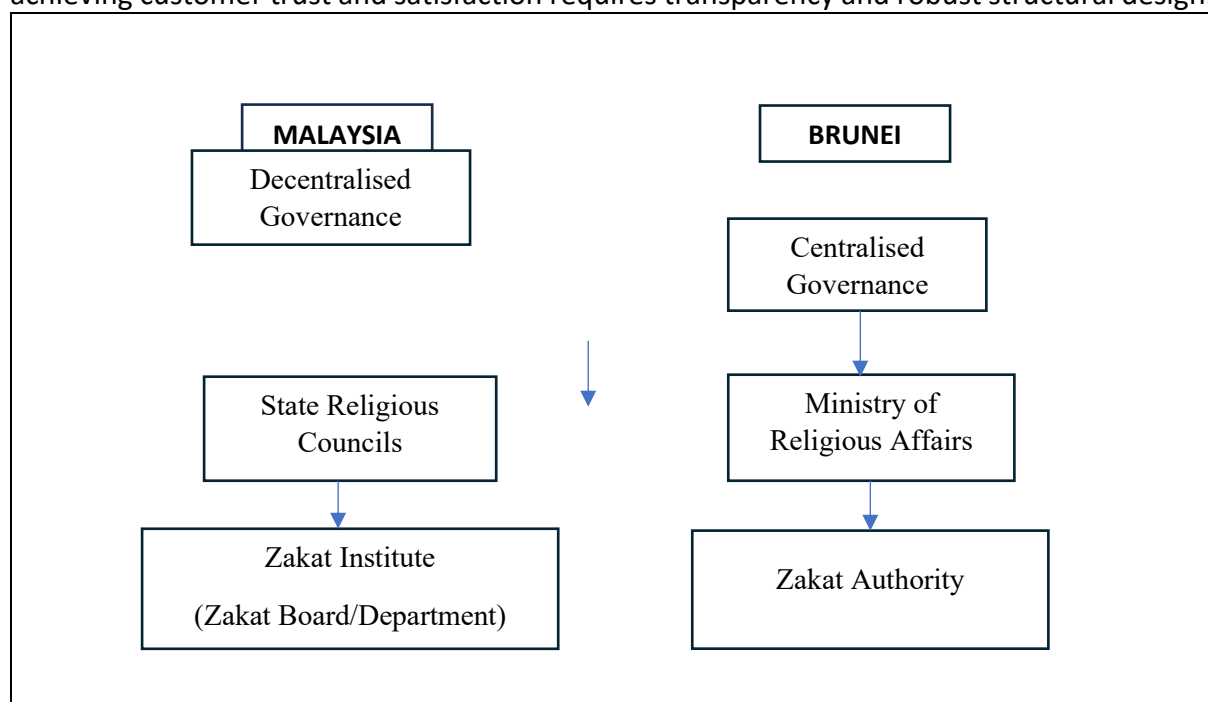


Figure 2 Governance Structure Comparison (Malaysia Versus Brunei)

Service Quality and Accessibility

Zakat customers form perceptions of service quality and accessibility based on the delivery and quality of zakat services. In line with the SERVQUAL model, earlier Malaysian studies identified tangibility and responsiveness as key determinants of customer satisfaction, especially among the muzakki (Hairunnizam et al., 2009). Digitalisation allows zakat institutions to efficiently bolster their service delivery according to zakat customers' changing needs and expectations. With digitalisation, it has also become increasingly convenient and accessible for zakat payers, especially those in the urban areas, to make their contributions

through online payment channels, such as internet banking platforms and mobile applications, resulting in greater customer satisfaction (Mohd Noor et al., 2021). However, Brunei's Zakat management adopts a customer-centred approach, which prioritises well-trained personnel delivering personalised engagement and meeting individual needs (Mahamood et al., 2020). Due to their emphasis on building relational trust and establishing personal interactions, zakat customers are mainly engaged with the traditional face-to-face approach of service delivery.

Technology Integration

Driven by digitalisation, Malaysia's zakat management launched MyZakat under LZS and Zakat Portal under Majlis Agama Islam Wilayah Persekutuan (MAIWP) as part of the measures to improve the efficiency of zakat collection and distribution (Yusof et al., 2022), elevating the overall customer experience. Meanwhile, zakat institutions in Brunei adopt basic technology integration due to their underdeveloped digital setup for zakat services (Ali et al., 2021). Zakat customers in Brunei have access to an online zakat application, but most of the data processing and application processes are performed manually. As shown in Table 4, there are different approaches to technology integration in Malaysia and Brunei. Malaysia is more proactive in integrating technology to digitise Zakat services, while Brunei takes a more cautious approach.

Table 4

Comparison between Malaysia and Brunei in Technology Integration for Zakat Management

COUNTRY	TOOL/ PLATFORM	KEY FEATURES	LIMITATIONS
Malaysia	eZakat	Online payment and donation tracking features	Not a national platform
Malaysia	Zakat mobile applications	Mobile access with status tracking and reminder features	Varied UI/UX (depending on the state-level systems)
Malaysia	Kiosk services	Self-service zakat payment	Limited access for rural communities
Brunei	National welfare system (SKN)	A unified portal for all welfare assistance services	Limited innovation and personalisation
Brunei	Internal Online Portal	Centralised database and processing	Limited public interaction features

Stakeholder Engagement and Feedback

Zakat institutions in Malaysia take on a more critical approach for stakeholder engagement and feedback. For example, Zakat Pulau Pinang conducts structured customer satisfaction surveys and focus group discussions as part of the strategic measures to deliver personalised services according to the varying needs and expectations of zakat customers (Mohd Shafiai & Meera, 2014). Zakat customers establish favourable perceptions towards the legitimacy and responsiveness of zakat institutions that provide engagement and feedback opportunities. In Brunei, zakat institutions operate within a top-down structure, which restricts engagement opportunities. Zakat customers typically provide feedback in public discussion sessions. The Zakat governance framework prioritises inclusiveness, making customer feedback on service design and delivery integral for the operations of zakat institutions (Mahamood et al., 2020).

Malaysia's zakat institutions demonstrate inclusiveness, which Brunei's zakat management lacks, despite their robust consistency.

Islamic Ethical Alignment

Fundamentally, zakat institutions operate under the governance of Shariah advisory committees and regular fatwa consultations, strictly in accordance with the Shariah or Islamic principles. Doing so is evidence of religious legitimacy, which gains customer satisfaction (Wahab & Rahman, 2011; Zainal et al., 2019). Under the guidance of religious scholars and with the Sultan holding the ultimate religious authority, Brunei's zakat management delivers robust ethical consistency and theological support. However, it lacks the flexibility to address the local ethical issues. Although Islamic principles serve as the underlying basis for all zakat operations in both countries, Malaysia embraces flexibility and innovation, whereas Brunei is more conservative and prioritises stability.

Psychological and Empowerment Outcomes

Customer satisfaction in this study focused on the social-emotional outcomes. In one of the Malaysian studies, zakat recipients expressed feeling hopeful and socially accepted with respect and dignity (Hairunnizam et al., 2017). Zakat management in Malaysia provides the necessary resources and opportunities that empower zakat recipients to be more financially independent and improve their socioeconomic circumstances through entrepreneurship. Zakat recipients in Brunei have been reported to express contentment as well. However, there have been limited findings on the empowerment outcomes among these beneficiaries in Brunei. Brunei focuses on addressing the immediate basic needs of the asnaf (Ali et al., 2021). However, Malaysia's approach, which includes providing the asnaf with business financing, educational support, and housing assistance, demonstrates a more robust strategy for empowerment and long-term self-sufficiency, highlighting the need for Brunei to go beyond just addressing immediate basic needs.

Discussion

This study presented significant insights and implications for zakat management and customer satisfaction through the systematic literature review and in-depth comparison, including the development of a multidimensional conceptual framework. The findings shows that there is significant differences between Malaysia's and Brunei's approaches to zakat management.

Although a decentralised approach (Malaysia) provides more robust responsiveness, fosters competition and innovation, and delivers culturally relevant, personalised services, service quality and delivery, administrative processes, and resource allocation, as well as regulatory enforcement, are impacted (Wahab & Abdul Rahman, 2011; Mahamood et al., 2020). Coordination is also critically impacted by the absence of a unified strategy, coupled with the pluralistic and responsive nature of the management and issues these institutions deal with. Various efforts have been made to elevate the accessibility, efficiency, and transparency of zakat services in Malaysia. However, certain states still struggle to achieve the needed robustness and consistency. Meanwhile, centralised governance (Brunei) elevates levels of consistency, standardisation, and robustness in policy enforcement and administration (Yaakub & Abu Bakar, 2022). Zakat institutions provide higher levels of accessibility, consistency, and standardisation, and they execute their duties under strict administrative

control. However, these institutions feature more limited flexibility in delivering personalised services, promoting stakeholder engagement, and engaging in grassroots innovation. A customer-centred governance model that combines the distinct strengths of centralised and decentralised governance can offer the needed accountability, clarity, and responsiveness to elevate zakat customer satisfaction.

A further comparison between centralised and decentralised governance showcases the former's strengths in providing more favourable outcomes. Under decentralised governance, disparities in skills and policies impact the consistency of service quality and delivery, despite the improvements made to accessibility, especially for those in urban areas, through mobile zakat counters, digital platforms, and targeted outreach initiatives (Zainal et al., 2019). Centralised governance features more straightforward and standardised processes, which ensures consistency in service quality and delivery (Abdul Wahab & Borhan, 2021), despite the lack of variation or personalisation in these services. The warranted clarity and efficiency boost the quality of the services, gaining the trust and confidence of zakat customers.

Both countries take advantage of digitalisation benefits but with different approaches. Zakat management in Malaysia prioritises efficiency, which drives their focus on leveraging available digital tools and platforms (Salleh & Ismail, 2023) by setting up a holistic digital setup and ecosystem for zakat collection, disbursement, beneficiary monitoring, and customer feedback. Under decentralised governance, digitisation efforts are hampered by the absence of a unified national platform. This leads to a fragmented digital ecosystem and even compromises the effectiveness and interoperability of digital solutions and system management in certain states. Brunei's centralised governance does not encounter such issues due to its strategic digital coordination, standardisation, and robust data management at all levels across a single, cohesive digital platform nationwide. Despite the absence of personalised services, Zakat customers consistently receive efficient service, which enhances their experience and satisfaction. Technology integration extends beyond digitisation of operational processes and includes having a coherent and interoperable technology integration that contributes to a unified digital governance system, optimising service quality and delivery that fulfils zakat customers' needs and supports institutional strengths.

Regarding stakeholder engagement and feedback, zakat institutions that take measures to establish an organised and inclusive customer feedback system are favourably viewed to have better responsiveness and openness and uphold justice and transparency. With the institutionalisation of stakeholder engagement, zakat institutions in Malaysia facilitate various participatory methods, such as community forums, customer surveys, and feedback channels, and refine the design and execution of zakat allocation frameworks based on the gathered customer feedback (Rosli & Ahmad, 2021). The top-down approach of Brunei's zakat management, on the other hand, features more well-structured, standardised procedures, formal bureaucratic channels, and an emphasis on administrative efficiency in place. This critically impacts stakeholder engagement and local inclusiveness in policy development and management, as well as grassroots innovation.

Islamic ethical alignment builds credibility and elevates stakeholders' trust and confidence in the institutions. For instance, a national ethical compliance framework guarantees the robustness and consistency of services that adhere to Islamic principles and values. While

addressing the socioeconomic needs of zakat beneficiaries, zakat institutions in both countries execute their duties based on the Islamic principles of amanah (trust), adl (justice), ikhlas (sincerity), and maslahah (public interest). However, their priorities and consideration of public religious trust in service delivery influence how their stakeholders perceive their ethical accountability. In the case of Malaysia's zakat management, its institutions focus on strict evaluation and execution of Shariah audits, but its decentralised governance impacts transparency and ethical auditing (under the guidance of Shariah experts) in certain states (Ismail & Nor, 2020). Meanwhile, zakat institutions under Brunei's centralised governance emphasise robust ethical and Sharia compliance through centralised oversight, religious advisory committees, and regular ethical assessment, such as public audits, transparency in spending, and collaboration with Islamic experts.

Apart from that, zakat governance exerts considerable influence on the psychological and empowerment outcomes of zakat beneficiaries, and that includes their economic growth, social inclusion, and mental wellbeing. However, zakat customer satisfaction often overlooks these elements. Beyond service efficiency, zakat management should take into account the significance of strategically improving the quality of life for zakat beneficiaries, both financially and psychologically. This also includes treating them with respect and dignity and providing social inclusion and spiritual fulfilment opportunities (Abdullah & Wahab, 2022). Malaysia's lack of oversight and inconsistent execution hamper the effectiveness and sustainability of the implemented initiatives for zakat beneficiaries. Meanwhile, Brunei's zakat management introduces various vocational training opportunities, educational scholarships, mental health services, and sustained economics for the financial and psychological empowerment of the asnaf.

Conclusion

In this study, 74 relevant publications on zakat management and customer satisfaction were systematically retrieved for in-depth analysis, and a comprehensive two-country comparison based on a multi-dimensional framework was conducted, which incorporated governance and accountability, service quality and accessibility, technology integration, stakeholder engagement and feedback, Islamic ethical alignment, and psychological and empowerment outcomes. The study demonstrate that institutional architecture directly dictates operational transparency, service delivery, and customer satisfaction. Malaysia's decentralized, state-based system actively drives localized competition, state-level digital innovation (e.g., MyZakat and MAIWP portals), and participatory stakeholder engagement, yet it inherently suffers from fragmented administrative skills, cross-state inconsistencies, and an urban-rural digital divide that can confuse taxpayers and exacerbate the trust deficit. Conversely, Brunei's centralized framework under the Department of Zakat, Waqf, and Baitulmal (JUZWAB) directly mitigates governance anxieties through centralized Shariah oversight, uniform policy enforcement, and a single nationwide database via the National Welfare System (SKN). However, Brunei's structural uniformity introduces administrative rigidity and a top-down approach that restricts bottom-up stakeholder feedback, with the critical caveat that empirical recipient dissatisfaction is frequently masked by culturally embedded virtues of gratitude (syukur) and sincerity (ikhlas).

Ultimately, achieving optimal customer trust and maximizing poverty alleviation requires a strategic balancing of centralized accountability and decentralized flexibility. While Malaysia

offers a robust model for long-term asnaf self-sufficiency through diverse business financing, educational support, and housing assistance, it urgently requires a streamlined governance council to standardize accountability and technology integration across jurisdictions. Meanwhile, Brunei's efficient administrative ecosystem must move beyond short-term, immediate basic relief by enhancing its stakeholder engagement channels to foster grassroots innovation and comprehensive empowerment. Moving forward, zakat institutions in both environments must transition from rigid, product-centric mechanisms into human-centered service frameworks where operational efficiency is completely aligned with spiritual confidence and the core Islamic values of justice (adl), trustworthiness (amanah), and compassion (rahmah).

This study's findings on the development of a multidimensional framework and the importance of institutional design and Islamic ethical alignment contributed to the theoretical expansion of customer satisfaction within the context of Islamic social finance. Unlike most studies that conducted only a single-country analysis, this study presented a comprehensive comparison analysis, yielding pertinent insights within the context of zakat governance and Islamic social finance. These findings underscored the significance of establishing a unified digital framework for streamlined service delivery nationwide and implementing consistent Shariah audits and customer feedback mechanisms for Malaysia's zakat management and the need for Brunei's zakat management to enhance its flexibility to deliver a broader range of services and bolster its stakeholder engagement measures for more comprehensive empowerment. From the practical stance, this study also underscored the importance of zakat management in alignment with Islamic principles and values to strengthen agency coordination and build professional and ethical skills to meet zakat customers' needs and expectations.

In this study, the use of secondary data for analysis and the two-country comparison may limit the study's representativeness and generalisability across Southeast Asia or the broader Islamic world. Addressing these limitations, it is recommended to consider mixed-methods design in future research. A longitudinal design is also suggested for future research to evaluate the long-term effectiveness and ramifications of zakat empowerment initiatives. Besides that, with the emergence of digital finance today, future research should explore the adoption and ethical implications of artificial intelligence (AI) in zakat management.

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