

Customer Satisfaction in Islamic Banking: Empirical Study in Banda Aceh, Indonesia

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Abstract—The purpose of this study is to find out how the level of customer satisfaction of Islamic banking in Banda Aceh, Indonesia. As for the population of this study were as many as 343 respondents. Samples were taken 30 percent of the total population so that the sample in this study amounted to 100 respondents. The data was collected by distributing questionnaires containing the statement on the quality of sharia banking services, namely Bank Aceh Syariah. This study uses Likert Scale as a guide to interpretation for assessment of respondent interpretation. Based on the result of research indicate that 80,12 percent of respondents very satisfied with the reliability of Islamic banking and 80.6 percent of respondents stated very satisfied on the responsiveness in Islamic banking.

Keywords—Customer Satisfaction, Islamic Banking, Reliability, Responsiveness

I. INTRODUCTION

Most of Aceh's Muslim population is the largest consumer of banking services users in Aceh. Conventional banks are an option to save a portion of their funds and earn investment for their venture capital. Avoidance of interest (usury) is one of the challenges facing the Islamic world today. The respondents of Banda Aceh are convinced that the existence of Islamic banks can be used as a place to store their funds in accordance with the principles of Islamic banks in Banda Aceh felt by the community is needed, because it is also supported by the reality of which 99% of the respondents of Banda Aceh is a Muslim.

For more than two decades, there have been five Islamic Banks in Aceh Province. Beginning with the operation of Syariah Muamalat Bank in 1991, Bank Syariah Mandiri (1999), Bank Mega Syariah (2004), BNI Syariah (2010), and Bank Aceh Syariah (2016).

Bank Aceh Syariah which was born after the conversion process from conventional to sharia is the fifth sharia commercial bank in Indonesia. The conversion would result in increased market share

Islamic Banks, especially in the province of Aceh and Indonesia in general.

Bank Aceh Syariah was born after the enactment of Qanun Aceh Number 8 of 2014 on the principles of Islamic law. In the qanun mentioned that "financial institutions operating in Aceh should be based on sharia principles". The dictum is contained in Article 21 paragraph 1 and paragraph 2 in the same article mentioned conventional financial institutions that already operate in Aceh should open a Sharia Business Unit (UUS). Furthermore, in paragraph 3 mentioned that, "Aceh government financial transactions and regencies/municipalities governments are obliged to use sharia principles and or through the process of Islamic financial institutions". In the next paragraph mentioned further provisions regarding sharia financial institutions are regulated in Qanun of Aceh. The presence of Bank Aceh Syariah will change the politics of national syariah banks against the desire to spin off or remain in the initial format to establish a Sharia Business Unit only.

Bank Aceh Syariah presence will change national politics against the wishes of Islamic banks to spin off or remain in the initial format to establish Sharia alone. Based on the above, the authors feel compelled to discuss further in the article entitled: Customer Satisfaction in Islamic Banking: Empirical Study in Banda Aceh, Indonesia.

II. LITERATURE REVIEW

Characteristic factors which are comprised of banking, trust, compliance with Shari'ah, and physical objects, wherein Characteristics and Shariah compliance is the most decisive factor in choosing a bank for customers of Islamic banks in Aceh, Indonesia [2]. The quality of sharia bank services has a significant effect on customer satisfaction and trust, where the responsiveness of sharia bank services is the strongest attraction for customers and compliance is the weakest attraction for sharia bank customers, where customer

satisfaction plays an important role to support the quality of sharia bank services in influencing trust [3]. Compliance with the ethics of Islam in the Islamic banking industry can help improve the standard of good behavior among bankers with customers, where esp us her employee services should be considered by consumers as Muslims [4].

There are five dimensions of consumer satisfaction of Indonesian sharia banking to influence the sharia bank customers' intention to switch, ie bank staff, bank physical appearance, accessibility, and cost, among which, profitability is felt not so important by the respondent by the customer. The study confirms that the better the performance of services, especially Islamic banks on staff relationships with customers, costs and accessibility of banks that applied, the lower the likelihood of customers switching from the bank [5]. In Pakistan, based on the results of the study indicates that the relationship between dimensions of multidimensional service quality and unidimensional customer satisfaction factors are also validated the importance of service quality aspects for behavioral intent (satisfaction, feeling) for customers from conventional banks and Islamic Banks; in addition, functional quality is the determinant the main quality of the overall service and customer satisfaction for both types of the banking system, namely conventional banking system and Islam in Pakistan [6]. Furthermore, the results of research in Pakistan indicates that there are six main factors related to customer satisfaction, namely: financial benefits to customers, product quality, customer service, the reputation of the Bank, the Bank's competitiveness and quality of banking services [7]. However, customers are more inclined towards conventional banking although there are banks that provide Islamic banking services, but still, a lack of awareness about Islamic banking is the main reason of customers [7]. This will provide input for Islamic banking to enhance awareness campaigns on sharia banking by creating innovative products in order to compete with conventional banks in the future.

The factors of service quality, service availability, social and religious perspectives and beliefs in banks with customer perceptions of Islamic banks have a big role in influencing the minds of customers, where customers can gain a better understanding of the activities undertaken by Islamic banks and how to handle activities this is it. [8]. The level of satisfaction and awareness for Islamic banks showed that the majority of customers expressed their satisfaction with several Islamic banks and customer service are also aware of different products but did not adopt such products [9].

The quality of service has been considered as one of the key competitive factors in the banking industry, where there is a positive relationship between customer satisfaction and quality construction services such as personnel of the bank, the bank's image, the services offered by the bank and bank accessibility [10].

Based on the results of research in Iran, revealed that the quality of services in banking that adopted the format of Islamic commercial services is influenced by service quality factors, but can not guarantee customer loyalty in the banking sector. Consequently, in order to increase customer loyalty, banks need to improve their communication with the customer in accordance with the concept of Islamic sharia [11]. The majority of sharia bank customers who have retained their banking relationship with Islamic Banks for more than six years; level of customer awareness and high usage levels for savings accounts, checking accounts, investment accounts, and automatic teller machines; customers feel most satisfied with the products/services they use, with investment accounts that get the highest satisfaction score; Sharia bank employees get the highest satisfaction among the service delivery system elements [12].

The findings in Brunei Darussalam show that there is a positive and significant influence of the quality of service and product quality on customer satisfaction, in which the consumer realizes that the products and services of sharia banking up to a certain level; and why customers choose Islamic banking are profit and religious principles, which result, these findings provide Islamic banking industry with guidelines to help in the effort to formulate a suitable promotion policy to attract more banking customers [13]. In addition, customer satisfaction has a significant positive effect on customer loyalty and the intention to switch more for non-Muslims than Muslim customers, but such non-Muslim customers tend to shift if they are not satisfied with the level of customer service, it will create a customer base banks are unstable [14].

Findings in Kuwait show that banking customers are dealing with banks not for profitability reasons but for the confidentiality, credibility of the bank, the trust of Sharia'h Supervisory Committee, and trust in bank management. They have accounts in sharia and commercial banks, just to diversify their investments. In addition, the reason for the respondents usually dealing with Islamic banks reflects the culture of the Arabs in general and the Gulf region in particular where they do not buy the product or service for its quality but for the quality of the respondents who sell these products [15].

III. RESEARCH METHODS

The population is the whole object to be studied [16]. The population in this study is the total number of subjects or objects to be investigated whose characteristics will be suspected. Large or the number of the population there that can be determined with certainty and some that can not be fixed with the certainty of that argument, then the population in this study are customers of Bank Aceh Syariah in Aceh Province of Indonesia.

The sample is part of the population that became the actual data submer in a study. Samples are required if the researcher does not intend to examine the entire

population. Often researchers are forced to use only a portion of the population, a sample that can be viewed as a reflection of the population. Because the subject of study includes all that is contained in the population, the entire population used as a sample of research also called the census method.

If researchers have several hundred subjects in the population, then they can determine approximately 25-30% of that amount [17]. If the number of members in a population of subjects cover only between 100-150 respondents, and the data collection researchers used questionnaires, it should be the subject of a number was drawn entirely [17]. However, if the researcher uses interview and observation techniques, the amount can be reduced according to the sampling technique and according to the researcher's ability. Based on the above theory can know the number of samples to be taken as respondents from Aceh Sharia Bank customers amounted to 343 respondents. So the size of the population, ie 343 respondents, a then set sample of 29% or 100 respondents.

This study also used the Likert scale as a guideline for interpretation. Likert scale is a bipolar scale method that measures positive and negative feedback to a statement. Answer every item instrument that uses a Likert scale has a gradation from very positive to very negative, which may include words such as: Very Satisfied (4), Satisfied (3) Dissatisfied (2) and Very Dissatisfied (1), p existing in man study using a Likert scale in Sakala 1-4. Based on the known general equations, then the scores criteria can be determined as follows: (1) value of 0 - 1 is classified as less good category; (2) value score 1 - 2 quite good category; (3) value score 2 - 3 is categorized as good; and (4) value score 3 - 4 is classified as very good.

TABLE 1. PERCENTAGE OF VALUE

Answer	Information
0% - 19.99%	Very Dissatisfied
20% - 39.99%	Dissatisfied
40% - 59.99%	Quite or Neutral
60% - 79.99%	Satisfied
80% - 100%	Very Satisfied

To get the interpretation must be known the highest score (X) and the lowest score (Y) for an appraiser item. Based on the scores above, it can be in the interpretation of the statement of each of the selected respondents in this research by using Formula Index:

- Y = highest score Likert x number of respondents (Highest number 4)
- X = Likert's lowest score x number of respondents (Lowest number 1)

IV. RESULTS AND DISCUSSION

From the results of the data obtained in Table 2 and then processed by multiplying each point answers with

a predetermined weight with the weight value table. Then the results of calculation of respondents' answers as follows: (1) respondents who answered very satisfied (score = 1512); (2) respondents who answered satisfied (score = 1398; (3) respondents who answered dissatisfied (score = 278); and (4) respondents who answered very dissatisfied (score = 17), with total score is 3205.

TABLE 2. CUSTOMER PERCEPTIONS OF THE RELIABILITY OF BANK ACEH SYARIAH

Statement Score	Number of Respondents	Total
1	17	17
2	139	278
3	466	1398
4	378	1512
Total Number		3205

Source: Primary Data (processed), 2017

To get the result of interpretation, must first be known the highest score (X) and lowest number (Y) for an item of assessment with formula as follows:

- Y = highest score Likert x number of respondents (Highest number 4) 'notice the value weight'
- X = Likert's lowest score x number of respondents (Lowest number 1) "notice the value weight"

The highest score for an item number Memorable is $4 \times 100 = 400$, while the items. Highly dissatisfied is $1 \times 100 = 100$. So, if the total score of respondents obtained 16 517 numbers, the interpretation assessment of respondents to the Bank convertible into Bank Aceh Syariah is the result of the value generated by using the formula index.

$$\text{Formula Index} = \frac{\text{Total Score}}{Y} \times 100 \quad (1)$$

So the final solution of this research is:

$$\begin{aligned} &= \text{Total Score} / Y \times 100 \\ &= 3205/400 \times 100 \\ &= 801.25 \\ &= 80.12\% \text{ (category very satisfied)} \end{aligned}$$

From the results it can be concluded that the respondents' very satisfied against reliability of Bank Aceh Syariah.

TABLE 3. CUSTOMER PERCEPTIONS OF BANK ACEH SYARIAH RESPONSIVENESS

Statement Score	Number of Respondents	Total
4	361	1444
3	506	1518
2	129	258
1	4	4
Total Number		3224

Source: Primary Data (processed), 2017

From the data obtained in the above and then processed by multiplying each point answers with a predetermined weight with the weight value table. Then the results of calculation of respondents' answers as follows: (1) respondents who answered Very Satisfied (score = 1444); (2) respondents who answered Satisfied (score = 1518); (3) Respondents who answered Dissatisfied (score = 258); (4) respondents who answered Very Dissatisfied (score = 4), with total score is 3224.

The highest score for an item number Memorable is $4 \times 100 = 400$, while the item is Very Satisfied $1 \times 100 = 100$. So, if the total score of respondents obtained 16.517 numbers, the interpretation assessment of respondents to the Bank convertible into Bank Aceh Syariah is the result value generated by using the Formula Index.

So the final solution of this research is:

$$= \text{Total Score} / Y \times 100$$

$$= 3224/400 \times 100$$

$$= 806$$

$$= 80.6\% \text{ (category very satisfied)}$$

From the above results it can be concluded that the respondents' Very Satisfied against Responsiveness Bank Aceh Syariah.

V. CONCLUSION

The level of customer satisfaction of Bank Aceh Syariah is very positive which is marked by the score result of the level of responsiveness and reliability of the results of its customers strongly agree to Bank Aceh Sharia and this means that customers are satisfied with Bank Aceh Syariah. Islamic banks must be able to improve services to customers and create superior banking services to survive in the future.

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