



---

## Switching Behaviour of Non Muslim Costumers to Indonesian Islamic Bank at The Jombang Branch

**Bekti Widyanigsih<sup>1\*</sup>, Mustamim<sup>2</sup>, Laila Fatikhatul Ula<sup>3</sup>**

<sup>1,2,3</sup>Sharia economics, Universitas KH. A. Wahab Hasbullah

\*Email: [bekti@unwaha.ac.id](mailto:bekti@unwaha.ac.id)\*

---

### ABSTRACT

*This study aims to determine the behavior of switching non-Muslim customers of Indonesian Islamic Bank Jombang bracnh office. The method used in this study is descriptive qualitative using primary data. Primary data is data obtained directly from research subjects and directly related to the problems studied, while secondary data collected from books, journals, and documents/reports that have been available. Results of the study obtained are to find out what are the reasons for customers to switch behavior from conventional banks to islamic banks in Jombang branch offices, non-Muslim customers who switch in terms of profit-sharing and deposits. This research shows that Non-Muslim customers from BCA Bank switch to BSI Bank with the nominal amount above 100th million within 1st year with an agreement (revenue sharing). To find out the factors that cause the switching behavior of non-Muslim customers in Islamic banks jombang (BSI), factors that cause customers to switch in terms of Rade (Interest Rate), sales promotion and price of financing, and know the agreement and its influence on non-Muslim customers in deciding switching behavior, non-Muslim customers do not care about the contract because all they know is credit with interest then Rate.*

**Keywords:** *Islamic Bank, Non-Muslim customers, Switching behavior.*

---

### INTRODUCTION

Islamic banking competition in Indonesia is currently increasing very rapidly. Each year increases, in 2020 it stood at 21.48%, which is an increase from only 13.84% in 2019, this has a positive impact on Indonesia's economic progress. The change of human civilization towards a more advanced direction will also make a change in mindset, So that individual consumer behavior and social environment will also change. This change also includes the pattern of consumer life in determining the investment of khazanah through the alternative place in its fulfillment. Indonesia Islamic Bank (BSI) is Islamic banking institutions. The bank was established on February 01, 2021, at 13.00 WIB. On February 1, 2021, the bank was the result of a merger of state-owned subsidiaries in the banking sector including Bank Rakyat Indonesia Syariah (BRIS), Bank Syariah Mandiri and BNI Syariah turned into one Bank Syariah Indonesia (BSI). Bank Syariah Indonesia is also supported by more than 1200 branches, 1700 ATM networks, and 20,000 employees throughout Indonesia to provide financial services in sharia-based and spiritual services to customers (Gupta & Lumanauw, 2021); (Rohmah & Ashlihah, 2021).

Bank Syariah Indonesia obtained permission from OJK with Number: SR-3/PB.1/2021 dated January 27, 2021, regarding the granting of a merger license of PT Bank Syariah Mandiri and PT Bank BNI Syariah into PT Bank BRI Syariah Tbk as well as a name change permit using the business license of PT Bank BRI Syariah Tbk into a business license on behalf of PT Bank Syariah Indonesia Tbk as the Resulting Bank merger. In the current banking, competition is very tight, but for a bank to be accepted by customers, then the bank should be able to make the customer trust within the bank. Customer behavior towards banks is often fickle, In line with the character owned by the customer. One form of customer behavior towards banks is switching behavior. Comprehensively (thorough) understanding Switching behavior is the process by which a consumer abandons its relationship with a product service provider and replaces it with a competitor in part or whole for a while. The main purpose of non-Muslim

customers in switching behavior is due to the existence of profit-sharing products, which is felt more profitable than the interest system applied to the conventional bank.

In switch behavior, overall non-Muslim customers decide to switch based on profit sharing or greater profitability (Santoso, 2019). In switching behavior, some causes make customers change places, namely price. Price is something sacrificed to get a product or service. In this banking industry, the price covers a variety of costs that will be obtained by the customer or that will have to be incurred by the customer. The cost will be obtained by customers in the form of savings, current accounts, deposits, and other investments (Jaya, 2016); (Ilma et al, 2019).

Switching behavior performed by customers is also influenced by social factors Rate, Sales Promotion and Price of Financing, This is a consideration for the bank's customers to conduct switching behavior to the Islamic Bank. As for the influence that causes non-Muslim customers switch to Islamic banks, namely external and internal factors, these factors are achieved by individuals to a surrounding environment or from promotions and advertisements. In improving the service so that customers increase is very important in maintaining factors that can affect the intention of switching customers, so that for the customers can choose the best bank to get the service they expect. (Syah et al., 2018); (Sa'adah & Maksum, 2018).

Switching behavior is inseparable from consumer behavior. Customer behavior itself has the influence to search, choose, use, evaluate, and buy a variety of various. Islamic banking has many advantages presented in the revenue sharing system to customers while in conventional banks we know the interest system. Some of the advantages possessed by Islamic banks that make Islamic banks are much in demand by Customers including Islamic banks are more independent to determine policies on the profit-sharing system they have, mechanism owned by Islamic banks based on the principles of efficiency, fairness, and together. Islamic banks tend to be easier to respond to government policies, Islamic banks are spared from money laundering practices, Islamic banks are also not easily affected by monetary turmoil or price determination. Based on the revenue share whose determination is based on an agreement between the bank and the customer and will determine the small portion of profit sharing that will be received by the customer.

## **METHOD**

The type of research used in this study is field research, considered a broad approach in qualitative research. Qualitative research is research that aims to understand the phenomenon of what is experienced by the subject of the study using descriptions in the form of words or spoken by people and actors that can be observed or by utilizing various scientific methods. The approach used in this study is the qualitative approach, which is a research procedure that produces descriptive data in the form of words or words from people and actors that can be observed. This type of research approach is descriptive. Descriptive research is research that seeks to convey the current problem solving based on the data. The type of qualitative descriptive research used in this study provides an intention to obtain information on the switching behavior of non-Muslim customers in Indonesia Islamic Jombang branch office. This research was conducted in Indonesia Islamic Bank (BSI) Jombang branch office.

Qualitative research data sources are words and actions, the rest are additional data such as documents and others. This data source is divided into primary data sources and secondary data sources. The primary data source is data obtained from the first source, such as the results of interviews that researchers usually do. Data analysis in this study was conducted gradually, starting from the study of all data collected here interview results and supporting data. Then make data reduction with selective processing and preparation by research objectives. The data is then interpreted by presenting descriptions that can later answer the problem of switching behavior non-Muslim consumer in Indonesia Islamic Bank (BSI) Jombang branch office.

## **RESULT AND DISCUSSION**

### **Result**

Switching behavior non-Muslim consumer in Indonesia Islamic Bank Jombang Branch Office.

Non Muslim Customer Switching Behavior is very closely related to consumer behavior in general. So it can be known that consumer behavior is an effort or action carried out by individuals or groups that are closely related to the process of choosing, making decisions, using economic goods or services. In the customer switching place from a conventional bank to a sharia bank for various reasons, namely the

customer moves because in terms of profit sharing more and considering the profit and losses that will be obtained, in terms of ratio (profit sharing) of pesat deposits reached 8%.

Factors causing the switching behavior of Non-Muslim Customers Switching places from Conventional Banks to Islamic Banks.

The cause of the customer switching places in sharia bank products occurs due to several factors or considerations that may be due to the customer's dissatisfaction with the previous product so that the customer switches places. Thus the reason customers move services from conventional banks to sharia banks in jombang branch offices is influenced by several factors including:

- Rate.
- Sales promotion.
- Price Of Financing.

According to research conducted by Wuri (Farida et al., 2020) there are 2 factors that can influence the transfer of brands between internal factors and external factors of consumers :

- Internal Factors.
- External Factors.

In Sharia banks in Indonesia there are 2 contracts, namely:

Mudharabah agreement is a cooperation agreement in which one party invests its funds. The profit from the management of funds by the bank will be divided according to a mutual agreement, with an initial deposit of Rp.100,000 and an administration fee of Rp.10,000/month.

In sharia banks there is a mudharabah mutlaqah agreement which is an agreement in which the customer invests his funds through the bank and then the bank will share the proceeds on the customer's funds that have been invested by the bank. The bank will provide a revenue share to customers at the end of each month or in accordance with the prevailing guidance in the Indonesian sharia bank.

Akad wadi'ah is an agreement that uses the principle of deposit where the customer gets a bonus in accordance with bank policy and is not promised at the beginning with a minimum deposit of Rp.100,000 and no administrative fees. In principle, the customer who deposited the goods or money does not need to spend money but the party who deposited the goods can benefit in the form of bonuses or gifts. Based on the results of research that has been conducted in bank syariah Indonesia branch office jombang, there are actually several agreements but does not make the dominant non-Muslim customers switch services or move places.

## **Discussion**

From the understanding of non Muslim costumers, the behaviour of non Muslim costumers in choosing a bank is not much diffetent from the behaviour of consumers in general. In choosing a bank, non Muslim costumers who are costumers of Islamic banks in general do not really understand the products in Islamic banks, they only know the profit sharing system used in Islamic banks which they consider more profitable to increase their economic activities.

Based on the results of the research that has been done, we can conclude that non-Muslim customers move from conventional banks to Islamic banks, namely in terms of profit sharing. The research that I do is based on case studies at BCA and BSI KC banks. Jombang is a fast deposit pesat in the research results of non-Muslim customers from Bank BCA moved to Bank BSI with a nominal placement of above 100 million within 1 year with a nisbah (profit sharing) of 8% at Bank BSI, while at Bank BCA it was only 6% for fast deposit. Because of that, the customer has no more doubts about switching behavior from Bank BCA to Bank BSI, after knowing the nisbah (profit sharing) at Islamic banks is higher.

The results of the study revealed that several factors cause Non-Muslim Customers to switch banks from Conventional Banks to Islamic Banks. These factors are:

In Islamic banks, there are interest rates that make one of the factors that can affect customers switching behavior, interest rates in fast deposits in sharia banks make one of the benchmarks where customers compare interest rates located in conventional banks and Islamic banks where the interest rate reaches a greater difference.

Sales promotion is one of the ways that banks do in encouraging prospective customers to be able to use services from the bank. Sales promotion is part of a promotion designed to introduce new products from the bank if the sales promotion is successful then the number of customers from the bank will increase, Sales promotion in question is the gift-giving to the old customers and prospective new customers by giving gifts or massive promotions, then the banking customers will be increasing. This

promotion is the most important step to attract consumers or customers to be interested in the products offered.

Sales Promotion is used as one of the non-Muslim customers as a comparison in using banking services, thus making non-Muslims glances, such as saving within a year to get a gift in the form of a refrigerator, tv, or others. Surely they will be interested and willing, which eventually they will use the banking services offered by Islamic banks.

Pricing is one of the reasons that cause consumers to switch services consisting of costs, understanding, price comparison, fines, and agreements in promotional prices. This can be seen from customers who decide to switch behavior from BCA Bank to Islamic Bank they realize that the price given by Islamic banks is lighter than BCA Bank.. The price referred to here is the administrative costs they spend and the benefits they get. From this can be concluded that the factors that cause non-Muslim customers to move, namely from interest rate factors (Rate) and Sales promotion are what effects non-Muslim customers to move from conventional banks to Islamic banks.

For non-Muslim customers, they do not care about the contract because all they understand is a low-interest credit or then a Rate, So they never cared about anything that could tie them up, while the Muslims are mostly also not concerned as long as it is following the Islamic principles they use, as is the case when using murabahah contract financing. Although we explain to non-Muslims about bank loan loans, they do not care and do not understand that they understand only installments, even Muslim customers, do not understand even though the beginning has been explained, and they only follow it as long as it is profitable for them.

## **CONCLUTIONS**

Based on the results of research that has been done, it can be concluded as follows:

- One of the causes that makes non-Muslim customers switching behavior from BCA bank to Indonesian Islamic bank (BSI) Wahid Hasyim branch office. Jombang is savings account in rapid deposits whose interest rate is higher than that of BCA banks.
- Factors that cause the switching behavior of non-Muslim customers to move from Bank BCA to Indonesia Islamic Bank (BSI) branch office. Jombang are from Rate (interest rate) and sales promotion.
- The rate at Indonesia Islamic Bank (BSI) is greater than that of BCA banks in terms of Rapid Deposits, while sales promotion is one of the ways that banks encourage prospective customers to use the services of these banks.

## **SUGGESTION**

Indonesia Islamic Bank Jombang branch office has been said to be very influential for non-Muslim customers. The advice that can be conveyed is about the transfer of non-Muslim customers from conventional banks to Islamic banks for Indonesia Islamic Bank Jombang branch office more promotion and provide information to the wider community. So that with this Islamic bank will get many customers not only from Muslims but also from non-Muslims.

## **REFERENCES**

- Farida, F., Nurwanita, N., & Ferdiawan, F. (2020). Pengaruh Berbagai Faktor Terhadap Brand Switching Handphone pada Mahasiswa Fakultas dan Ekonomi Islam IAIN Palu. *Jurnal Ilmu Ekonomi Dan Bisnis Islam*, 1(2), 89–109. <https://doi.org/10.24239/jiebi.v1i2.13.89-109>
- Gupta, I. G. B. W., & Lumanauw, N. (2021). Protokol Tatanan Kehidupan Era Baru di Destinasi Pariwisata Pulau Nusa Penida. *Jurnal Manajemen dan Bisnis Equilibrium*, 7(1), 72-88.
- Ilma, A. S., Rahmawati, I., & Sa'adah, L. (2019). Analisis Rasio Keuangan Lembaga Perbankan (Studi Pada Bank Mandiri dan Bank Syariah Mandiri). *BISEI: Jurnal Bisnis Dan Ekonomi Islam*, 4(02), 50-59.
- Jaya, L. (2016). Faktor-Faktor yang Mempengaruhi Customer Switching Behavior dalam Industri Retail Banking pada Bank BCA. *Jurnal Bisnis Dan Manajemen*, 52(11), 115–141.
- Rohmah, N. S. I., & Ashlihah, A. (2021). Pengaruh Digital Marketing Training Terhadap Kemandirian dan Entrepreneurship Knowledge Curiosity di kalangan Mahasiswa Unwaha. *JoEMS (Journal of Education and Management Studies)*, 4(2), 41-48.
- Sa'adah, L., & Maksun, M. J. F. S. (2018). Analisis Korelasi Kunjungan Berobat dengan Kepuasa Pasien RS. Moedjito Dalam Metode Balanced Scorecard. *Bisman (Bisnis dan Manajemen): The Journal of*

*Business and Management*, 1(2), 50-71.

Santoso, H. (2019). Perilaku Berpindah (Switching Behaviour) Nasabah Non Muslim Di Bank Syariah Mandiri Kota Metro Lampung. *An-Nisbah: Jurnal Ekonomi Syariah*, 5(2), 22–41. <https://doi.org/10.21274/an.2019.5.2.22-41>

Syah, S. R. S. R., Ibrahim, I., & Sufardi, S. (2018). Switching Behavior Nasabah Bank: Tinjauan Empiris Teori Keperilakuan Di Kota Makassar. *Jurnal Ad'ministrare*, 5(2), 113-122.