

CHAPTER II

LITERATURE REVIEW

A. Theories

1. Islamic Bank

Islamic bank is a bank that operate according to the Quran and Hadith, in particularly concerning to transaction procedure based on Islamic principles which prohibit usury elements and replace them with productive activities to produce expected profits. Based on the Law Number 21 Article 1 Year 2008 regarding Islamic bank, it is all about Islamic bank and Islamic business unit including institution, business and process to carry out its business (Antonio, 2001).

To supervise activities on Islamic bank, it would be better to established special institution. Sharia Supervisory Board is an institution to ensure that Islamic bank is run according to Islamic principle. It is an institution established to oversee the running of Islamic bank, then expected the operation of Islamic bank keep in the line of Islamic principle.

Islamic bank is an institution formed Limited Liability, where in an Islamic bank the supreme power is on General Meeting of Shareholders, and the maintenance carried out by the Board of Directors, and the supervision of the Board of Directors carried out by Commissioner (Antonio. 2001). It said by

Article 109 Law Number 40 Year 2007 regarding Limited Liability, those are:

- 1) The company which runs business activities based on Islamic principles, beside having the Board of Commissioners, it shall to have a Sharia Supervisory Board.
- 2) The Sharia Supervisory Board referred to paragraph (1) consist of an expert on Sharia or more that appointed by General Meeting of Shareholders upon the recommendation of the Indonesian Jurist Council.
- 3) The Sharia Supervisory Board referred to paragraph (1) has a task providing advices and suggestions to the Board of Directors and supervise activities of the company in order to comply with Islamic principles.

Generally, Islamic bank and conventional bank have similar tasks, namely collecting fund, distributing fund and providing services. However, in carry out its duties, Islamic bank and conventional bank should be different. In its operation, Islamic bank does not take profit using interest or as known as usury.

According to the language, *riba* or *ziyadah* means additional. While, according to the term, *riba* means taking over additional basic property (capital) as *bathil* ways (Antonio,2001).

Interest prohibition have been stated before Islam. Prohibition of transaction with interest system exists on two *samawi* religions, they are Christian and Jewish (Perwataatmadja & Antonio, 1992). In agreement of Exodus Book

Chapter 22 Clause 25 said that:

“if you lend money to one of my parishioners, poor man among you, do not you applied as a creditors, do not you burden the interest to them”.

Moreover, the same Holy scripture which is Deuteronomy Chapter 23

Clause 19 said that:

“do not you give the interest to your brother, either money or foodstuff, or anything that can be interested”.

According to the explanation above, Islam as perfect of all religion

before have prohibit the existences of taking over additional profit. It is burden the

borrower, while Islam teach us to help each other. It amplified with the Clauses of

Quran regarding to riba:

“and whatever you give for interest to increase within the wealth of people, will not increase with Allah. But what you give in zakah, desiring the countenance of Allah – those are the multipliers.” (Ar-Rum: 39).

“those who consume interest can not stand (on the Day of Resurrection) except as on stands who is being beaten by Satan into insanity. That is because they say. ‘Trade is (just) like interest.’ But Allah has permitted trade and has forbidden interest. So, whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allah. But, whoever returns to (dealing in interest or usury) – those are the companions of the Fire; they will abide eternally therein. Allah destroys interest and gives increase for charities. And Allah does not like every sinning disbeliever. Indeed, those who believe and do righteous deeds and establish prayer and give zakah will have their reward with their Lord, and there will be on fear concerning them, nor will they grieve. O you who have believed, fear Allah and give up what remains (due to you) of interest, if you should be believers. And if you do not, then be informed of a war (against you) from Allah and His Messenger. But if you repent, you may have your principal – (thus) you do no wrong, nor are you wronged.” (Al-Baqarah: 275-279).

“O you who have believed, do not consume usury, doubled and multiplied, but fear Allah that you may be successful.” (Al-Imran: 130).

“for wrong doing on the part of the Jews, We made unlawful for them (certain) good foods which had been lawful to them, and for their averting from the way of Allah many (people), and (for) their taking of usury, while they had been forbidden from it, and their consuming of the people’s wealth unjustly. And we have prepared for the disbelievers among them a painful punishment.” (An-Nisa: 160-161).

Riba is divided into two, they are riba of debt (Ad-Duyun) and riba of buying and selling (Al-Buyu’). Riba of debt consists of riba qardh and riba jahiliyah, while riba of buying and selling consist of riba fadhil and riba nasi’ah (Perwataatmadja & Antonio, 1992):

a. Riba Ad-Duyun

1) Riba Qardh

Riba qardh is a benefit or the level of certain excess that requisited to creditor (muqtaridh). For example, I lend my money to her as much as Rp. 100.000. She agrees with the requirement, when she return her debt, the money should be returns as much as Rp. 150.000, the additional of Rp. 50.000 is riba qardh.

2) Riba Jahiliyah

Riba jahiliyah is a debt that paid exceed of basic lend, because borrower does not able to return the debt on the due date. For example, I lend my money to him as much as Rp. 100.000 with two weeks due date. When the due date come, he does not able to return his debt and request additional time. I agree with the requirement that the money should be

paid as much as Rp. 120.000. This additional said as riba jahilliyah.

b. Riba Al-Buyu'

1) Riba Fadl

Riba fadl is arise from the exchange of similar goods that does not meet the same quality (mistlan bi mistlin), the same quantity (sawa-an bi sawa-in) and the same time of its delivery (yadan bi yadin). This transaction contains uncertainty (gharar) for both parties of the value of each item that would be exchanged. For example, from Ahmad Khan Suhail Iqbal, when Jews lost the battle of Khaibar war, their property taken as war booty (ghanimah), including gold and silver. Of course, jewelery is not the lifestyle of Muslims. Therefore, the Jews tried to buy it back using the money made by gold (dinar) and the money made by silver (dirham). Then, silver jewelery with a weight equivalent to 40 dirhams (one uqiyah) sold by Muslims to the Jews for two or three dirhams, whereas the value of silver jewelery weighing one uqiyah is higher than two or three dirhams.

2) Riba Nasi'ah

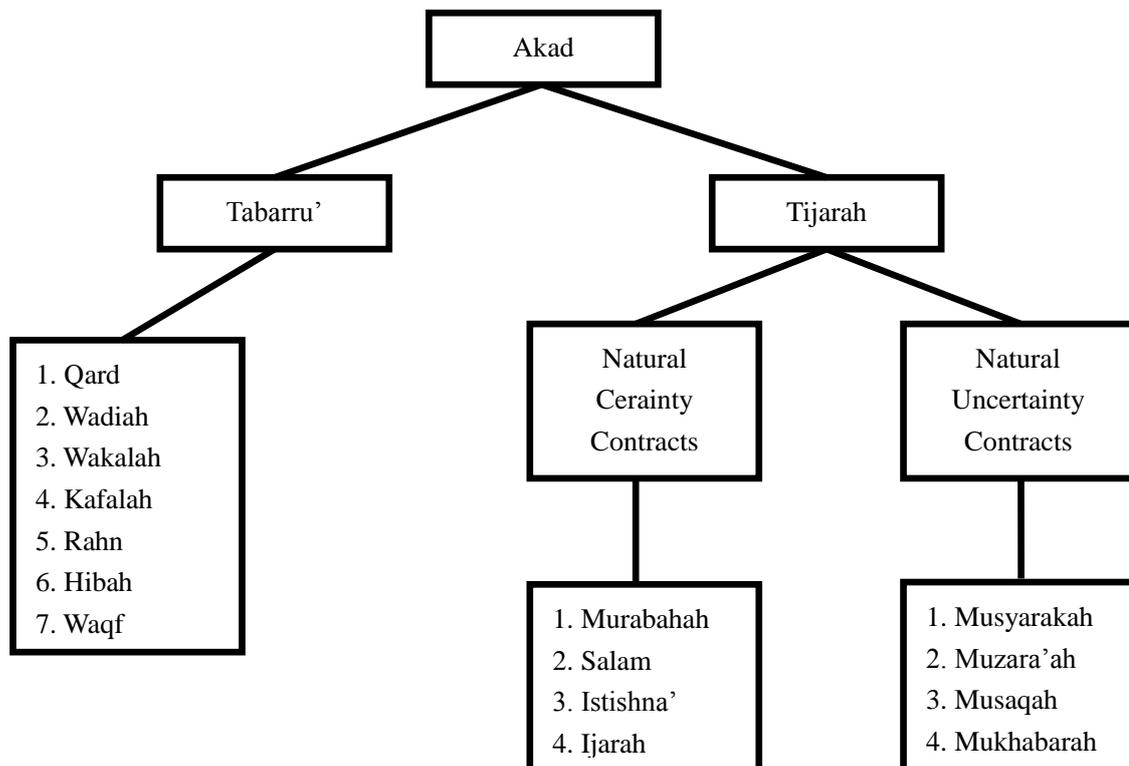
Riba nasi'ah is suspension delivery or acceptance of usurious goods exchange for other types of usurious goods. This usury rising from accounts payable that does not meet the criteria of profit appears along

with the risk (*al ghunmu bil ghurmi*) and the result of business appears along with cost (*al kharaj bi dhaman*). For example, on the conventional bank, payment on credit and payment on deposit, saving, checking, etc. are include in *riba nasi'ah*. Bank as a lender that provide loan requires interest payment with fixed amount and determined in advance at the beginning of the transaction (fixed and predetermined rate). In fact, customers who get a loan does not get benefit as fixed and predetermined as well. So, put the interest rate for loan is an action that ensure something that not sure, because it is forbidden.

In Islamic Muamalah, every transaction should be use the Contract (Akad). Akad is a contract between two parties, each party required to carry out obligations agreed. If one or another parties negligent in carry out its obligations, they will be sanctioned according to the beginning agreement (Karim, Sannang & Haryono, 2003).

Akad is divided into two, namely Akad Tabarru' and Akad Tijarah. Akad Tabarru' (gratuitous contract) ia an agreement regarding non profit transaction, it means the transaction carried out not for profit, but its done with the aim to helping and doing the goodness. While, Akad Tijarah is an agreement concern to profit transaction, it means the transaction undertaken aim for profit (Karim, Sannang & Haryono, 2003). For example of its transaction are investment

contracts, buying and selling, leases, etc. In Islamic bank, the agreement of contract more use Akad Tijarah, because an institution aimed to make a profit.



Source: (Karim, Sannang & Haryono, 2003)

Figure 2.1
Division of Akad

Generally, banking institution including Islamic bank has similar task, namely collect funds, distribute funds and provide services. Every activities and products of Islamic bank must be according to the customer's requirements.

Based on Regulation of Bank Indonesia Number 7/46/PBI/2005 regarding the Contract of Collection and Distribution Funds for Banks which Conducting Business Based on Sharia Principles, revoked by Regulation of Bank

Indonesia Number 9/19/PBI/2007 regarding the Implementation of Sharia in Activity of Collection and Distribution Funds and also Islamic Bank Services and amended by Regulation of Bank Indonesia Number 10/16/PBI/2008.

The products of Financing divided into four categories (Umam & Utomo, 2016), they are:

a. Financing of Buying and Selling

1) Murabahah

Murabahah is the transaction of goods as much as its basic price with additional margin that agreed in the beginning transaction.

2) Salam

Salam is the transaction of goods delivery with certain requirements and fully paid cash in the beginning transaction.

3) Istishna

Istishna is the transaction of goods in form of production with certain criteria and requirements that agreed and paid according to agreement.

b. Financing of Lease

1) Ijarah

Ijarah is lease transaction of a goods or tip of a services in certain time through lease payment or tip of services.

c. Financing of Profit Sharing

1) Mudharabah

Mudharabah is cooperation between capital owner (Shahibul Maal) and manager of funds (Mudharib), where capital owner gives 100% capital to be invested and capital will be managed by the mudharib to do certain business activities.

2) Musyarakah

Musyarakah is cooperation between two or more capital owners and the manager to do certain business activities, and profit will be shared according to the agreement in the beginning, the losses of the business will be burdened to all of the parties.

d. Complete Financing

1) Qardh

Qardh is a loan without fee with a requirement that the borrower returns the basic loan fully or installmentally in a certain due date.

2) Hiwalah

Hiwalah is diversion of debt from borrower to the person who has responsibility to burden the debt.

3) Wakalah

Wakalah is agreement of granting the power from a party to other parties to carry out the affairs, either generally or specifically power.

4) Kafalah

Kafalah is a guarantee given by insurer (Kafil) to the third party to fulfill the obligations of the second party.

5) Wadiah

Wadiah is entrust the funds or goods of the owner to storage with obligations of deposit receiver to return funds or goods at any time.

The products of Funding consists of:

a. Giro

Giro is deposit on bank which may be withdrawn at any time after fulfill various requirements. Giro is set by National Sharia Board Fatwa Number 01/DSN-MUI/IV/2000 stating Giro that justified by Sharia is based on principle of mudharabah and wadiah.

b. Saving

Saving is deposit that withdrawn through a passbook, a withdrawal slip or using ATM (Automated Teller Machine) facilities. National Sharia Board Fatwa Number 02/DSN-MUI/IV/2000 on May 12th, 2000 stated that to fulfill the needs of society in improving welfare and in storing

wealth require banking services, one of banking products in the field of collection fund from society is saving. According to National Sharia Board Fatwa, saving based on Islamic principle is based on mudharabah and wadiah.

c. Deposit

According to the Law Number 10 Year 1998, deposit only withdrawn at certain time based on the agreement between depositor and the bank or on the due date. Deposit is banking product aim to invest in the form of securities. National Sharia Board Fatwa Number 03/DSN-MUI/IV/2000 dated April 1st, 2000 stated that the needs of society in improving welfare and in the field of investment requires banking services. Based on National Sharia Board Fatwa, deposit justified by Islamic principle based on mudharabah.

The products of banking services divided into five categories, they are:

a. Hiwalah

Hiwalah is debt diversion of lender to the person who have ability to bear the debt.

b. Kafalah

Kafalah is a guarantee given by insurer (Kafil) to the third party to fulfill the obligations of the second party. In another sense, kafalah also the

diversion of someone responsibility who guaranteed to hold on to someone else's responsibility as guarantor.

c. Wakalah

Wakalah is an agreement whereby someone delegate or cede an authority (power) to others to hold anything affairs and that person accept and execute for and on behalf of the authority.

d. Rahn

Rahn is the goods that has a value according to Islamic principle as collateral, so that the person who relevant may take all or part of their debts. In banking, this contract can be used as additional collateral on financing of high risk. The contract also can be used to fulfill the needs of consumer either services or consumption such as education, health and so on.

e. Sharf

Sharf is interpret as an additional, exchange, avoidance or buying and selling. In terms, Sharf is a purchase agreement of a currency with another currency. Buying and selling currency can be done with similar currency or not the same currency.

2. Consumer Behaviour

Consumer behaviour is an action taken by the consumer in choosing a product (Kotler & Armstrong, 2002). There are some experts who define consumer behaviour, according to John C. Mowen and Michael Minor consumer behaviour is a study of unit purchases and exchange processes involving acquisition, consumption and disposal of goods, services, experiences and ideas.

In addition, David L. Loudon and Albert J. Della Bitta define consumer behaviour as a decision making process and individual activities as physically involved in evaluating, acquiring and using the goods and services (Kotler & Armstrong, 2002).

From definition of consumer behaviour above, consumer behaviour is an action of individual or group who are affected by internal and external factors that lead them to consume the goods and services.

According to Philip Kotler's book entitled Marketing Management Volume 1, there are several factors that influence purchasing behaviour (Kotler & Armstrong, 2002):

a. Cultural Factor

Cultural factor is very important in purchasing behaviour, due to cultural factor is the most basic fundamental determinant of desire and behaviour.

Cultures, sub-cultures and social classes are part of the culture factor.

b. Social Factor

Consumer behaviour is also influenced by social factor, environment, condition and close person. They are influence the buyer as same as the desire of them to purchase a product. Reference group and family social status are the group within social factor.

c. Personal Factor

Personal factor is a factor that come from within a person, the characters of buyer affecting decision to purchase the goods and services. The characters including the age, occupation, economic circumstances, lifestyle and personality.

d. Psychology

Psychology is a thinking concept of buyer to decide on the purchase of goods and services. Selection of the goods and services influenced by five main factors in the psychology factors, such as motivation, perception, learn, believe and conviction.

There are several stages that influence purchasing decision by consumers:

1) Problem Recognition

The purchasing process is driven by the introduction of identifying their problems or needs of the consumer. The purchasing process is influenced

by internal and external factors. Internal factor is the factor that come from within a person, about how person's general needs such as hunger and thirst. While, external factor is the factor that come from outside, for example someone who saw the advertisement of a branded handbag at affordable prices in television, then this thing will stimulate her to have that handbag.

2) Search Information

Consumer who have a desire to fulfill their needs will be encourage to seek information about the product. It can be divided into two levels, the first level is the stronger concern and the second level is the active search of information. At the first level consumer who wants to have a product will be more sensitive to the information about the product. Meanwhile, at the second level consumer who wants to have a product will be looking for information from various sources deeply. The Source of consumer information is classified into four groups, namely private sources, commercial sources, public sources and experience sources.

3) Alternative Evaluation

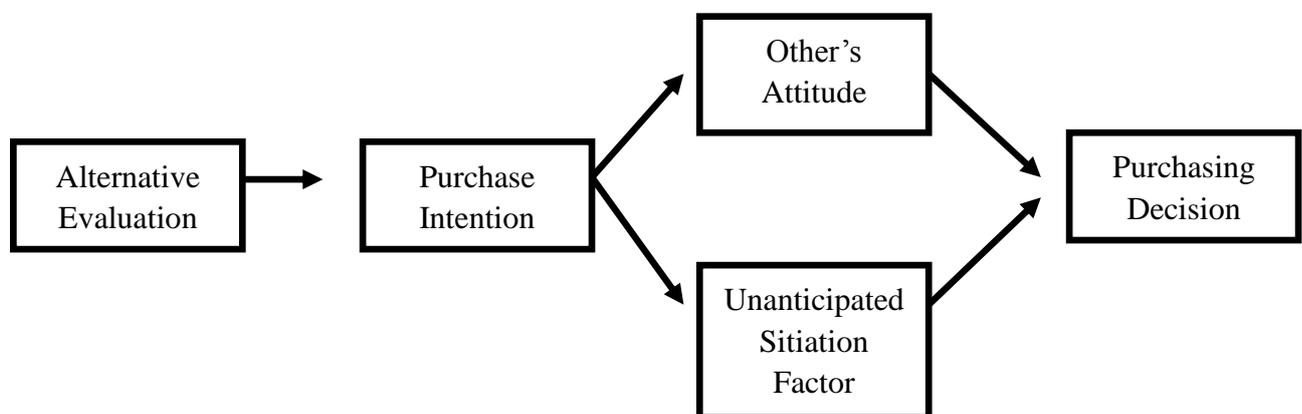
There is no simple evaluation process used in the consumer purchasing process. There are several models of the decision process regarding consumer evaluation process. The model considers the consumer to form

an assessment of the product mainly, consciously and rationally. Some basic concepts will help the consumer understanding about evaluation process:

- a) Consumer are trying to fulfill their needs.
- b) Consumers seeks certain benefits of the product solutions.
- c) Consumer views each product's attribute as a set of different capabilities in providing benefit to satisfy that need.

4) Purchasing Decision

In the evaluation phase, there are two factors driving consumers to purchasing decision, the stages were shown in the image below:



Source: (Kotler & Armstrong, 2002)

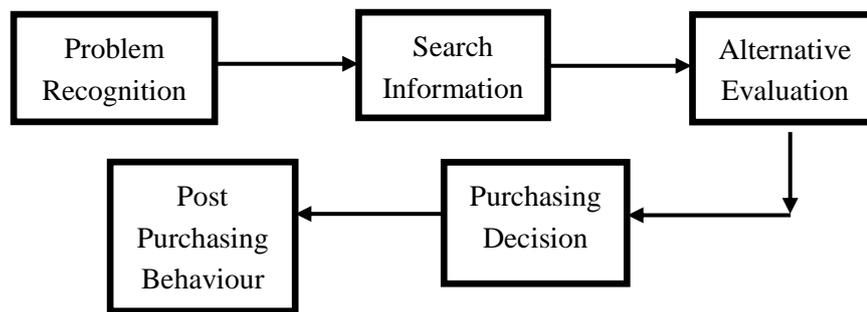
Figure 2.2
Stages between Alternative Evaluation and Purchasing Decision

On the factor of person's attitude, the buyer interesting of the product will increase if someone who close with the buyer also like a similar

product. Instead, the person's attitude become a negative thing when someone who close with the buyer have a different opinion about a product. On the factor of unanticipated situation, this can be appear and change purchasing intention. The intention of purchasing a product by the buyer is also determined by the situation at that time which will ultimately affect the decision to continue or cancel the purchasing of a product.

5) Post Purchasing Behaviour

Purchasing a product is not the end in the purchasing process, but continued after purchasing. Once the buyer obtain the desire product, the buyer will feel satisfaction or unsatisfaction of a product. Satisfaction of the buyer will affects sustainable purchasing of a buyer. Instead, the buyer who feels satisfied of a product will cease to purchase it again. If the buyer use the product continuously, it means the buyer satisfied to the product, nor vice versa. To understanding the stages, it can be seen as the figure below.



Source: (Kotler & Armstrong, 2002)

Figure 2.3
Stages of Purchasing Decision Processes

3. Factors that Influence the Reason of New Student Become a Customer in Islamic Bank

a. Knowledge

Consumer knowledge is very important to determine consumer purchasing decision. There are some experts who define consumer knowledge. According to Mowen and Minor consumer knowledge is an experience and information of consumer about a goods or services (Kotler & Armstrong, 2002). Meanwhile, according to Nitisusanto at the research by (Mulyadi, 2012) consumer knowledge is knowledge of the product name, product benefits, for which the group intended, the price and where these products can be obtained.

Beside that, according to Sumarwan at the research by (Afifah, 2016) consumer knowledge is all of the information held by consumer on variety products and services, and other knowledge related to such products and services, and information related to its function as a consumer.

Based on the definition above, we can conclude that the consumer knowledge is all of the information obtained about the detail of products and services. This is very important because consumer knowledge determine consumer decision to choose a products and services. The depth knowledge about the product types, product qualities, product prices and other aspects that related to the products and services will determine consumer's decision to purchase the products and services.

Consumer knowledge is distinguished by the types. According to Engal, Blackwell and Miniard consumer knowledge can be divided into three (Kotler and Armstrong, 2002):

- 1) Knowledge of Product

In this case, knowledge of a product describe as characteristics and product attributes such as color, model, year and others. Beside that, the benefits of the product become the second point in this section, the product is not only seen from the appearance or quality itself, but benefits of the product is also very important to support the usefulness of the product. The third point is about knowledge of satisfaction, after the existence of a product, it will determine consumer satisfaction about the product.

2) Knowledge of Purchase

Knowledge of purchase consist of knowledge about the store, the location of a product in the store and the product placement in the store. Consumer decision regarding the purchase of a product will be determined by knowledge. According to Peter and Olson (1999), purchasing behaviour include a sequance of events contact store (look for, go and enter the outlet), contact product (product located, take the product and bring it to the chasier) and transaction (consumer pays for the products).

3) Knowledge of Use

Knowledge of use is how consumer use the product. It is very important, where these products will become benefit if the product used correctly by consumer. Consumer will get maximum benefits and satisfy by using the product in the right way.

b. Service

Service in a company is very important, because the consumer's comfortable depending on the service provided. According to Philip Kotler, service is any action or activity that can be offered by one party to another, which is essentially intangible and does not result in any ownership (Kotler & Armstrong, 2008).

While, Gronroos states that service is a process that consist of the series of intangible activities commonly (but not always) occurs in the interaction between customers and employees, services and resources, physical or goods, and service provider system, provided as the solution of the consumer (Umar, 2003).

Beside that, according to Lovelock, Petterson and Walker put forward the perspective of service as a system, each busniess services seen as a system consisting of two main components; service operation and service delivery (Umar, 2003).

Based on the statements from several experts above, we can conclude that service is the relationship between the service provider and consumer, where the provider of the service can fulfill what is required by the consumer.

Service is one of the key in sale successful in a company. Consumer's satisfaction is also determine by service quality of the company. The book by Philip Kotler states that there are several points determine successful in services (Kotler & Armstrong, 2002):

- 1) Ordering ease

In this thing refers to consumer ease to ordering products to the company.

- 2) Delivery

It refers how good the products or services delivered to the consumer.

3) Installation

Referring to the work carried out to make a product operate in the planned location.

4) Customer Training

It refers to the training of the employee to use the equipment on sales accurately and efficiently.

5) Customer Consulting

Referring to data services, information and advice given by the seller to the buyer.

6) Maintenance and Repair

It is a company service program to help customer keep the product that they purchase in good working condition.

7) Other Services

The company can perform a variety ways to improve customer services, the company can offer a product guarantee or maintenance contracts better than their competitors.

In addition, the company should be able to improve the quality of the services in order to compete with other companies. According to Zaithaml *et. al.* quality of service divided into five (Umar, 2003):

1) Reliability

Reliability is the ability of the employees to provide services according to the promise offered.

2) Responsiveness

Responsiveness is the alertness of employees in response to the wishes or questions asked by the customer. In this case, the employee must be able to respond quickly and responsively in dealing with customers.

3) Assurance

Assurance is the ability of employee's knowledge to deliver information to customers. In addition, speech, modesty and skill are the factors in providing services to customer. This dimension is a combination of sub dimension competence, courtesy and credibility.

4) Emphaty

It is customer's ease to contact the company, the employee is able to respond or communicate and able to resolve customer's problem. This is a point in this dimension. This dimension is a combination of access, communication and understanding the customer.

5) Tangibles

At this point, the company's physical appearance become an important factor in service to customers, this include cleanliness, tidiness, comfort

rooms and the availability of parking spaces. In addition, the appearance of employee is also an important thing for the convenience of customers.

Banking is a financial institution that more commonly used by the consumer, either for savings, money transfers, etc. Therefore, service providing is very important in order to give comfort and secure to the customers. The advancement of technology, banking should provide online features to facilitate and give an easier to customers in the transaction.

In addition, beside the service of the products, employee's service become one of the decisive factors. Quality and credibility of employees are the factors to serve the customers. Employee should be able to introduce and promote products clearly, so that customers will interesting to use the product. The appearance is one of the important factor in serving the customers. Neat and courteous will make customers be comfortable. Similarly in Islamic bank, as the name suggests, employee in Islamic bank must wear the closed clothing and not tight in the body, women must wearing veils as headgear accordance Islamic law.

c. Location

Location has a very important role in the company in providing service to the customers. The strategic location and easily accessible will provide convenience to the customers. Lupiyoadi defines the location as a place where a company must headquartered to operate (Umar, 2003).

The location of service facility location could be divided into two: first, the customer come to the location service facilities, and the second is provider services come to the customer (Umar, 2003). In banking case, customers will come to the location of services. Therefore, determination of company's location is very important to encourage consumers to use products and services. Determine the location described in the study by Tyas (2012), quoted from Tjiptono (2000) at the research by (Afifah, 2016), as follow as:

- 1) Access, determining location by the company, the location should accessible by transportation.
- 2) Visibility, location can be seen clearly, so customer knows the existence of the company.
- 3) Traffic, location is better in hustle traffic, there are two things that need to be considered, namely:
 - a) The number of people passing could provide opportunities for impulse purchasing.
 - b) Density and traffic jam congestion can be an obstacle.
- 4) The spacious and safe parking. It is to facilitate the customers while visiting the company's location.

- 5) Expansion is provided a spacious place for business expansion in the future. Company must have increase the business day by day, with the expansion will allow the company to increase physical services such as addition and expansion company building.
- 6) Environment is area that support services offered. With support from the local society, will enable the company conduct operations in running the business.
- 7) Competition which is location of competitors. The company needs to consider the location of the company's competitor that already exist, because it would create a company reaction by competitor to the company's new location.
- 8) Government regulation is important in running a business. The company should follow government regulations to avoid unlawful acts.

B. Previous Study

Yeni Nur Wakidah (2016) has conducted a research entitled “*Pengaruh Produk, Pelayanan, Lokasi dan Pengetahuan Konsumen terhadap Keputusan Menjadi Anggota di BMT Pahlawan Gondang Tulungagung*”. This research use quantitative research and primary and secondary data. The result showed t test of product variable positively influence and significant to the decision become BMT member at Pahlawan Gondang in Tulungagung. Service variable showed

positively influence and significant. For location variable, t test showed negatively influence and not significant to the decision become BMT member at Pahlawan Gondong in Tulungagung. The knowledge variable showed negatively influence and not significant.

Raihanah Daulay (2014) has conducted a research entitled “*Analisis Pelayanan dan Bagi Hasil Terhadap Keputusan Menabung Nasabah pada Bank Syariah di Kota Medan*”. This research is a descriptive research with supported by survey method. There are 30 respondents used in this research. The data collected by using questionnaires with likert scale unit. The data was tested with validity and reliability test by taking sample from 50 customers of Islamic bank in Medan. Validity and reliability test was conducted by using SPSS version 10.01. From the finding of research, it can be found that the variables of service and profit sharing have positive effect and significant to the customer’s decision. The data method is multiple regression analysis. The technique of multiple regression analysis in testing the hypothesis used F test and t test at the level of significance 95%. The result of F test and t test indicate that service and profit sharing have positive effect and significant to customer’s saving decision on Islamic bank in Medan. Based on the standardized coefficient, it can be known that belief variable partially has dominant effect than service and profit sharing variables. The adjusted R square regression result is 36,2 % which shown that independent

variable (service and profit sharing) can be explain 36,2 % to dependent variable (saving decision).

Budi Utami (2014) has conducted a research regarding “*Perbandingan Penentu Keputusan Pemilihan Perbankan (Studi Kasus pada Bank Rakyat Indonesia Syariah dan Bank Rakyat Konvensional)*”. In this research, the data method collection was done by collecting primary and secondary data, i.e by distributing the questionnaire to customers of BRI Syariah and BRI conventional, also with literature study through books, articles, internet, journals and other sources. It is descriptive statistics. Indicators aspects of consumer behavior measured by using 5 point Likert Scale. To find out what things are affecting customers in choosing banking services, it refer to the six dimensions which are Professionalism, Access, Popularity, Facility, Interest / Sharing System and Products of Bank. The results indicate that the customer's decision in choosing banking services of BRI Syariah and BRI conventional influenced by Professionalism, Access, Popularity, Facility, Interest / Sharing System and Products of Bank. The result show the comparison variables among Professionalism, Access, Popularity, Facility, Interest / Sharing System and Product of Bank to BRI Syariah and BRI conventional, customers more likely to choose Bank Rakyat Indonesia Syariah.

Beside that, Mardalena (2007) has done a research regarding “*Analisis Faktor-faktor Keputusan Masyarakat dalam Menabung pada Bank Syariah*”. This research use primary data. The primary data was collected from the respondent, i.e the customer who save their money at Islamic bank in Medan at subdistricts of Medan Kota, Medan Petisah, and Medan Tembung by the interview method and questionnaires by respondent. The sample are 120 customers abtained by non probability sampling. The technique sampling process is quota sampling. The statistical test applied multiple regression by Ordinary least Square (OLS) method. The data processed by data processing software Eviews version 4.1. The result indicates that there is a significant and positive correlation between variables of education, income, age and distance and decision of customer to save their money on Islamic bank in Medan.

Roose Hamidah Febriasti (2014) has done a research regarding “*Faktor-faktor yang Mempengaruhi Keputusan Mahasiswa Menabung di Bank Syariah Mandiri Yogyakarta*”. This research aims to know the factors that encourage the decision of student to save at Bank Syariah Mandiri in Yogyakarta. The independent variables are service, profit sharing and credibility. While, the dependent variable is the decision. The method used in this research are observation, interview and questionnaire. The sample technique use purposive sampling method. The data analysis use multiple regression model and use

descriptive and quantitative analysis. The respondents took 100 students of Universitas Islam Negeri Sunan Kalijaga Yogyakarta. The result showed that the service, profit sharing and credibility has positive and significant influence on alpha 5% to the decision of the student's saving. The influence that can be explained by all of independent variables to the dependent variable as 31,6%. Partially, it states that service variable has positive and significant influence on alpha 5% to the decision of student's saving. The profit sharing variable has positive and significant influence on alpha 5% to the decision of student's saving. While, the credibility variable has not significant on alpha 10% to the decision of student's saving.

Tumpal Butarbutar (2014) has done research entitled "*Analisis Faktor-faktor yang Mendorong Keputusan Masyarakat Menabung di Bank Syariah*". The result of this research showed that the factors of income, profit sharing, religion, service and location are factors that influence the decision of society to save in Islamic bank. It can be seen from the results of the research, from income factor, 11 out of 30 people respond that the level of income between Rp. 1.100.000 – Rp. 1.500.000, respondent most saving in Islamic bank. From the factor of profit sharing, there are 60% respondent answered their reason to save in Islamic bank. For the factor of religion, there are 63.3% respondent agrees to answer the questions about their reason to save in Islamic bank. From the service

factor, there are 63.3% respondent answered satisfactorily for Islamic bank services. For the location factor, there are 60% respondent answered agree for the location.

“Analisis Faktor-faktor yang Mempengaruhi Minat Nasabah Menabung di Bank BNI Syariah Kantor Cabang Cirebon” is the research from Nada Benazir Khadijah Gandasari (2016). This research is quantitative research by using multiple regression analysis to examine the factors that influence the customer's interest to save in Islamic bank. The sample is 50 respondent with the criteria of customers at BNI Syariah branch offices Cirebon. The results showed that there are positive influence between the variables X1, X2, X3 (religiosity, revenue sharing and service) to customers who save in Islamic bank. The results for each variable are on religiosity 16.1%, the profit sharing ratio is 25.6% and service is 39.9%.

Aya Rizka Evani (2015) has conducted a research entitled *“Analisis Keputusan Mahasiswa Menabung di Bank Syariah”*. This research conducted by analytical descriptive method and Kendall's Concordance Test. The results was show that there were many factors that influence undergraduate student to save their money in Islamic bank. They are: religion, product, service, and promotion. Based on Kendall's Concordance Test, the result show that the main factor that

influence undergraduate student to make a decision to save their money in Islamic bank is their belief/religion.

Ananggadipa Abhimantra, Andisa Rahmi Maulina and Eka Agustianingsih (2013) has conducted research entitled “*Analisis yang Mempengaruhi Nasabah (Mahasiswa) dalam Memilih Menabung pada Bank Syariah*”. Its research use primary data by distributing questionnaires to 50 respondents. The data processed using SPSS to perform classical assumption test, multiple linear analysis, and hypothesis testing. The results showed that factors such as knowledge, religiosity, products, reputation and service at the Islamic bank have a positive and not significant influence to the decision to save on Islamic bank.

In the same year Denisa Irawaty Nababan and Haroni Doli Hamoraon (2013) has done a research entitled “*Analisis Faktor-faktor yang Mempengaruhi Keputusan Masyarakat Kecamatan Medan Helvetia dalam Memilih Lembaga Keuangan Sebagai Sumber Pendanaan*”. The purposes of this research is to analyze the factors that influence the decision of the community at Medan Helvetia District in choosing financial institutions. The data obtained from 60 respondents who obtain financing or obtain credit from a bank loan, Bank SUMUT and Bank Rakyat Indonesia (BRI) branches Medan Helvetia, by taking random sampling technique. The method is descriptive analysis. The results

showed that the rate of interest, system administration, collateral and credibility of a financial institution have significant impact on the community in selecting financial institutions as a source of funding in the district of Medan Helvetia.

C. Hypothesis

According to the previous study related in this research, obtained research hypothesis as:

a. Variable of Knowledge (X1)

H₀: Knowledge is not influence the reason of public health's new student of STIKES Muhammadiyah Samarinda become customers on Islamic bank.

H₁: Knowledge is influence the reason of public health's new student of STIKES Muhammadiyah Samarinda become customers on Islamic bank.

b. Variable of Service (X2)

H₀: Service is not influence the reason of public health's new student of STIKES Muhammadiyah Samarinda become customers on Islamic bank.

H₁: Service is influence the reason of public health's new student of STIKES Muhammadiyah Samarinda become customers on Islamic bank.

c. Variable of Location (X3)

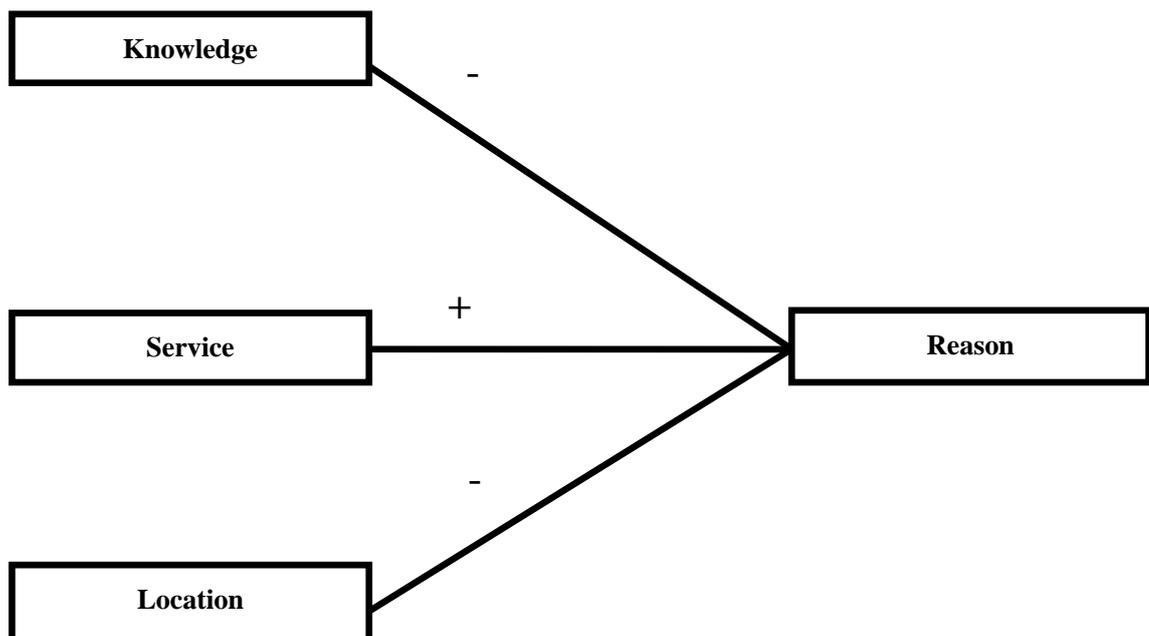
H₀: Location is not influence the reason of public health's new student of STIKES Muhammadiyah Samarinda become customers on Islamic bank.

H₁: Location is influence the reason of public health's new student of STIKES

Muhammadiyah Samarinda become customers on Islamic bank.

D. Framework

According to the theories that explained above, this research describe the relationship between dependent variable and independent variables. The dependent variable in this research is the reason (Y) of public health's new student become customers on Islamic bank, and the independent variables in this research are knowledge (X1), service (X2) and location (X3).



Source: Developed by the researcher

Figure 2.4
Framework