DOI <https://doi.org/10.18551/rjoas.2016-12.09>

SHARIAH MARKETING CHARACTERISTICS AND TRUST: STUDY ON CUSTOMER BMT IN MALANG, INDONESIA

Syofiatul Safitri*, Suharyono, Zainul Arifin

Faculty of Administrative Science, University of Brawijaya, Indonesia

*E-mail: syofia.safitri@gmail.com

ABSTRACT

Muslims in Indonesia is the largest Muslim who are the target market in the Islamic finance industry. In the context of Islamic financial product marketing, Muslim consumers being potential consumers. Muslim consumers have a unique character because they believe religious rules. This research aims to examine the effect of Shariah Marketing Characteristics on customer satisfaction and trust. This research used a quantitative approach with 375 respondents as sample BMT in Malang. The data were analyzed using Generalized Structured Component Analysis (GSCA). The findings of this study is that the Theistic, Ethic, Realistic and Humanistic (Shariah Marketing Characteristics) significantly affects the satisfaction and trust. There is a hypothesis that is not significant, which between Humanistic on customer trust.

KEY WORDS

Shariah marketing characteristics, trust, satisfaction, Islamic microfinance.

Indonesia as the world's largest Muslim country is a huge market for the development of the Islamic finance industry. The existence of the financial services industry, especially the banking sector occupies a very strategic position in bridging the working capital needs and investments in the real sector with the owner of the funds. Competitive rivalry between financial institutions led to new financial services in the form of Islamic financial services and grew more passionate. Facing some of the phenomena of inflation, the economic crisis and the financial crisis that can be transformed into a global crisis and other problems caused by the use of interest (interest) is concrete evidence of the failure of the capitalist system in creating a prosperous economy, fair and based stability. This gives an opportunity for the Islamic financial services industry to take a strategic position as an alternative option for Muslim consumers. The principle applied by the Islamic financial institutions in the form of the prohibition on interest (riba), the prohibition in the case that contains the uncertainty (gharar), speculation or gambling (maysir), the transaction is lawful and leave the haram and payment of zakat (Riva et al, 2010), attract Muslim consumers to use services on the islamic financial institutions.

The existence of Islamic financial institutions that grow continuously, but can not touch the small communities or small businesses that are not bankable, because to borrow in the Islamic bank, the customer is plagued by administrative requirements, the mortgage, taxes and etc. This condition is an opportunity for Islamic Microfinance Institutions (IMI) or Baitul Maal wat Tamwil (BMT) in Indonesia, especially Malang. BMT is a microfinance institution based on the principles of Islam and based on the teachings of Islam. Baitul Maal wat Tamwil (BMT) etymologically composed of two meanings. Baitul Maal means «house money» and Baitul Tamwil means «home finances». Money house refers to collecting funds from alms (infaq, zakat and shodaqah), while financing is done based on the principle of profit sharing, which is different from conventional financial institutions are based on the system of interest. Most of the BMT should be followed by a financial institution different from the Shariah, so BMT should have a strategy to increase customer loyalty. Conditions of fierce market competition makes Islamic micro institutions should apply the concept of marketing, more accurately should be consumer oriented (Metawa & Almosawi, 2009).

Muslim Consumers have a unique character because they believe to religious rules. Religion was adopted into a belief that explains how to life and practice in daily life are syumul (perfect). With these implementations, providing an opportunity for marketers to attract Muslim consumer market. So marketers need different marketing strategies in accordance with the principles of Islam. Which one of the strategies can be used by marketers who have a character (Antonio in Kartajaya and Sula, 2006).

BMT Sidogiri is one of the Islamic financial services cooperative that acts to help the micro and small entrepreneurs in the city of Malang. The mission of BMT Sidogiri the form of (1) to apply and popularize Islamic law in economic activity, (2) establishes the Islamic system in the field of economics that is fair, easy, and interests, (3) improving the welfare of the people and members, (4) economic activity with culture STAFF (Shiddiq, tabligh, amanah and fathonah). The mission is in line with the marketing concept of shariah according Kartajaya & Sula (2006). Based on empirical research that has been done, it was found that the existence of significant influence between the characteristics of shariah marketing to customer satisfaction (Agustina, 2011; Habibi, 2014; Setyono, 2015) as well as significant influence between the characteristics of shariah marketing to customers trust in the company (Butt and Aftab, 2012; Alvin, 2013). It is exciting researchers to examine the influence of shariah marketing characteristics towards customer satisfaction and trust.

LITERATURE REVIEW

Shariah Marketing Characteristics. Its characteristics are specific characteristics attached to a marketer. According Kartajaya and Sula (2006), there are four characteristics that can be used as a guide for marketers marketers, as follows:

Theistic (Rabbaniyah). Rabbaniyah is characteristic not shared by conventional marketing. Rabbaniyah principle emphasizes marketers to religious. Because a marketer believe that God is always with him and always keep an eye on all forms of business activities, and everything done by a marketer will be held accountable for the implementation of the law which was held on the Day of Judgment later. Therefore, a marketer must behave as best as possible, do not behave cunning, cheat, steal and more.

Ethic (Akhlaqiyyah). In shariah marketing, marketers conduct marketing activities with emphasis on Morals (moral and ethical). According to Antonio (in Kartajaya and Sula, 2006) says that man is the vicegerent on earth.

Realistic (Al-Waqi'iyah). Marketing shariah is not exclusive marketing, bigoted against certain groups, anti renewal or modern, and inflexible to changes in the environment. The marketing concept of shariah to be flexible, as well as the breadth and flexibility of the underlying syariah Islamiyah. Shariah marketer is a professional marketer with looks clean, neat, and unpretentious.

Humanistic (Al Insaniyyah). Shariah humanistic understanding is created for man to be elevated in rank, human nature is maintained.

Customer Satisfaction. One of the main objectives of companies, especially service companies, in this case is the Baitul Maal wat tamwil (BMT) as Islamic Microfinance Institutions is to create customer satisfaction. Customer satisfaction has an important role in a company for customer satisfaction have an influence on economic performance.

Customer satisfaction is a measure of how products and services provided by the company meet or exceed customer expectations (Fornell, 1992). Oliver (1997) in Zeithaml et al., (2013) stated that the failure to meet customer needs and expectations are assumed to be dissatisfaction with a product or service.

Customer Trust. The concept of «trust» is important in the field of marketing over the last few decades and is seen as a key mediator of customer-oriented marketing. Many people are still lacking in trust towards the Islamic financial institutions, making trust is very fundamental to be created by the Islamic financial institutions such as BMT. This happens because many people still equate BMT with IMI (islamic microfinance institutions) conventional, this fact needs to be clarified and given the intense socialization to the community about the nature of the concept of BMT is the foundation of the business. A

business transaction between two or more parties would occur if each mutual trust. This belief not just be recognized by other parties / business partners, but must be built from scratch and can be proved. According Kantsperger and Kunz (2010), the development of conceptual models of Ganesan (1994) on consumer confidence in the company's services can be divided into two dimensions, namely:

1. Credibility, which is based on the extent to which exchange partners trust to others who have the skills required to do the job effectively and reliably.
2. Benevolence, which is based on the extent of the exchange partners have the intention and motive have been entrusted to the other party when commitments have been made.

RESEARCH METHODOLOGY

The study used a quantitative research methods since the purpose is to explain the correlation among variables, Theistic, Ethic, Realistic and Humanistic (Shariah Marketing Characteristics) on customer satisfaction and customer trust. With this kind of explanatory research is to analyze the effect of variable to another variable through hypothesis testing. The hypothesis testing is done is to test the influence of Shariah Marketing Characteristic form of Theistic, Ethic, Realistic and Humanistic to the satisfaction and trust. Theistic, Ethic, Realistic and Humanistic Marketing Characteristics on Shariah concepts used by Kartajaya and Sula (2006). On the other hand, customer satisfaction was measured using a model by Parker and Mathews (2001). And customer trust was measured using a model by Kantsperger and Kunz (2010).

To examine the relationship between these variables, inferential analysis was used in the form of GSCA (Generalized Structured Component Analysis). The research framework is presented in Fig 1.

Figure 1 – Research Framework (Source: Adopted by Author, 2016)

The location of this research at BMT Sidogiri Malang with a sample of 375 customer savings. This study used a questionnaire distributed to customers savings on BMT Sidogiri Malang.

RESULTS AND DISCUSSION

Based on the output of GSCA analysis program that is obtained from GSCA software, the resultsof FIT and AfIT values are shown in the following table:

Table 1 – Identification of Goodness of Fit

FIT Model	
FIT	0.575
AFIT	0.572

Measure of fit Structural Model. The result of analysis provides Fit value of 0.575. This means the overall contribution of Theistic, Ethic, Realistic and Humanistic (Shariah Marketing Characteristics) on customer satisfaction and customer trust to 57,5%, while the remaining 42,5% is the contribution of other variables that are not included in the model.

AFIT (Adjusted FIT) is similar to the R squared adjusted in regression analysis. AFIT can be used to compare the models. AFIT model with the greatest value can be selected among the better model. The model of research is 57,2%. It's means that AFIT value is good models. The following recapitulation hypothesis testing in this study:

Table 2 – Result Hypothesis

Hypothesis	Estimate	SE	CR	Desicion
Theistic->Satisfaction	0.111	0.019	5.89 [*]	Supported
Theistic->Trust	0.344	0.028	12.32 [*]	Supported
Ethic->Satisfaction	0.249	0.028	8.82 [*]	Supported
Ethic->Trust	0.265	0.028	9.39 [*]	Supported
Realistic->Satisfaction	0.667	0.055	12.1 [*]	Supported
Realistic->Trust	0.979	0.057	17.29 [*]	Supported
Humanistic->Satisfaction	0.022	0.040	0.54	Not Supported
Humanistic->Trust	0.536	0.072	7.43 [*]	Supported
Satisfaction->Trust	0.603	0.043	14.06 [*]	Supported

Result hypothesis showed that of Theistic, Ethic, Realistic and Humanistic (Shariah Marketing Characteristics) has supported to customer satisfaction and trust, but hypothesis 7: influence of Humanistic on customer satisfaction was not supported.

The findings of the present study support previous research conducted Habibi (2014) and Setyono (2015). The reason that became the basis of the findings of this study is that the customer is not fully satisfied with the service on the BMT is un professional employees in serving customers. Have not trained employees on Islamic microfinance institutions due to lack of implementation of training and lack of human resources competency in the field. Unlike the case with the quality of human resources that are owned by financial institutions in the form of conventional and Islamic banks are already professionals in serving customers for always getting training from their institution.

REFERENCES

1. Alom, Md. Mahabub and Md. Shariful Haque.(2011). «Marketing: An Islamic Perspective». World Jorunal of Social Sciences, 1 (3)
2. Alvin, Rita.(2013). «Effect of Service Quality and Product Quality to Corporate Image, Customer's Satisfaction and Customer Trust». IOSR Journal of Business and Management, 9 (6)
3. Armstrong, Gary and Philip Kotler.(2006). Principles of Marketing. Prentice Hall. Inc. New York
4. Asiyah, Siti.(2014). «Relationship Between Shariah Principles Adherence, Corporate Sosial Responsibility, Trust and Customer Loyalty: Theoretical study at Indonesia BMT». International Journal of Business and Management Invention, 3 (10)
5. BMT UGT. 2013. Rapat Anggota Tahunan Tahun Buku 2013. BMT UGT Sidogiri.Pasuruan
6. Butt, Muhammad Mohsin dan Muhammad Aftab.(2012). «Incorporating attitude towards Halal banking in an integrated service quality, satisfaction, trust and loyalty model in online Islamic banking context». International Journal of Bank Marketing, 31 (1)
7. Chuang, Mei Ling, Wei-Mao Chen and James J.H Liou.(2009). «A fuzzy MCDM Approach for evaluating Corporate Image and Reputation in the Airline Market». International Journal of Applied Management Science, 1 (1)

8. Engel, James. F, Roger D. Blackwell and Paul W. Miniard.(1995). Customer behaviour. Eight Edition, Orlando The Dryden Press.
9. Fornell, Claes.(1992). «A National Customer Satisfaction Barometer: The Swedish Experience». Journal of Marketing, Vol. 55
10. Ganesan, Shankar. 1994. «Determinants of Long-Term Orientation in Buyer Seller Relationship». Journal of Marketing, 58 (2)
11. Habibi, Ahmad.(2014). Pengaruh Karakteristik Syariah Marketing Terhadap Kepuasan Nasabah pada BPD Syariah Cabang Yogyakarta. Skripsi Program Studi Keuangan Islam. UIN Sunan Kalijaga.Yogyakarta.
12. Hascaryani, Tyas D., Asfi Manzilati, Nurman S. Fadjar.(2011). «Metafora Risk and Return Sebagai Dasar Pengembangan Baitul Maal Waat Tamwil (BMT) Yang Mandiri». Journal of Indonesian Applied Economics, 5 (1)
13. Hoq, Mohammad Ziaul, Nigar Sultana and Muslim Amin.(2010). «The Effect of Trust, Customer Satisfaction and Image on Customers Loyalty in Islamic banking Sector». South Asian Journal of Management. 17 (1)
14. Hu, Kai Chieh and Mei Chieh Huang. (2011). «Effects of Service Quality, Innovation and Corporate Image on Customer's Satisfaction and Loyalty of air Cargo Terminal». International Journal of Operations Research, 8 (4)
15. Kantsperger, Roland and Werner H. Kunz.(2010). «Consumer Trust In Service Companies: A Multiple Mediating Analysis». Managing Service Quality, 20 (1)
16. Kartajaya, H. And Muhammad Syakir Sula.(2006). Syariah Marketing. PT. Mizan Pustaka. Bandung.
17. Kotler, Philip.(2000). Marketing Management. The Millenium ed, Upper Saddle River. Prentice Hall. Inc. New Jersey
18. Mayer, Roger C., James H. Davis and F. David Schoorman.(1995). An Integrative Model of Organizational Trust. Academy of Management Review
19. Parker, Cathy and Brian P. Mathews.(2001). «Customer Satisfaction: Contrasting Academic and Consumers, «Interpretations». Marketing Intelligence & Planning, 19 (1)
20. Rivai, Veithzal, Rinaldi Firmansyah, Andria Veithzal and Rizqullah.(2010). Islamic Financial Management. Bogor. Ghalia Indonesia
21. Setyono, Langgeng.(2015). «The Effect of Islamic Marketing and Corporate Image on Customer Satisfaction and Customer Loyalty (Study on Customers of PT Bank Muamalat Indonesia Malang Branch Office)». Jurnal Aplikasi Bisnis, 27 (1)
22. Sjahdeini.(1999). «Islamic banking: true modes of financing». New Horizon, Vol.109, pp. 15-20.
23. Solimun.(2012). Permodelan Persamaan Struktural Pendekatan GSCA. Lab. Statistika FMIPA UNIBRAW. Malang
24. Wang, Ye Diana and Henry H. Emurian. 2004. An Overview of Online Trust: Concept, Element, and Implications. Computers in Human Behavior, <http://dx.doi.org/10.1016/j.chb.2003.11.008>