

The Factors Influencing Accounting Students' Interest to Become Islamic Banks' Customers

(A Case Study on Accounting Students at State Polytechnic of Malang)

Fajar Islamiyah Rahmawati*, Nur Indah Riwijanti, Nurafni Eltivia

Accounting Department
State Polytechnic of Malang
Malang, Indonesia

*islamiaafajar@gmail.com, nurindah12@gmail.com

Abstract—This research aims to analyze factors that influence accounting students' interest to become Islamic Banks' customers (A case study: Accounting Students of State Polytechnic of Malang). The factors are knowledge, religiosity, product, reputation, and service. This research uses primary data by distributing questionnaires to accounting students in State Polytechnic of Malang, and then the samples of 416 respondents are analyzed based on Multiple Linear Regression. The result shows that knowledge does not significantly and negatively affect the students' interest while religiosity, product, reputation, and service significantly and positively affect the students' interest to become Islamic Banks' customer. Therefore, to improve the accounting students' interest to become Islamic Banks' customer, the banks should improve their Automated Teller Machine (ATM) facilities, maintain and enhance the Islamic principles, and increase their promotion strategy.

Keywords: bank, knowledge, religiosity, product, reputation, service

I. INTRODUCTION

The number of students in Indonesia in 2017 according to the Republic of Indonesia Ministry of Research, Technology and Higher Education is 2,682,506 including new students and registered students, where the majority of students are Muslims. This is an opportunity for Islamic banks to develop Islamic banking in Indonesia and among Indonesian youth.

Islamic banking is a banking system developed based on Islamic or sharia law. The effort to establish this system is based on the prohibition in Islam to collect or borrow with interest or in Islam called usury. This is reinforced by the opinion of Indonesian ulama represented by the fatwa of the Indonesian Ulama Council (MUI) Number 1 of 2004 concerning interest which essentially prohibits bank interest because there are elements of usury.

The history of Islamic banks in Indonesia began with the ratification of Law Number 7 of 1992. In 1998, the government and the House of Representatives made improvements to Law Number 7 of 1992 into Law Number 10 of 1998, which explicitly explained that there are two systems in banking in Indonesia (dual banking system), namely the conventional banking system and the Islamic banking system.

According to the Financial Services Authority (OJK) in 2018 the Islamic capital market mostly contributed to the assets of the Islamic finance industry in Indonesia. The assets of the Islamic financial industry reached Rp1,204.48 trillion as of the end of June 2018. But the growth of Islamic banks market shares in 2018 by 8.47% was small compared to the percentage of the Muslim population in Indonesia which was amounted to 87.2% of the total population. Nevertheless, in the future there will be plenty of rooms for the Islamic industry to develop Islamic banking in Indonesia.

Depending on the conditions above, this research aims to explore and examined what factors influence accounting students' interest at State Polytechnic of Malang to become Islamic banks' customer.

According to Law number 10 of 1998 "bank is a business entity that collects public funds in the form of deposits and distributes them to the public in the form of loans and other forms in order to improve the lives of many people, while Commercial Banks are conventional banks and or based on Islamic business principles which in its activities provide services in payment traffic".

Meanwhile, what is meant by Islamic principles according to Law number 10 of 1998 is "agreement rules based on Islamic law between banks and other parties for depositing funds and or financing business activities, or other activities declared in accordance with Islamic system, including financing based on the principle of profit sharing (*mudharabah*), the financing based on the principle of equity participation (*musharakah*), the principle of buying and selling goods by obtaining profits (*murabahah*), or the financing capital goods based on the principle of pure rent without choice (*ijarah*) or by the transfer of ownership of goods leased from the bank by another party (*ijarah wa iqtina*)".

The Indonesian Accountants Association mentions the characteristics of Islamic banks as follows: (1) based on Islamic principles, (2) implementation of Islamic Economic Principles (3) business activities to obtain compensation for services, (4) do not use interest as a tool to earn income, (5) the main principle is a partnership, justice, transparency and universal, (6) it does not clearly distinguish the monetary sector

from the real sector so that it can carry out real sector transactions.

According to Harahap, Wiroso and Yusuf, because of the different characteristics of Islamic banks and non-Islamic banks accounting, it brings the consequences of reporting that must be issued, so the financial statements of Islamic banks include financial statements that reflect the activities of Islamic banks as investors and their rights and obligations reported, financial statements that reflect changes in bound investments managed by Islamic banks for the benefit of other parties based on mudharabah agreements or investment agents reported in the statements of changes in bound investment funds, and financial reports that reflect the role of Islamic banks as holder of funds for social activities that managed separately [1].

When it compared with the financial statements that must be made in conventional banks, which is regulated in PSAK 31, conventional bank financial statement consists of Statement of Financial Position, Income Statement, Statement of Changes in Equity, Cash Flow Statement, and Financial Statement Notes.

According to Salam, knowledge is what is known or the work of knowing. Knowledge is the result of knowing, aware, convert, understand and smart [2]. According to Reber, in its collective meaning, knowledge is a collection of information possessed by a person or group, or a particular culture [3]. While in general, according to Reber, knowledge is a mental component that result from all any process, whether born from innate or achieved through experience [3]. Based on several definitions above, it can be concluded that knowledge is a collection of information obtained from experience or from birth that makes someone know something.

The process of knowledge is obtained from the process of knowing, aware, converted, understanding and smart. Knowledge influenced by several factors i.e. education, media, information and scientific knowledge. Knowledge of Islamic banking can be obtained from others, such as from friends, family, mass media, social media, and etc. Knowledge can also be in the form of weaknesses or strengths of products, services, facilities that can explain about Islamic banking.

According to Karim, "basically, the products that Islamic banking offers can be divided into three major types as follows": (1) financing products, (2) funding, (3) service provision [4].

Religion is an important cultural factor to study because it is one of the most universal and influential social institutions that have significant influence on people's attitudes, values and behaviors at both the individual and societal levels [5]. Religion is a set of beliefs that are taught since childhood, and people gradually commit to the religion as they have greater understandings towards its teachings.

Islam is a religion that guides Muslims in every aspect of life, not just in specific acts of worship. For instance, in the Quran verse, Al Isra: 26-27, "Allah commands Muslims not to consume extravagantly, but to spend in a way of Allah". Some other guidance that has been provided for Islam is how to trade, how to interact with others and what can be consumed.

The company's reputation is one of the most important elements in the business world. The reputation of the company is indeed complex, but if managed properly it will be very valuable. The symbol of reputation, the name of the company, if managed properly, will present the company to be supported by the community. It will even be very valuable for consumers.

According to Chaffey, service is all activities or basically intangible benefits that can be given to other people but do not cause any ownership [6]. According to Kotler and Keller service is any action or performance that can be offered by one party to another, which is basically intangible and do not result in ownership of something [7]. Based on the opinions above, it can be concluded that service is all activities, actions, performance, and benefits that are basically intangible, which can be given from one party to another, which does not result in ownership of something.

According to Tjiptono, there are four main characteristics of service which distinguish it from products, namely: (1) intangibility, (2) inseparability, (3) variability, (4) perishability [8].

Interest is a mental device consisting of a mixture of feelings, hopes, convictions or other tendencies that lead individuals to a particular choice [9]. Interest is the tendency of someone who keeps paying attention and remembers some activities. Activities that people are interested in and pay attention to are constantly accompanied by feelings of pleasure [10]. While according to Suryabrata, stated that interest is the tendency in individuals to be attracted to an object [11].

There are several stages of interest, namely clear information before choosing, careful consideration before choosing and decision to choose. Thus it can be said that interest is a strong impetus for someone to do everything in realizing the achievement of goals and ideals that become his desire. According to Crow and Crow in Rouf, argues there are three factors that influence the emergence of interest i.e. internal factor, social factor and emotional factor [12].

Abhimantra, Maulina, and Agustyaningsih stated that factors such as knowledge, religiosity, products, reputation, and service in Islamic banks have a positive influence on the decision to choose to save in a Islamic Bank, although not significant [13]. This is evidenced by the adjusted R square value of 45.5%. With the highest proportion of product, followed by religiosity, reputation, service, and knowledge.

Pertiwi and Ritongga stated that viewed from the three factors regarding the influence on the decision to save at Bank Muamalat in Kisaran, the factor of beliefs and according to Islamic is more dominant as a stimulant factor for Kisaran people to save at Bank Muamalat with a frequency of 51% beliefs and according to Islamic 51% of the total available frequency [14].

Megawati concluded that consumer's knowledge about products is higher than the knowledge of purchasing [15]. Whereas consumer purchasing knowledge is lower than product knowledge and useful knowledge. Consumer Knowledge has a positive and significant effect on the decision to become a Customer of PT. Bank Tabungan Negara Syariah (Persero) Makassar Branch.

Febriasti concluded that service and profit sharing had a positive and significant effect on students' decision to save in Bank Syariah Mandiri Yogyakarta [16]. But the credibility of employees does not have a positive and significant effect on the decision of students to save in Bank Syariah Mandiri Yogyakarta.

Fitriyani stated that based on the description of theory, data processing, and discussion, it can be concluded that there are three main factors formed from eighteen factors analyzed in this study [17]. These factors are personal and psychological factors, which become the most dominant factor in influencing the customer's decision to choose an Islamic bank with an eigenvalue of 36.254%. This factor consists of age, occupation, economic situation, lifestyle, personality and self-concept, motivation, perception, learning process, beliefs and attitudes. The second factor is cultural and social factors with eigenvalue of 14.037%. This factor consists of culture, sub-culture, social class, reference group, family, role and status. The third factor is marketing with an eigenvalue of 11.872%. This factor consists of bank products, promotions, marketing carried out by the bank, and clear calculation of profit sharing.

II. METHODS

In this research the object is accounting students in State Polytechnic of Malang located at Jl. Soekarno Hatta 9 Malang, Jawa Timur.

The research is quantitative research. This research discusses whether there is an effect of knowledge (X1), religiosity (X2), product (X3), reputation (X4) and service (X5) towards college students' interest (Y).

The data used in this research was primary data. The method of data collection in this research was conducted by distributing questionnaires. The questionnaire is an efficient data collection technique if the researcher exactly knows the variables to be measured and knows what can be expected from the respondents. In addition, the questionnaire is also suitable for use if the number of respondents is quite big and spread over a wide area.

In this research, data were collected by distributing questionnaires online through Google form. Questionnaire adopted from research by Asnawi [18].

The sampling technique is done by simple random sampling. This study uses simple random sampling because the population is considered homogeneous and each member of the population has the same opportunity to become a sample. The population in this research were 1.690 accounting students in State Polytechnic of Malang, but only partially taken for samples. In this research, the minimum sample that must be taken is 315 samples. This is based on the Isaac and Michael Sample Number Determination Table. In this research, 416 respondents were obtained. The data analysis technique used is descriptive statistics using the Multiple Linear Regression analysis method with the help of SPSS (Statistical PA for Social Sciences) 22.

III. RESULTS AND DISCUSSION

From the distributed questionnaire, 416 respondents were obtained. It shows that the respondents from DIV-Accounting Management dominate that is equal to 284 respondents, while the respondents from DIII-Accounting were 97 respondents and the last the respondent from DIV-Finance were 35 respondents.

Classical assumption testing of the regression model states that the regression model has met the normality test, multicollinearity, and heteroscedasticity and the data analysis technique used in this study is multiple linear regression analysis, which is used to determine the influence of the independent variable and the dependent variable. The use of multiple linear regression because this study uses more than one independent variable, namely Knowledge, Religion, Product, Reputation, and Service to determine its influence on the dependent variable, namely the Accounting Students' Interest. The results of multiple linear regression analysis can be seen in table 1 below:

TABLE I. MULTIPLE REGRESSION ANALYSIS RESULTS

Free variable	B
X1 (Knowledge)	-0.008
X2 (Religiosity)	0.568
X3 (Product)	0.34
X4 (Reputation)	0.256
X5 (Service)	0.427
Constant	= -1.162

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5$$

$$Y = -1.162 - 0.008X_1 + 0.568X_2 + 0.34X_3 + 0.256X_4 + 0.427X_5$$

From the regression equation, it is known that:

- The constant value of -1.162 means that the variables X1, X2, X3, X4 and X5 are equal to 0 (zero), then Y is -1.162. A negative number means that if there are no X1, X2, X3, X4 and X5 then there is no Y (Accounting students' Interest).
- Regression coefficient X1 of -0.008 indicates that X1 had a negative effect (direction) on Y, meaning that the increase in X1 by 1 unit will cause Y to decrease by -0.008 and vice versa.
- Regression coefficient of X2 is 0.568 indicates that X2 had a positive effect (direction) on Y, meaning that the increase in X2 by 1 unit will cause Y to increase by 0.568 and vice versa.
- X3 regression coefficient of 0.34 indicates that X3 had a positive effect (direction) on Y, meaning that the increase in X3 by 1 unit will cause Y to increase by 0.34 and vice versa.
- X4 regression coefficient of 0.256 indicates that X4 had a positive (direct) effect on Y, meaning that the increase in X4 by 1 unit will cause Y to increase by 0.256 and vice versa.

- X5 regression coefficient of 0.427 indicates that X5 had a positive (direct) effect on Y, meaning that the increase in X5 by 1 unit will cause Y to increase by 0.427 and vice versa.

The coefficient of determination essentially measures how far the model ability to explain the variation of the dependent variable. The coefficient of determination is between zero and one. From the results of the above test, the coefficient of determination (*R Square*) is 0.594. This means that 59.4% of the Y variable is influenced by variables X1, X2, X3, X4 and X5, while the remaining 40.5% is influenced by other factors.

The F test is used to prove whether the variables X1, X2, X3, X4 and X5 jointly affect Y. The recapitulation of the results of the F test can be seen in the following table:

TABLE II. RESULT OF F TEST ANALYSIS

Free variable	F	Sig. F	Information
X1, X2, X3, X4, X5	119.931	0.000	Significant

From the table above, it could be seen that the calculated F value is $119.931 > 2.24$ with a significance value of $0.000 < 0.05$ meaning that the F value is more than F table and the significance of F less than 0.05 indicates that the variables X1, X2, X3, X4 and X5 jointly affect Y.

The t test is used to test the regression coefficient partially. The t test results are shown in the table:

TABLE III. RESULT OF T TEST ANALYSIS

Free variable	T	Sig. T	Information
X1	-0.156	0.876	Significant
X2	8.374	0.000	Significant
X3	5.451	0.000	Significant
X4	2.808	0.005	Significant
X5	5.179	0.000	Significant

From the results of the t test analysis in the table above can be seen that:

- The variable X1 showed a significant value of t of $0.876 > 0.05$ and the t value is $-0.156 < 1.97$ meaning that there was no significant effect of variable X1 on variable Y. Thus it could be concluded that H1 was not accepted.
- The variable X2 showed a significance value of t of $0.000 < 0.05$ and the t value is $8.374 > 1.97$ meaning that there was a significant effect of variable X2 on variable Y. Thus it could be concluded that H2 was accepted.
- The variable X3 showed a significant value of t of $0.000 < 0.05$ and the t value is $5.451 > 1.97$ meaning that there was a significant effect of the variable X3 on variable Y. Thus it could be concluded that H3 was accepted.
- The X4 variable showed a significance value of t of $0.005 < 0.05$ and the t value is $2.808 > 1.97$ meaning that there was a significant effect of variable X4 on

variable Y. Thus it could be concluded that H 4 was accepted.

- The variable X5 showed a significance value of t of $0.000 < 0.05$ and the t value is $5.179 > 1.97$ meaning that there was a significant effect of variable X5 on variable Y. Thus it could be concluded that H5 was accepted.

The results of the partial test between the knowledge variables and the variables of accounting students' interest indicate that there was a negative and no significant influence between the two variables. Based on the results of hypothesis test obtained, it showed that from 416 respondents only 74 or 18% respondent were customers of Islamic Banks and only 115 or 28% respondent were interested to become a customer of Islamic Banks. It could be said that accounting students at State Polytechnic of Malang knew about Islamic Banks but it does not influence them to become a customer of Islamic Bank because there was another factor that influence them. According to respondents, several factors that can influence them are trend among young people, suggestion from their parents, encouragement from campus to use Islamic Banks, and Islamic Banks' promotion strategy.

The results of the partial test between the variables of religiosity on the variables of accounting students' interest indicated that there were positive and significant influences between the two variables. From the results of the hypothesis test, it could be concluded that if someone becomes more religious, the customer will be more interested in saving at the Islamic Bank. This is following the theory conceived by Zakhiah Daradjat in Nurjannah that "religiosity is a complex system of believes or attitudes that connect individuals' environment to something religious. Religiosity is a necessary thing that must be owned by a human being as a consequence of living in the world, its position as a complex guide, also including facilitating human beings to carry out economic activities in particular to facilitate saving money" [19].

The results of the partial test between product variables and the variables of accounting students' interest indicated that there was a positive and significant influence between the two variables. Based on the results of hypothesis testing obtained by the direction of the regression coefficient marked positive, this means that increasing product values will improve the decision to become customers. This means that the higher the values of the products are owned by Islamic Banks, the greater the decision of accounting students to become customers will be. According to the respondents, the products that exist in Islamic Banks are following the needs of accounting students, where their products are diverse, attractive and innovative, and products at Islamic Banks provide convenience for customers.

The results of the partial test between the reputation variables and the variables of accounting students' interest indicated that there was a positive and significant influence between the two variables. Based on the results of the hypothesis test obtained, it could be concluded that the better the reputation of the Islamic Bank is, the more networks that are owned by Islamic Banks will be, the accounting students' interest in saving at Islamic Banks will increase.

The results of the partial test between service variables and accounting students' interest variables indicated that there was a positive and significant influence between the two variables. The direction of the regression coefficient is positive; it means that increasing service values will improve the decision to become customers. This means that the higher the service values possessed by Islamic Banks is, the greater the decision to become customers will be.

Simultaneous test results with the value of F get the calculated F value of (119.931) with a significance value of (0.000), meaning the significance of F less than (0.050) indicated that there was a significant influence among knowledge, religiosity, product, reputation and service to accounting students' interest. Thus, H₆ was accepted.

Based on the results of the descriptive analysis that has been done, it could be said that the respondents in this research agree that knowledge, religiosity, products, reputation and services could affect the interest of accounting students to become Islamic Banks' customer. This showed that the five variables used had a significant influence to accounting students' interest, which can be seen from the coefficient of determination (R²) of 0.594 or 59.4% means that 59.4% of accounting students' interest to become Islamic Banks' customer was jointly influenced by the independent variables studied, while the remaining 40.6% was influenced by other variables such as encouragement from families to use Islamic Banks, information from friends who used Islamic Banks first and other factors that contributed to increasing accounting students' interest to become Islamic Bank customer.

IV. CONCLUSION AND SUGGESTION

Based on results analysis factors that impact accounting students' interest to become Islamic banks' customer, known the five factors have influenced. The five factors were knowledge, religiosity, product, reputation and service. Some suggestions that can be given are Islamic Bank should continue to maintain and enhance the Islamic principles, so that they will be able to become a bank as a whole to the principles of religion and can be a representation of Islamic economics. Islamic banks should increase their promotion to the public especially college students for providing information about Islamic banks, such as Islamic bank products and so on. This can be done by increasing the promotion on social media or mass media. The existence of Islamic banks and their Automatic Teller Machine (ATM) is limited and difficult to find, whereas ATM is one of the most things that needed by customers in using the services of Islamic banks, therefore the existence of Islamic banks needs to be increased or expanded, so that their existence is easily to found to facilitate customer in using the services of Islamic banks. It is expected that in the future research, the population used more widely, not only accounting students at State Polytechnic of Malang. Because there will be more samples used and the results of the analysis obtained from the research will be more accurate. For the next

researchers, it is necessary to expand the research in order to obtain more complete information about the variables that influence students' interest to become Islamic banks' customer. Considering that this research only used five variables, namely knowledge, religiosity, products, reputation and service. The addition of new variables or indicators needs to be done in future research in order to produce a broader picture of the research problem being studied.

REFERENCES

- [1] S.S. Harahap, Wirosro and M. Yusuf, *Akuntansi Perbankan Syariah*. Jakarta Barat: LPFE Usakti, 2005.
- [2] A. Salam, *Manajemen Personalialia (Manajemen Sumber Daya Manusia)*. Jakarta: Ghalia, 2008.
- [3] S.A. Reber, and S.E. Reber, *Kamus Psikologi*. Yogyakarta: Pustaka Pelajar, 2010.
- [4] A.A. Karim, *Islamic Banking : Fiqh and Financial Analysis*. Jakarta: PT Rajagrafindo Persada, 2005.
- [5] S. Mokhlis, "Relevancy and measurement of religiosity in consumer behavior research," *International Business Research*, vol. 2, no. 3, pp. 75-84, 2009.
- [6] D. Chaffey, *E-Business and E-Commerce Management (4th Edition ed.)*. England: Pearson Education, 2009.
- [7] Kotler & Keller, *Manajemen Pemasaran*. Jilid I. Edisi ke 13. Jakarta: Erlangga, 2009.
- [8] F. Tjiptono, *Pemasaran Jasa*, Edisi pertama. Yogyakarta; Penerbit Bayumedia Publishing, 2005.
- [9] A. Mappiare, *Psikologi Remaja*. Surabaya: Usaha Nasional, 1997.
- [10] Slameto, *Belajar dan Faktor-faktor yang Mempengaruhi Hasil Belajar*. Salatiga: Bina Aksara, 1987.
- [11] S. Suryabrata, *Pengukuran dalam Psikologi Kepribadian*. Jakarta: CV. Rajawali, 1988.
- [12] A. Rouf, *Analisis Faktor-Faktor Yang Mempengaruhi Minat Masyarakat Membayar Zakat Di Rumah Zakat Cabang Semarang*. Semarang: Walisongo Institutional Repository, 2011.
- [13] A. Abhimantra, A.R. Maulina, and F. Agustianingsih, "Analisis Faktor-Faktor Yang Mempengaruhi Nasabah (Mahasiswa) Dalam Memilih Menabung Pada Bank Syariah," *Proceeding PESAT (Psikologi, Ekonomi, Sastra, Arsitektur & Teknik Sipil)*, vol. 5, 2013.
- [14] D. Pertiwi, and H.D. Ritonga, "Analisis Minat Menabung Masyarakat pada Bank Muamalat di Kota Kisaran," *Ekonomi dan Keuangan*, vol. 1, no. 1, 2012.
- [15] Megawati, "Analisis Pengetahuan Konsumen Mengenai Perbankan Syariah dan Pengaruhnya Terhadap Keputusan Menjadi Nasabah Pada PT. Bank Tabungan Negara Syariah (Persero) Cabang Makassar," *Jurnal Manajemen Ide dan Inspirasi*, vol. 2, no. 2, 2015.
- [16] H.R. Febriasti, *Faktor-Faktor yang Mempengaruhi Keputusan Mahasiswa Menabung di Bank Syariah Mandiri Yogyakarta*. Yogyakarta: UIN Sunan Kalijaga, 2014.
- [17] F.Y. Fitriyani, "Concept of Accounting Information System and Management Control System to Improve Company Performance," *Journal of Accounting and Strategic Finance*, vol. 2, no. 1, 2019.
- [18] Asnawi, *Faktor Faktor yang Mempengaruhi Minat Nasabah Muslim dan Non muslim untuk Menjadi Nasabah Bank Syariah*. Skripsi Yogyakarta: Universitas Muhammadiyah Yogyakarta, 2016.
- [19] S. Nurjannah, *Pengaruh Tingkat Religiusitas Terhadap Perilaku Disiplin Remaja di MAN Sawit Boyolali*. UIN Syarif Hidayatullah Institutional Repository, 2014.