CONSUMERS KNOWLEDGE ABOUT ISLAMIC BANKING AND THE INFLUENCE TOWARDS DECISION TO BECOME CLIENTS OF BANK SYARIAH MANDIRI BRANCH OF YOGYAKARTA

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ABSTRACT

The purpose of research involves 1) Understanding consumer knowledge (based on attribute, utility, and product satisfaction value) about sharia banking and the decision to become customer of Bank Syariah Mandiri; 2) Understanding to what extent the influence of consumer knowledge on a decision of being customer; 3) Understanding types of consumer knowledge that determine the most of decision to become customer. This research use primary and secondary data collection. By calculating the partial regression coefficient, the researcher is able to find out the types of consumer knowledge that affecting the most customers decision, and it can be concluded that knowledge of product benefits has major factor in affecting customer decision.

Keywords: *Sharia Banking, liquidation, Consumer's Knowledge*

ABSTRAK

Tujuan penelitian meliputi : 1) mengetahui pengetahuan konsumen (berdasarkan atribut, manfaat, dan nilai kepuasan produk) mengenai perbankan syariah dan keputusan menjadi nasabah PT Bank Syariah Mandiri Tbk Gedong Kuning Selatan No. 5, Purbayan, Kotagede, Yogyakarta; 2) mengetahui sejauh mana pengaruh pengetahuan konsumen terhadap keputusan menjadi nasabah dan 3) mengetahui jenis pengetahuan konsumen yang paling menentukan keputusannya menjadi nasabah. Penelitian ini menggunakan data primer sekaligus data sekunder. Dengan menggunkan perhitungan koeffisien regresi, peneliti dapat menemukan tipe pengetahuan konsumen yang paling banyak mempengaruhi keputusan konsumen. Dan dari penelitian tersebut hasilnya menunjukkan bahwa pegetahuan tentang manfaat produk memberikan pengaruh terbesar terhadap konsumen.

Kata kunci: *Syariah, likuidasi, Pengetahuan Konsumen*

INTRODUCTION

Banking industry is one of the institutions that implement three functions, which are funding, lending, and services. As it is known, people in Indonesia, which largely are Muslim, are facing an option to save their asset in conventional bank. Meanwhile, the conventional bank adhere interest system which according to Islam, bank interest can be asserted as haram. Because the bank interest can be categorized as riba or usury. So then, sharia banking is desperately needed to accommodate the need of Muslim people.

Monetary crisis knocking down Indonesia some years ago has caused great impact on banking industry. Liquidation implementation towards sixteen national private banks in October 1997 caused crisis on people's trust towards national banking industry. Even though the government was warranting the safety of fund saved by customers, on state owned bank and on national private bank, through announcement on 27 January 1998, the impact of the liquidation was unavoidable.

The customers were impelled to draw their fund on rush from the national banking because they worried about the second liquidation that would endanger the safety of their fund saved. The government committed to draw people fund by increasing the bank rate that was also aimed at suppressing inflation and encouraging the appreciation on rupiahs exchange rate. The increase of bank rate was in fact evoking negative spread, i.e. a condition where the bank is experiencing liquidation difficulty because of interest charges exceeding earnings.

The condition of national banking was increasingly depressed with the existence of bad debt that was depressing Capital Adequacy Ratio (CAR). The government conducted second liquidation towards banks having CAR below 4% by end of the year 1998 and was giving the fund of BLBI (The Bank Indonesia Liquidity Aid). This policy triggered merger and followed up with liquidation to ten banks and thirty eight banks in March 1999, followed by acquisition to nine national banks. During the monetary crisis (1997-1998) sharia bank is survived and showing performance that is relatively better than conventional banking institution. It is seen from the distribution of non-performing loan that is relatively low (in the year of 2000 it was 12.96% and in the year of 2001 was 4.04%. Source: Bank of Indonesia) in the sharia bank and there was no negative spread in the operational activities. With its' main philosophy, partnership and togetherness in or risk, the sharia proved to be prospective to grow in this country.

The development of sharia banking shows significant speed. This is shown with the increase of asset owned by sharia banking that is reaching Rp 4.78 trillion. While the fund of the third party is reaching Rp 3.4 trillion, with funding given by the sharia bank is reaching Rp 3.86 trillion. This is shown that there were an increased in asset about 18.22%, fund from the third party increased about 16.66%, and the fund distributed raised 17.73%, compared with each position at the end of the year 2002.

One of the biggest challenges that need to be faced is that there are so many accusations that assume sharia bank is only a conventional bank labeled with the word sharia. Other difficulty is coming from the people itself, many people assume that sharia bank is not beneficial for them, because they presume that the sharing system will not gain much interest compare with the conventional bank system.

Research that has been conducted by Bank Indonesia cooperating with various research institutions suggest that 95% respondent assume that banking system is very important on supporting economic transaction. That research also analyses the general impression that are given by the people about sharia bank, they conclude that (1) Sharia bank is identical with the profit sharing, (2) Sharia bank is an Islamic bank. Based on this research, we may conclude that the awareness of sharia bank is quite high but their knowledge towards sharia bank’s characteristic or the benefits of sharia bank can give is very narrow.

PREVIOUS RESEARCH

The previous research which had ever been conducted by the other party could be used as comparable material with this problem of research.

According to Pranata (2009) conducting the research of “the influence of consumer’s knowledge on Islamic or syariah bank toward the decision to be a costumer of bank in the program of Wadiah savings at PT Bank Syariah Mandiri, Branch of Medan” by using 60 respondents with sampling technique using purposive and accidental methods. The difference of research conducted was the object sampling done at PT Bank Syariah Mandiri Tbk., Branch of Medan while the sampling of research was taken as much as 100 respondents and the method used was simple random sampling.

This other research conducted by Novianty (2008) concerning of “The influence of consumer’s knowledge on Islamic or Syariah Bank toward the decision to be a bank costumer at Mandiri Bank, KCP Buah Batu, Bandung using the method of stratified random sampling. The sample taken in this research was as much as 80 respondents. While the difference in the research was the method of simple random sampling and it was 100 respondents.

Ardiansyah (2005), on his research entitle “Minat masyarakat dalam memilih Bank Syariah” with purposes to understand what factors that influence customers in selecting sharia bank. This research concludes that interest toward sharia bank based upon sharia factor. The sharing system on sharia bank generates more interest compare with interest system on conventional bank. This research uses descriptive approach and questioner as data collection method. The sample determination method is using accidental sampling with the amount of respondent about 50 people.

Research about “kinerja Perbankan Sharia dan Preferensi Nasabah tentang Bank Sharia” that have been conducted by Aprilia (2004) uses regression logistic method. The analysis results indicate that there are various factors which affecting customer decision on choosing sharia bank, such as age, accessibility, and knowledge. From that regression logistic analysis, it also can be concluded that factors which influence customer on adopting sharia bank are ages, cosmopolite (doctrine and differences between sharia and conventional bank), knowledge (the law of interest), and facility

RESEARCH METHOD

Type of Study

The study is conducted at PT Bank Syariah Mandiri Tbk located at Jalan Gedong kuning Selatan No.5, Purbayan, Kotagede. In this study, the sample unit is customers' Deposits Bank Syariah Mandiri branch Yogyakarta. Types and data sources needed to support this research are:

Primary data, primary data collection is done by distributing questionnaires to the third party of customers' deposits of PT Bank Syariah Mandiri Tbk branch Yogyakarta located at Jalan Gedong kuning Selatan No.5, Purbayan, Kotagede.

Secondary data, the existing data and those systematically arranged ones and as the result of research or a summary of the company's documents and other literature such as books, magazines, newspapers, papers, and websites.

Population and sample

The populations in this study are customers of Bank Syariah Mandiri branch Yogyakarta located at Jalan Gedong kuning Selatan No.5, Purbayan, Kotagede. The information obtained based on the customer population size of the third party fund (deposits) of 13,963 customers. Total of samples in research this study were 100 consumers.

Research variable

Aspects studied in the research consist of two variables: the consumer knowledge about Islamic banking as the X variable (dependent variable) and the decision to become a customer of the Bank Syariah Mandiri as the Y variable (independent variable).

ANALYSIS

Multiple Regression Testing Assumptions

Normality Testing : The chart shows that the data (dots) spread around the diagonal line and follow the direction of the diagonal line. Thus, we can conclude the regression model to meet the assumptions of normality.

Heterokedastisity Testing : Based on these images aesthetically dots spread randomly, do not form a specific pattern, and scattered both above and below zero on the Y-axis, this means not occur heteroscedasticity in the regression model.

Multicolinierity Testing : The calculations show VIP numbers of three variables of X value 1.464, 1.054 and 1.136, which means there is no multicollinearity.

Hypothesis Testing

Based on the Analysis *of Variance table* is noted that the model has created value *F* = 18,438 with significance of 0.000. Testing is held by comparing F_{tabel} = 2,70 by α = 5 % (0,05). Thus it is known that $F_{count} > F_{table}$. Thus, the H_o is rejected. Therefore, it can be concluded from this test that simultaneously (synchronously) there is a positive and significant relationship between the variables of consumer knowledge on Islamic banking and determination to become a customer.

Regression Coefficients

Components of the final equation of multi regression analysis is the relationship between the variables of consumer knowledge on Islamic banking to consumer decision variables as clients can be stated as follows:

$$Y=32,998 + 0,303X_1 + 0,754X_2 + 1,060X_3$$

For that reason, the results of these calculations can be interpreted as follows: based on the equation shows that parameter regression coefficient for the independent variable is positive, it indicates that there is a positive relationship between consumer knowledge on consumer decision such as that any increase X will be followed by increasing Y. In other words, the higher the consumer has a good knowledge of Islamic banking, the more it will influence a customer's decision in this case the number of customers in the Bank Syariah Mandiri Branch of Bandung and will increase together with increasing consumer knowledge.

CLOSING

Conclusion

Based on the discussion and research results being described in the previous chapter, especially in the calculation and analysis conducted in Chapter IV, several conclusions can be drawn from the study of consumer knowledge on Islamic banking and its impact on a customer's decision, as follows:

1) Showing that the level of customers' knowledge about product attributes of BSM is still relatively poor. This is shown by the answers given by the respondents leading to weight rating *less informed* of the studied variables

such as knowledge about the diversity of products, product quality, availability of facilities and infrastructure, and availability of information. However, knowledge of the reliability of the principle of sharing, typical Islamic, ease of account opening procedures and transactions, credibility / reputation of BSM, bank security is fairly good. In terms of decision-making, almost all items in this variable becomes the determining factor that even determine a customer's decision.

Knowledge on Bank Syariah Mandiri product benefits have generally been really good based on answers from most of the respondents, only one variable that has not been sufficiently known to the respondents, namely the role of Islamic banks benefit encouraging equity distribution of income. From the results of the study also obtained, the tendency of respondents chose this variable as a determinant of their decision to become a customer.

Furthermore, knowledge of customer satisfaction scores obtained when saving in Bank Syariah Mandiri was determined to have both as the majority of customers claim to know the item to questions along with the decision to be determined by the customer as very variable.

2) Based on the results of the calculations and statistical tests simultaneously with multiple regression method using SPSS for windows version 20 of the R values is obtained from the calculation of the variable X and variable Y, then tested by comparing F-count > F-table hence the H_o is refused and H_1 is accepted. This suggests that there is significant influence between consumer knowledge about Islamic banking with the decisions to become a client of

Bank Syariah Mandiri. This means that there is a contribution or influence of the independent variables (consumer knowledge about Islamic banking) to the dependent variable (the decision as a customer).

3) Types of consumer knowledge contributing most to the decision of a customer of Bank Syariah Mandiri determined by calculating the coefficient of multiple partial. Then, after the *t*-test result is obtained, we can see that the types of knowledge that most affect the decision to become customer are: variable X_2 (knowledge of product benefits), variable X_1 (knowledge of product attributes) and X_3 (knowledge on satifaction values).

Recommendations

Referring to the data processing and discussion, suggestions to the authors provide that:

1) Bank Syariah Mandiri is expected to increase social-oriented publications not only the existence of the company but also an emphasis on understanding the customer's particular form of socialization that are informative and educative, by means of visits, counseling, mass media publications, and sponsorship. As expected from such activities concerning with knowledge of Islamic banking that the customers will increase.
2) The increase both in quantity and quality services such as expanding branch network, increasing the number of ATMs, and increased variety of products through innovations will fit the needs and desires of consumers.

3) With all the limitations in this study, the authors hope that the further research related to the Consumer knowledge on Islamic banking customers as a lot of things can be extracted about the variables studied that would provide input as well as the benefits for all parties concerned for the development of the Islamic banking sector.

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