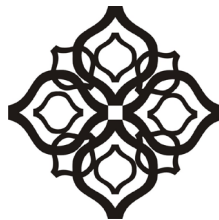


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Integrated Marketing and Customers' Decision Saving Funds in Islamic Banks

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Abstract

Indonesia has a good market potential for Islamic banking business development. However, the market share of Islamic banks is still far behind the conventional ones. Over 5 years, Islamic marketing mix has been integrated with the contemporary marketing mix. This article prudently examines the decision of society to invest their funds in Islamic banks dealing with the integrated marketing mix. Questionnaires had been distributed to 150 respondents of Islamic banks customers. Using analysis of Structural Equation Modeling based on variance (SEM-PLS), this article shows that the integrated marketing mix has taken an influence on customer purchasing decisions, consisting of pragmatism and product, pertinence and promotion, persistence and process.

Keywords: SEM-PLS, Islamic banking, integrated marketing

Introduction

Currently, there are dual banking system in Indonesia, specifically Conventional and Islamic Banking. The existence of Islamic Banks in Indonesia has confirmed with the issuance of Law No. 21 of 2008 concerning Islamic Banking, which contains the amendments to Law No. 10 of 1998. The history of Islamic Banking in Indonesia begun with the establishment of Bank Muamalat Indonesia (BMI) in 1992 (Karim, 2013).

Nowadays, there are 12 Fully Sharia Compliant Banks and 22 Banks offer islamic finance services, with 311 offices of Fully Sharia Compliant Banks and 1,991 offices of Bank which offer islamic finance services (Otoritas Jasa Keuangan, 2016a).

With nearly 2000 offices network, Islamic Banking should have potential market in Indonesia, considering Indonesia has 87.18% Muslim or about 207,176,162 people (Badan Pusat Statistik, 2010). However, the reality is not as expected, Islamic Banking is far behind with The Conventional one. It can be seen in the comparison of Third Party Fund between Islamic and Conventional Banks as follow:

Table 1. Third Party Fund Comparison

	Islamic Bank	Conventional Bank	Total
Third Party Fund	IDR 4,238,162 BN	IDR 174,895 BN	IDR 4,413,057 BN

Source : (Otoritas Jasa Keuangan, 2016a)

Based on Table 1, it can explain that people still strongly believe in Conventional Banks than Islamic Banks. Islamic Banks' performance in last 20 years just reach 3.96% of Indonesian banking market share, whilst Indonesia is the largest Muslim country in the world (Pew Research Center, 2011). This phenomenon is certainly an interesting thing to study, cause Islamic banks just get a little trust in world's largest muslim country. In some points, There are some services differences that contribute in people interest to use Islamic or Conventional Bank services. First, it's about the funding rate. Based on data on table 2 below, the interest rate which offered by conventional banks is more attractive than profit sharing rate which offered by Islamic banks. So it's very reasonable that the rational market prefer to save funds in Conventional Banks than in Islamic banks.

Table 2. Profit Sharing Rate and Interest Rate

Product	Profit Sharing Rate	Interest Rate
CASA	2.04% p.a.	3,15% p.a.
Time Deposit	6,14% p.a.	8,84% p.a.

Source : (Otoritas Jasa Keuangan, 2016a)

Table 3. The Number of Islamic and Conventional Banks

	Fully Sharia Compliant Banks	Conventional Banks
Number of Institutions	12	106

Source : (Otoritas Jasa Keuangan, 2016a)

Table 4. The Office Network of Islamic and Conventional Banks

	Islamic Banks	Conventional Banks
Number of Office Network	1,979	30,984

Source : (Otoritas Jasa Keuangan, 2016a)

Second, it's about office network. In last 20 years, Islamic Banks try to enlarge their market by opening their branch offices in all provinces of Indonesia. However, we can see on table 3 and table 4 above, which the growth of Islamic Banks are still far behind Conventional Banks, based on number of institution and number of office network. Conventional Banks network reach more than 30,000 offices throughout Indonesia, this condition certainly has implication for the number of Third Party Funds which collected. Based on this phenomenon, Conventional Banks have more human resources, automatically, it affects the operational activities, such as promotional activities, IT development, financing (Table 5), and so on. So Conventional Banks have capability to achieve more profitability than Islamic Banks (Table 6). Based on this striking difference between

Islamic and Conventional Banks, so Islamic Banks need to solve these problems, especially in marketing field to minimize the gap that has occurred.

Table 5. Financing between Islamic and Conventional Banks

	Islamic Banks	Conventional Banks
Financing	IDR 154,528 BN	IDR 3,937,577 BN

Source : (Otoritas Jasa Keuangan, 2016a)

Table 6. Profitability between Islamic and Conventional Banks

	Islamic Banks	Conventional Banks
Financing	IDR 885 BN	IDR 103,993 BN

Source : (Otoritas Jasa Keuangan, 2016a)

In previous research, it stated that price, place and customer service took effect positively to customer decision to have BRI's credit card in BRI Solo Slamet Riyadi Branch Office (Sriwijayani, 2008). In further study, it defined that product, price, place, promotion, people, process and customer services took effect on customer decision to take BNI Wirausaha credit facility at BNI SKC Pematang siantar (Susanty, 2011). The next research confirmed that product, people, process and physical evidence took effect on customer decision to save their fund at BNI JPK Branch (Fatimah, 2012). Following research stated that product and process took effect on decision to save the fund at Bank Muamalat Malang Branch (Fajri, Arifin, & Wilopo, 2013). Subsequent research stated that Contemporary Marketing Mix took effect simultaneously on purchase decision (Nainggolan, 2013). Furthermore, according to further research, it stated that it's only promotion which took effect on the student's decision to save their fund at Bank Kaltim UNMUL cash office (Sari, 2015). Based on the six previous research above, it recapitulated

that all of them discuss about the impact of services marketing or also called contemporary marketing mix, to customer decision to use banking product, both in Islamic and Conventional Banking. In further concept development, it put forward a new concept of Islamic marketing mix, and it's believed which islamic views towards 7Ps of marketing shouldn't be separated from the contemporary marketing mix (Hashim & Hamzah, 2014).

Based on the explanation above, the authors are interested to do further research about the correlation between Islamic and Contemporary Marketing Mix integration on customer's decision to save their funds in Islamic Bank, especially in East Java, considering East Java is a province which is its economic growth exceeds the national economic growth, in the second quarter of 2016 (RRI, 2016). In addition, East Java has 94.62% Muslim population (BPS Provinsi Jawa Timur, 2015) with some areas in it, being the basis of Muslim, such as Gresik, Tuban, Lamongan, Pasuruan, Jombang and Madura Island. However, as happened at national level, the growth of Islamic Banks is so pathetic, despite of East Java is the 3rd nationwide in terms of distribution of Islamic Bank office network, as presented in following table:

Table 7. Distibution Office Networks between Islamic and Conventional Banks

Ratings	Province	Fully Sharia Compliant Banks	Banks offer Islamic Finance Service	Total
1	West Java	337	32	369
2	Jakarta Special Region	288	32	320
3	East Java	222	38	260
4	Central Java	167	30	197
5	Banten	107	8	115

Source : (Otoritas Jasa Keuangan, 2016b)

Table 8. Islamic and Conventional Banks in East Java

	Third Party Fund		Financing	
Islamic Banks	IDR 26,148 BN	4.70%	IDR 20,576 BN	5.20%
Conventional Banks	IDR 530,680 BN	95,30%	IDR 375,453 BN	94.80%
Total	IDR 556,828 BN	100.00%	IDR 396,029 BN	100.00%

Source : (Kantor Perwakilan Bank Indonesia Jawa Timur, 2016)

This research is very necessary, because study on marketing aspect of Islamic Bank in Indonesia, even in East Java is still infrequent, and this study try to examine Islamic Marketing Mix, which is still newly developed. This research is also expected to help Islamic Banks in Indonesia, especially in East Java, to develop its market share, which is currently still dominated by Conventional Banks. Based on the background above, this article argues that the integration between Islamic and contemporary marketing mix have significant impact on customer's decision to save their fund at Islamic Banks in East Java.

Marketing Mix and Decision to Buy

Islamic banking is alternative banking systems in Indonesia, in addition to the Conventional Banking system which is the first. According to Law No. 21 of 2008, Islamic Bank is a Bank which conducts its business activities based on sharia principles. In philosophical context, Islamic Bank is bank whose activities leave usury problems (Machmud & Rukmana, 2010). Other definition confirmed that Islamic Bank is a bank that in its activities, provide and impose rewards based on sharia principles, it's called sale and purchase, and profit sharing (Triandaru & Budisantoso., 2009). Based on several difinition above, it's recapitulated that Islamic Bank is bank which is in its business activities, whether funding or lending, and other banking services based on sharia principles. The principles that

differentiate Islamic banks are prohibiting the usury practice, prohibiting gharar (speculation), forbidding to lend the forbidden sector (weapons, illicit drugs, alcohol and pigs), using the principle of profit sharing, and all transactions must be supported by real economic transactions involving tangible assets (Beck, Demirgüç-Kunt, & Merrouche, 2013). In its operations, whether in funding, lending, and transaction services, Islamic Banks in Indonesia refer to following principles :

Table 9. Islamic Banking Product and Contract in Indonesia

Funding	Lending	Banking Services
<ul style="list-style-type: none"> • Current Account (<i>Wadia</i> and <i>Mudharaba</i>) • Saving Account (<i>Mudharaba</i>) • Time Deposito (<i>Mudharaba</i>) 	<ul style="list-style-type: none"> • <i>Al-Mudharaba</i> Financing • <i>Al-Musyaraka</i> and <i>Al-Musyaraka Mutanaqisa</i> Financing • <i>Al-Murabaha</i> Financing • <i>Al-Istishna'</i> Financing • <i>As-Salam</i> Financing • <i>Al-Ijara</i> and <i>Al-Ijara Mutahiyah bi Tamlik</i> Financing • Multifunction Financing (<i>Ijara</i> dan <i>Kafala</i>) 	<ul style="list-style-type: none"> • Letter of Credit (<i>Wakala bil Ujrah. Qardh, Murabaha, Salam/Istishna, Mudharaba, Musharaka, Hawala, Kafala</i> dan <i>Ba'i</i>) • Bank Guarantee (<i>Kafala bil Ujrah</i>) • Foreign Exchange (<i>Sharf</i>) • <i>Al Qardh</i> Financing • Pawning (<i>Rahn</i>) • Sharia Charge Card (<i>Kafala</i>) • Transfer and Collection (<i>Wakala</i>) • International Payment Services (<i>Wakala</i> and <i>Ijara</i>)

Source : (Bank Indonesia, 2016)

Marketing Mix is tools for marketers that consists of marketing program various elements which need to be considered, so the marketing strategies and positioning implementation which have been set, can run successfully (Lupiyoadi, 2013). Meanwhile, the other schollar said that Marketing Mix is set of tools that can be used by marketers to form the services characterictics, which offered to customers. Contemporary Marketing Mix which is called Services Marketing Mix consists of Product, Price, Place Promotion, People, Process, Physical Evidence and Customer Service (Tjiptono, 2015). Marketing Service Mix consist of the elements as follows :

Table 10. Boom and Bitner Frameworks in Services Marketing Mix

7 Ps Elements	Marketing mix which is modified and expanded
Product	Quality, brand name, service type, guarantee, capability, facilitating goods, evidence, price, staff, physical environment, services delivery process
Price	Price level, discount, payment terms, price differentiation interaction
Place	Location, accessibility, distribution channels, territorial coverage
Promotion	Advertising, personal selling, sales promotion, publicity
People	Staff, training, appearance, interpersonal behavior, attitude, engagement, customers contact
Physical Evidence	Environment, furnishing, colour, layout, noise level, evidence
Process	Procedures policy, mechanization, employee accuracy, customer engagement, activity flow

Source : (D. Setiadi 2010)

There was an emerging concept called Islamic Marketing Mix, that was introduced by Wilson (2012) with the concept explanation as follow :

Table 11. Islamic Marketing Mix Concept

Elements	Concept Explanation
Pragmatism	Assessing the truth and meaning of theories or beliefs, grounded in an applied scientific and real world/time approach
Pertinence	Demonstrating relevance and applicability
Palliation	To close the gaps and make difficulties less severe, whilst accepting that many of the root causes may never disappear
Peer-Support	Identifying and engaging with social networks of stakeholder groups – with authenticity
Pedagogy	Empowering stakeholders through providing transparent instructional concepts, methods and practices – regardless of whether they are marketers, academics or consumers
Persistence	Continuous work, in spite of any difficulties
Patience	Laying the foundations for subject longevity

Source : (Wilson, 2012)

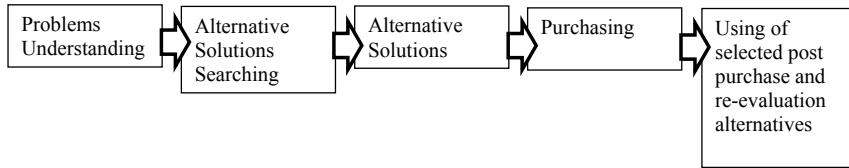
Hashim & Hamzah (2014) integrated between two perspective of Marketing Mix, that were contemporary and Islamic perspective, with the concept explanation as follows :

Table 12. Integration between Contemporary and Islamic Marketing Mix

Ellements	Concept Application
Pragmatism and Product	Seller should sell goods or a service which is needed by costumer, and must separate products depend on its quality, so the customer can choose the products clearly.
Pertinence and Promotion	Seller should inform about the actual condition of their products to costumer, so the costumer don't feel cheated.
Palliation and Price	Seller should sell the goods or services according to the abilities of the surrounding community and the existing economic circumstances.
Peer-Support and People	Seller must serve the customer well, avoid lying or conflict with customer.
Pedagogy and Physical Environment	Seller must have good integrity in serving the customer, so it will establish a good relationship between the seller and the buyer.
Persistence and Process	There should be a clear agreement about the transactions conducted between the seller and the buyer, so there is no misunderstanding between them in the future.
Patience and Place	Sellers are not allowed to sell a product which is unavailable, and prohibited to sell products to the other buyers, that the products have been bargained by the first buyer, until the negotiation between seller and first buyer are canceled.

Source : (Hashim & Hamzah, 2014)

Consumer decision making is an integration process that combines knowledge to evaluate two or more alternative behaviors, and selects one of them (D. Setiadi, 2010), with the following stages:

Figure 1. Consumer Problem Solving General Model

Source: (N. J. Setiadi, 2013)

Research Design

This research is designed to explain the relationship between variables by testing the hypothesis. The research design that explains the relationship between variables is called causality research, this research design is arranged to examine possible causal relationships between variables (Sanusi, 2011). It is also referred as causal research, which is used to obtain causal relationship evidence (Maholtra, 2005). This research was conducted in East Java, using cross sectional time dimension, which collecting data about the specified sample only at once (Maholtra, 2005). This study use primary data, which is the first recorded data and collected by researchers (Sanusi, 2011). This research use survey method, and the respondents are funding customers (CASA and Time Deposit customers) of Islamic banks that operates in East Java.

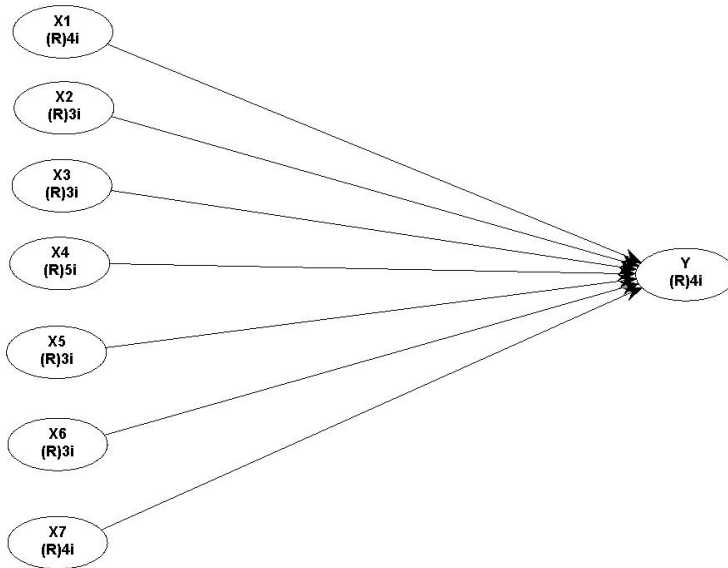


Figure 2. Research Model

Description :

- X1 : Pragmatism and Product (Exogenous)
- X2 : Palliation and Price (Exogenous)
- X3 : Patience and Place (Exogenous)
- X4 : Pertinence and Promotion (Exogenous)
- X5 : Peer-Support and People (Exogenous)
- X6 : Persistence and Process (Exogenous)
- X7 : Pedagogy and Physical Environment (Exogenous)
- Y : Decision to Buy (Endogenous)

Source : (Sriwijayani, 2008), (Susanty, 2011), (Fatimah, 2012), (Nainggolan, 2013), (Fajri et al., 2013), (Sari, 2015), (Hashim & Hamzah, 2014).

Based on the objectives and research model, there are seven working arguments which need to be tested : (1) Pragmatism and Product

has significant effect on Decision to Buy; (2) Palliation and Price has significant effect on Decision to Buy; (3) Patience and Place has significant effect on Decision to Buy; (4) Pertinence and Promotion has significant effect on Decision to Buy; (5) Peer-support and People has significant effect on Decision to Buy; (6) Persistence and Process has significant effect on Decision to Buy; (7) Pedagogy and Physical Environment has significant effect on Decision to Buy.

This study performed data analysis tools and hypothesis testing by using PLS-SEM, which engaged with WarpPLS 5.0, which considered the sample size, because sample size affect parameter estimate, model fit and statistical power (Shah & Goldstein, 2006). Samples size greater than 30 and less than 500 are adequate for most studies (Ferdinand, 2014). The minimum PLS Model sample size should be equal to or larger of ten times the largest number of inner model paths directed at a particular construct in the inner model (Hair, et al, 2014).. Based on the literature, it took 100 samples of Islamic Bank funding customers.

Findings

Structural models evaluating process using WarpPLS 5.0, by conducting Outer Model Test, Inner Model Test and Hypothesis Test (Solimun, 2017). The results are as follows:

Figure 3. Combined Loadings and Cross Loadings

	X1	X2	X3	X4	X5	X6	X7	Y	Type (a SE	P value
X11	0.843	-0.305	0.157	0.012	-0.228	0.042	0.337	0.112	Reflect 0.080	<0.001
X12	0.814	0.577	-0.157	-0.020	-0.091	0.432	-0.211	-0.333	Reflect 0.080	<0.001
X13	0.878	-0.287	-0.009	0.038	-0.182	-0.160	0.297	0.129	Reflect 0.079	<0.001
X14	0.852	0.047	0.004	-0.031	0.500	-0.289	-0.437	0.074	Reflect 0.079	<0.001
X21	-0.019	0.881	-0.088	-0.027	0.278	0.038	-0.171	-0.086	Reflect 0.079	<0.001
X22	-0.181	0.924	0.003	0.011	-0.057	-0.099	-0.065	0.158	Reflect 0.078	<0.001
X23	0.206	0.889	0.084	0.016	-0.216	0.065	0.237	-0.078	Reflect 0.079	<0.001
X31	0.028	-0.144	0.921	-0.053	-0.202	-0.017	0.122	-0.023	Reflect 0.078	<0.001
X32	-0.042	-0.102	0.932	0.000	-0.110	-0.092	0.154	-0.040	Reflect 0.078	<0.001
X33	0.017	0.297	0.767	0.064	0.376	0.132	-0.333	0.076	Reflect 0.081	<0.001
X41	-0.303	-0.096	0.212	0.799	-0.195	0.266	0.332	-0.274	Reflect 0.080	<0.001
X42	-0.459	0.237	-0.043	0.866	-0.005	-0.021	0.091	0.130	Reflect 0.079	<0.001
X43	-0.082	0.230	-0.168	0.889	0.059	0.002	-0.185	0.138	Reflect 0.079	<0.001
X44	0.387	-0.367	0.100	0.862	-0.060	-0.188	-0.107	0.045	Reflect 0.079	<0.001
X45	0.457	-0.020	-0.084	0.831	0.191	-0.042	-0.105	-0.065	Reflect 0.080	<0.001
X51	-0.096	0.110	0.060	-0.080	0.897	0.046	-0.044	-0.170	Reflect 0.078	<0.001
X52	0.169	-0.160	0.016	-0.005	0.927	0.278	-0.209	-0.124	Reflect 0.078	<0.001
X53	-0.081	0.056	-0.078	0.087	0.877	-0.341	0.266	0.306	Reflect 0.079	<0.001
X61	0.060	-0.217	-0.128	-0.032	-0.093	0.905	0.222	0.013	Reflect 0.078	<0.001
X62	-0.343	0.242	0.241	0.019	0.026	0.881	-0.074	-0.010	Reflect 0.079	<0.001
X63	0.264	-0.018	-0.103	0.013	0.065	0.941	-0.144	-0.003	Reflect 0.077	<0.001
X71	-0.124	0.166	-0.081	0.068	-0.198	-0.558	0.868	0.145	Reflect 0.079	<0.001
X72	0.037	0.013	-0.079	-0.021	0.044	-0.065	0.926	-0.035	Reflect 0.078	<0.001
X73	-0.222	0.116	0.063	-0.036	-0.031	0.291	0.880	-0.008	Reflect 0.079	<0.001
X74	0.298	-0.287	0.097	-0.009	0.176	0.320	0.901	-0.096	Reflect 0.078	<0.001
Y1	0.048	-0.200	-0.049	-0.109	0.036	0.117	0.230	0.879	Reflect 0.079	<0.001
Y2	0.165	0.087	-0.094	0.047	0.228	0.125	-0.595	0.859	Reflect 0.079	<0.001
Y3	-0.178	0.112	0.048	-0.013	-0.254	-0.314	0.275	0.898	Reflect 0.078	<0.001
Y4	-0.029	0.002	0.097	0.080	0.001	0.086	0.075	0.836	Reflect 0.080	<0.001

Source : Data Processed, 2018

Outer Model Test, carried out using 3 tests, namely Convergent Validity, Discriminant Validity and Composite Reliability. Convergent Validity test can be done by looking correlation between reflexive indicator score and latent variable score. There are two criteria whether the outer model meets the convergent validity requirements for reflective constructs, (1) factor loading score must be above 0.7 and (2) significant. (Sholihin & Ratmono, 2013). From Figure 3 above, it can be seen that factor loading score for all indicators is more than 0.7 and significant, so it can be concluded that Convergent Validity Test is match.

The next step is conducting Discriminant Validity Test. Discriminant Validity will be match if factor loading score of each indicator in concerned variable, has the largest value compared to cross loading score

of each indicator on other variables (Solimun, 2017). From figure 3 above, it can be seen that factor loading score of each indicator in concerned variable has the largest value compared to the cross loading score of each indicator on the other variables, so it can be concluded that Discriminant Validity is match.

Figure 4. Correlations among Latent Variables with Square Roots of AVEs

	X1	X2	X3	X4	X5	X6	X7	Y
X1	0.847	0.826	0.586	0.610	0.722	0.736	0.755	0.761
X2	0.826	0.898	0.585	0.635	0.693	0.735	0.734	0.733
X3	0.586	0.585	0.876	0.549	0.526	0.614	0.616	0.594
X4	0.610	0.635	0.549	0.850	0.608	0.689	0.674	0.700
X5	0.722	0.693	0.526	0.608	0.901	0.794	0.862	0.710
X6	0.736	0.735	0.614	0.689	0.794	0.910	0.810	0.817
X7	0.755	0.734	0.616	0.674	0.862	0.810	0.894	0.748
Y	0.761	0.733	0.594	0.700	0.710	0.817	0.748	0.868

Note: Square roots of average variances extracted (AVEs) shown on diagonal.

Source : Data Processed, 2018

Discriminant validity test can also be conducted by comparing Square Roots of Average Variances Extracted (AVE) score of each latent variable, with correlations between other latent variables in the model. If Square Roots of AVEs score for latent variables is greater than correlation score with all other latent variables, it can be concluded that discriminant validity is match. (Solimun, 2017). From Figure 4 above, it can be seen that the Square Roots of AVEs score of all latent variables is greater than correlation score with all other latent variables, so it can be concluded that Discriminant Validity is match.

The third step of outer model test is Composite Reliability Test. Composite reliability will meet the requirements if the Composite Reliability and Cronbach Alpha score are more than 0.70 (Sholihin & Ratmono, 2013). In figure 5 below, it can be seen that the Composite

Reliability and Cronbach's Alpha scores in each variable are more than 0,7, so it can be concluded that the model meets the requirements of Composite Reliability.

Figure 5. Composite Reliability and Cronbach's Alpha Coefficients

Composite reliability coefficients

X1	X2	X3	X4	X5	X6	X7	Y
0.910	0.926	0.908	0.929	0.928	0.935	0.941	0.925

Cronbach's alpha coefficients

X1	X2	X3	X4	X5	X6	X7	Y
0.869	0.880	0.845	0.904	0.883	0.895	0.916	0.891

Source : Data Processed, 2018

After testing outer model, the next step is testing inner model or Goodness of Fit, which is measuring the goodness of relationship between latent variables (Solimun, 2017). Indicators assessed are: (1) Probability Value of Average Path Coefficient (APC) must be significant, (2) Probability Value of Average R-Squared (ARS) must be significant, (3) Probability Value of Average Adjusted R-Squared (AARS) must be significant, (4) The Average Block Value of VIF (AVIF) is less than or equal to 5, (5) The value of Average Full Collinearity VIF (AFVIF) is less than or equal to 5, (6) The value of Tenenhaus GoF (GoF) must be more than or equal to 1, (7) The value of Sympton's Paradox Ratio (SPR) must be more than or equal to 0,7, (8) The value of R-Squared Contribution Ratio (RSCR) must be more than or equal to 0,9, (9) The value of Statistical Suppression Ratio (SSR) must be more than or equal to 0.7, (10) The value of Non-Linear

Bivariate Causality Direction Ratio (NLBCDR) must be more than or equal to 0.7 (Solimun, 2017). In figure 6 below, it can be seen that all indicators value of research model is met, so it can be concluded that inner model test has met the requirements

Figure 6. Model Fit and Quality Indices

Average path coefficient (APC)=0.147, P=0.032
 Average R-squared (ARS)=0.791, P<0.001
 Average adjusted R-squared (AARS)=0.775, P<0.001
 Average block VIF (AVIF)=3.856, acceptable if <= 5, ideally <= 3.3
 Average full collinearity VIF (AFVIF)=3.815, acceptable if <= 5, ideally <= 3.3
 Tenenhaus GoF (GoF)=0.783, small >= 0.1, medium >= 0.25, large >= 0.36
 Sympson's paradox ratio (SPR)=1.000, acceptable if >= 0.7, ideally = 1
 R-squared contribution ratio (RSCR)=1.000, acceptable if >= 0.9, ideally = 1
 Statistical suppression ratio (SSR)=1.000, acceptable if >= 0.7
 Nonlinear bivariate causality direction ratio (NLBCDR)=1.000, acceptable if >= 0.7

Source : Data Processed, 2018

Figure 7. Path Coefficients and P-Values

Path coefficients								
	X1	X2	X3	X4	X5	X6	X7	Y
X1								
X2								
X3								
X4								
X5								
X6								
X7								
Y	0.256	0.062	0.025	0.181	0.029	0.400	0.076	

P values								
	X1	X2	X3	X4	X5	X6	X7	Y
X1								
X2								
X3								
X4								
X5								
X6								
X7								
Y	0.004	0.266	0.402	0.030	0.386	<0.001	0.219	

Source : Data Processed, 2018

Figure 8. R-Squared Coefficients

R-squared coefficients							
X1	X2	X3	X4	X5	X6	X7	Y
							0.791

Source : Data Processed, 2018

Next step is testing hypotheses using t-test, when Probability Value has smaller or equal to 5%, it can be concluded that hypothesis test has met the requirement. Based on the results of hypothesis test in Figure 7, it can be seen that X1 (Pragmatism and Product), X4 (Pertinence and Promotion) and X6 (Persistence and Process) have a significant influence on Y (Decision to Buy). Meanwhile, X2 (Palliation and Price), X3 (Patience and Place), X5 (Peer-Support and People) and X7 (Pedagogy and Physical Evidence) do not have a significant effect on Y (Decision to Buy). In figure 8, it can be seen that the R-Squared value is 0.791, higher value of R-Squared shows better model (Sholihin & Ratmono, 2013).

Discussion

Based on data analysis results, it has known that H1 is accepted, so it can be concluded that Pragmatism and Product affect the customer's decision to save their funds in Islamic Bank, with quality as the most important indicator. Technically, the products and services offered by Islamic Banks resemble the products and services offered by Conventional ones, but Islamic Banks have differences based on contracts (Ikatan Bankir Indonesia, 2016). It shows that funding product of Islamic Banks which is based on islamic law, attracts customers to deposit their funds in Islamic Banks.

The next results of analysis show that H2 is rejected, it can be concluded that Palliation and Price does not affect the customer's decision to save funds in Islamic Banks. The distribution of profit sharing is based on a minimum balance or contract (Ikatan Bankir Indonesia, 2016). It shows that customers don't mind about profit sharing rate and administrative costs. The results of analysis indicate that H3 is rejected, it can be concluded that Patience and Place does not affect the customer's decision to save funds in Islamic Banks. It shows location and accessible of Islamic banks, and services standard, are not an attractive matter for customers, even though services performed are based on worship, heart, welcome, solution, secure, profitable, and consistency (Ikatan Bankir Indonesia, 2016).

The next results of analysis show that H4 is accepted, it can be concluded that Pertinence and Promotion affect the customer's decision to save funds in Islamic Banks. The marketing process of banking products, especially islamic banking, is different from other industries, which includes da'wah to conduct and spread the goodness (Ikatan Bankir Indonesia, 2016). It shows that the promotion of Islamic Banks has been done well, so customers see the proselytizing side as well in every promotion, so they are interested in saving their funds in Islamic Banks. Analysis results show that H5 is rejected, it can be concluded that Peer-Support and People does not affect the customer's decision to save funds in Islamic Bank, even though in Islamic guidance, it is obligatory for a Muslim to make others happy (Ikatan Bankir Indonesia, 2016), but based on analysis results, appearance and service of Islamic Bank employees are not variables that can affect the customer's decision to save funds in a Sharia Bank.

Next analysis results state that H6 is accepted, so it can be concluded that Persistence and Process affects the customer's decision to save their funds in Islamic Banks. It shows that Islamic Bank customers are very

concerned about the agreement / contract process of each product and service. It is appropriate with the Islamic Bank principles, that Islamic Bank contracts are based on the laws of Allah which have a purpose for humans benefit (Ikatan Bankir Indonesia, 2016). Last, analysis results state that H7 is rejected, it can be concluded that Pedagogy and Physical Evidence does not affect the customer's decision to save funds in Islamic Banks. This can be interpreted that the customers don't pay attention to physical evidence and service methods of Islamic Banks, to make a decision to save funds in Islamic Banks, due to lack of disseminating Islamic Banking service concept.

Conclusion

In general, based on analysis results, it can be concluded that there are three variables that influence customers' decision become Islamic Banks customer, which are Pragmatism and Product, Pertinence and Promotion, and Persistence and Process. It shows that the majority of Islamic Bank customers come from the spiritual market, which prioritizes Islamic values contained in product, values of da'wah in promotion, and sharia contracts that underlie each transaction process. Unlike consumers who come from rational markets who prefer personal satisfaction. It is certainly a serious challenge for Islamic banks to compete into rational market, so it will develop Islamic Banks image, not only serving certain circles, but also whole community, but Islamic Banks must have competitive advantages in rational market as well. Therefore, in further research, it is expected to be able to reveal deeply about the constraints of Islamic Banks marketing, not only internal and but also external constraints. In the near future, it will bring up a specific marketing concept for Islamic Banks.

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