

## THE CUSTOMERS BEHAVIORAL INTENTION TO SELECT ISLAMIC BANKING IN INDONESIA

**Andi Reni**

Department of Economics of Hasanuddin University  
Makassar, Indonesia, 90222  
andirenireni@yahoo.co.id

**Abstract** : Indonesia is the largest number of Muslims populate, the market share of Islamic banking in Indonesia is only 3.2 percent of its total banking system. Hence, the quest to attract a large number of customers is a major challenge to Indonesian banks. However, few studies use Theory of Reasoned Action (TRA) to identify factors which significantly influence customers' intention to use and select Islamic banking for their banking transactions. This paper investigates the constructs of TRA, add variable religiosity on Islamic banking selection. The study employed questionnaires to 275 respondents of bank customers in Palembang, Jakarta, and Makassar are represented big regions of Indonesia. Using Partial Least Square Structural Equation Modelling, attitude, subject norm, and religion are statistically significant effect on intention to select Islamic bank in Indonesia. The model explains 43 % of the total variance in Islamic banking intention. The results imply that Indonesian Islamic banks should strategize ways to develop positive attitude and reference amongst their customers through greater dissemination of knowledge about Islamic banking while emphasizing on the religious compliance.

**Keywords:** Islamic Banking, Religiosity, Intention, TRA.

### Introduction

Indonesia is the most populated Moslem country in the world with a total population of 207.18 million Moslem (Indonesian Central Bureau of Statistics, 2010). Although, it has the world's largest population of Moslems, Islamic banking came

fairly late to Indonesia. The work of the Islamic Bureau of Bank Indonesia showed that Indonesia, especially in certain parts of the country, has considerable unmet demand for Islamic banking (Blue Print of Islamic Banking of Bank Indonesia, 2010). In Indonesia, the banking industry becomes highly competitive since the government deregulated the banking sector in 1998. A deregulation program known as PAKTO eliminated various rules and regulations in which on one side has restricted establishment of new private banks while on the other side, the government permitted foreign banks to operate in Indonesia in the form of joint venture with local banks. Islamic banks also face stiff competition from conventional and foreign banks. However, judging from the vast untapped Islamic banking market, Indonesian Islamic banks are eager to expand their market share as a strategy to have the competitive edge over its competitors.

Considerable efforts to expand Islamic banking in Indonesia have shown good results as shown in Table 1.3. Islamic banking deposits on average have grown by 31.6%, while financing recorded an average growth rate 37.5%.

**Table.1.1. Statistics of Islamic bank Vs Commercial bank: 2009 – 2013 (in Billion IDR)**

Year/Div of Unit	2010	2011	% Gr	2012	% Gr	2013	% Gr	% Av Gr
Asset IB Asset	97,519	145,467	49.1	195,018	34.1	223,503	14.6	32.6
CB	3,008,853	3,652,832	21.4	3,542,518	-3.0	3,197,384	-9.7	2.9
<b>Total Asset</b>	<b>3,106,372</b>	<b>3,798,299</b>	<b>22.3</b>	<b>3,737,536</b>	<b>-1.6</b>	<b>3,420,887</b>	<b>-8.5</b>	<b>4.1</b>
%IB of Asset	3.14	3.83	21.97	5.23	3.7	6.5	24.3	18.3
Deposit IB	76,036	115,415	51.8	147,512	27.8	170,222	15.4	31.6
Deposit CB	2,563,562	3,093,848	20.9	3,542,518	14.5	3,197,384	9.7	15.1
<b>Total Deposit</b>	<b>2,639,598</b>	<b>3,209,263</b>	<b>21.6</b>	<b>3,690,030</b>	<b>14.98</b>	<b>3,367,606</b>	<b>-8.4</b>	<b>9.4</b>
%IB of Deposit	2.88	3.6	25	3.99	10.8	5.05	26.6	28.15

Financing IB	68,81	102,655	50.6	147,505	43.7	174,537	18.3	37.5
Financing CB	2,765,912	3,412,463	23.38	4,172,672	22.28	4,627,191	10.9	9.4
<b>Total Financing</b>	<b>2,834,093</b>	<b>3,515,118</b>	<b>24.1</b>	<b>4,320,177</b>	<b>22.9</b>	<b>4,801,728</b>	<b>11.2</b>	<b>19.96</b>
%IBof Financing	241	292	21.2	3,414	16.9	3,635	6.5	16.13

Source: Statistik Perbankan Islamic (Islamic Banking Statistics), August 2013

Table 1.3 show that the end 2013, total deposits at conventional banks was Rp.3,197,384 Billion IDR, while total deposit Islamic bank system was Rp.170,222 Billion. This represents 5.05% market share for Islamic banking deposits of the total deposit of the banking system in 2013. Islamic financing is Rp.174,537 million IDR representing 3.6% of the total banking system. Based on Table 1.3, it can be observed that until the period of August 2013, the Islamic banking share is only 6.5% to total bank assets, 5.1% the amount of funding and 3.64% financing.

On the other hand, the statistics in Table 1.3 shows the Islamic banking market share of 6.5% is very small when compared with the market share of the conventional banking.

The statistics also indicate weak participation by the Indonesian population of 249.9 million in Islamic banking compared to Malaysia which has achieved a 20.6 percent share of Islamic banking although its total population was only 29.7 million in 2013 (Economic Report, Ministry of Finance, Malaysia). This task presents a challenge to Indonesian Islamic banks in marketing of their financial services to their retail customers who are in the culture which greatly depends on face to face relationship to build sales (global business Indonesia, 2013). The challenge motivates an investigation to be undertaken

to identify factors which could assist Islamic banks to develop appropriate strategies to create demand and intention to use Islamic banking among bank customers. This empirical investigation is premised on the application of TRA theories which are not widely applied in past banking studies in Indonesia.

Hence, there exist strong needs to find ways to stimulate the growth of Islamic banking in Indonesia. Based on the existing structure, there are only five wholly operating Islamic bank and six Islamic windows. A striking difference lies in the number of Islamic banking customers compared to conventional banking customers. In spite of the strong support currently given by the government to offer Islamic banking through regulation (BI regulation no: 9/7/PBI/2007), the problem remains that Islamic banking customers are relatively smaller than conventional banks.

The slow growth of Islamic banking in Indonesia could be due to many factors: religion, attitude and weak participation of people. The participation and understanding of society on Islamic banking is still low as claimed by ErsyamFansuri (2010). This might be due the lack of socialization or promotion by the Bank Indonesia to the community throughout the regions. Some people did know about sharia banking presence. ErsyamFansuri (2010) asserts that people might have good or even bad perception on sharia banking. The public's attitudes are that they are still in doubt or do not even believe in Islamic banking performance. The lack of empirical evidence to proof the influence of attitude

on Islamic bank selection is a void intended to be addressed in this study.

The objective of this paper is to present the results on the investigation of the factors which have significant influence on the intention of the bank customers to select Islamic bank in Indonesia. The organization of this paper begins with Section 2 which elaborates on the research problem, section 3 presents reviews of related literature while section 4 describes the methodology used. Section 5 presents the findings while section 6 concludes the paper.

## **Literature Review**

### **Related theories**

The theories used in the study are (i) Islamic Banking Theory; (ii) Theory of Reasoned Action. Islamic banking is a banking system that is based on the sharia or law of Islam whose principles come from The Holy book of Islam (The Qur'an), Hadith, Ijma, Qiyas and Ijtihad (Siddiqi, 2004). Islamic banking operations must be based on three basic principles; (i) interest-free or prohibited taking riba/ usury (ii) profit sharing (Alam, S.M, et al, 2008), and (iii) prohibition of element of Maisir (Gambling). On the other hand, the Theory of Reasoned Action (TRA) by Ajzen & Fishbein, 1980, is an expectancy value model with emphasis on attitudes, subjective norms, religiosity, and intentions directed to a specific focus. According to TRA, behavioral intentions are a function of attitude toward

performing the behavior (ATD) and the Subjective Norm (SN) which express the person's perception of whether relevant other think one should or should not perform the behavior (Ajzen & Fishbein, 1980). The TRA theory used and to related the paper add constructs ie, religiosity (S.S.Alam *et.al* ,2012; and Amin H *et.al*, 2011).

### **Determinants and Hypotheses Development**

The determinants of intention in this study (i) Attitude (ii) subjective norms (iii) religiosity. (1) Attitude

In TRA, attitude is an important variable that predicts directly and indirectly the behavioral intention (Fishbein & Ajzen, 1975). The researchers assert that attitude towards the object is the function of the individual's belief towards the object and the individual implicit evaluation of the beliefs he/she holds as has the function of perceived consequences of performing the behavior of interest he subjective evaluation of the individuals towards the consequences (Fishbein & Ajzen, 1975). Past studies have proven significant direct relationship of attitudes towards behavioral intention but conducted in internet banking setting. ( Davis et al., 1989; Gopi & Ramayah, 2007; Mathieson, 1991; Ma'ruf et al., 2003; May, 2005; Ramayah et al., 2003, 2004; Rhodes & Courneya, 2003; Shih & Fang, 2004; Taylor & Todd, 1995; Eri, 2004). Amin et al. (2011) found that attitude is positively related with the intention to use Islamic home financing. This study measures from 3 elements i.e. attitude subjective norm, and religiosity obligation which may influence lecturers' behavioral

intention to select Islamic home financing. Hence the proposed hypothesis is:

*H<sub>a1</sub>: Attitude significantly and positively influences intention to select Islamic bank.*

(i) Subjective Norm

TRA theory postulate that subject norm (SN) affect behavioral intention ( Ajzen & Fishbein, 1980; Fishbein & Ajzen,1975). Fishbein and Ajzen (1975) find that subjective norm is a function of the perceived expectation by individual or group who are important to the person and by the persons' motivation to comply with the expectations. The results on the influence of subjective norm on behav- ioral intention by Taylor and Todd (1995), Venkatesh and Davis (2000), Ramayah et al. (2003), Ma'ruf et al. (2003), Ramayah, Noor, Nasuridin, and Sin (2004), Eri (2004), Ramayah, Ling, Norazah, and Ibrahim (2005), May (2005), and Gopi and Ramayah (2007) found that subjective norm has a positive direct relationship towards behavioral intention. In the context of Islamic finance, subjective norms have a direct impact to the intention (Amin et al., 2011). Hence the proposed hypothesis is:

*H<sub>a2</sub> : Subjective norm significantly and positively influences intention to select Islamic Bank.*

(ii) Religion

Religion is a key element a group of trust. (Haq and Smithson, 2003). Earlier studies pointed that religion (Islam) as the main reason for choosing Islamic banks (Dusuki and Abdullah, 2007; Wilson, 1995; Owen and Othman, 2001; Metawa

and Almosawi, 1998;). In the Malaysian context, Amin et al, (2011) provides evidence that religion obligation significantly influence intention to choose Islamic home financing. Hence, the following hypothesis is proposed:

H<sub>a3</sub> : Religion significantly and positively influences to Intention  
(iii) METHODOLOGY

### 3.1 Data Collection, Sample, and Instrument

Data was collected through questionnaires distributed to a sample of 500 respondents who are lecturers of 3 public universities. 375 was collected representing 75 % response rate. However, 275 questionnaires were actually used. The questionnaire was adapted from past studies: The Intention to use/select Islamic Banking was measured using 6 items of Ajzen et al (1980) ; Attitude and Subjective Norm measured 5 items by Ajzen (1980), and Religion (4 items) by Amin et al (2011).

### 3.2 Analysis Method

The data was analysed and showed high reliability with Cronbach's Coefficient Alpha greater than 0.67 and discriminant validity score above 0.82. Subsequently, the research model was tested using Partial Least Square Structural Equation Modeling (PLS-SEM) (J.F. Hair., Ringle, 2013)

## **Finding**

The demographic profile of the respondents shows 43.3% of the respondents were male and 56.7% were female with 35.3% of the participants were in the group of 30-39 years. 64.7% of



the lecturers have Masters degree. In terms of Religion, 97% are Islam 97%, 1.7 were Christens and 1.3% were Hindu-Budha. In terms of Income, 35.3% earns between Rp.5,000,000-7,000,000 while 27.7% earns Rp 3,000,000-5,000,000. The respondents came from diverse region backgrounds, namely, west region (16%), center region (59.3%), and east region (24.3%). The Descriptive analysis shows that Lecturers using Islamic bank less than 1 year are 8.3%, 1-5 years were 63%, 6-10 years were 24.3%, and more than 10 years were 4.3%. Numbers of frequency using Islamic bank per month in 1-3 times were (18%), 4-6 times were (30%), 7-9 times were (22%), and more than 10 times were (29%).

**Table 4.1 Descriptive Statistics for Latent Variables**

<b>Latent Constructs</b>	<b>Number of Items</b>	<b>Mean</b>	<b>Standard Deviation</b>
Attitude	5	3.786	.636
Subjective Norm	5	2.674	1.011
Religion	4	3.385	.968

Table 4.1 shows that the overall mean for the latent variables ranged between 2.674 and 3.786. In particular, the mean and standard deviation for the attitude were 3.786 and 0.636, respectively. This suggests that respondents tended to have moderate level of attitude to select Islamic banking. The statistics also indicate that the mean for the subjective norm was 2.674 out of scale of 5. This suggests that the respondents perceived the influence from the refereed groups on the intention to select Islamic banks is moderate. However, there was some differences in the responses between the repondents as indicated

by the standard deviation of 1.011. The results show a higher mean score for religion (Mean = 3.385). This means suggest that the respondents incline to strongly agree that religion is important in creating intention to use Islamic banks.

### Assessment of Measurement Model

Assessment of measurement model and assessment of structural model using PLS path model assessment adopted from two- step processes by Hair *et.al.* (2014) and Heseler *et.al* (2009). Assessment of measurement model in the table 4.2, 4.3, 4.4, and 4.5 showed individual items reliability, internal consistency reliability, convergent validity and discriminant validity.

Figure 1 Measurement Model

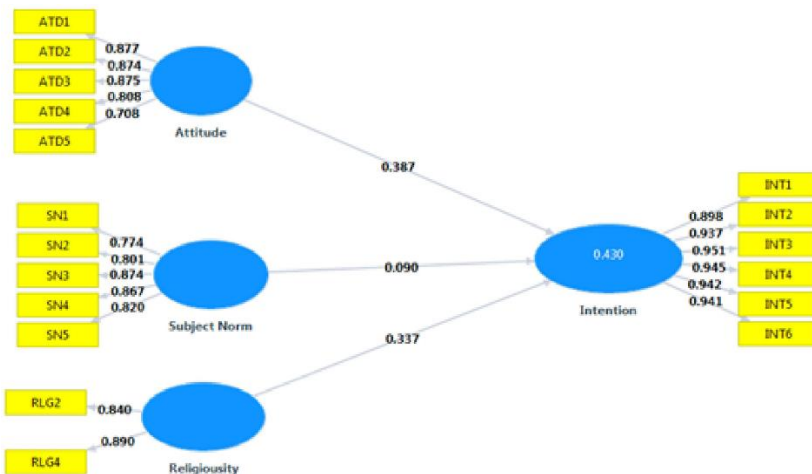


Table 4.2 Cross loadings

	<b>Attitude</b>	<b>Intention</b>	<b>Religiosity</b>	<b>Subject Norm</b>
<b>ATD1</b>	<b>0.877</b>	0.518	0.555	0.076
<b>ATD2</b>	<b>0.874</b>	0.586	0.590	0.078
<b>ATD3</b>	<b>0.875</b>	0.489	0.462	0.058
<b>ATD4</b>	<b>0.808</b>	0.410	0.374	0.076
<b>ATD5</b>	<b>0.708</b>	0.404	0.334	0.128
<b>INT1</b>	0.543	<b>0.898</b>	0.482	0.137
<b>INT2</b>	0.551	<b>0.937</b>	0.569	0.096
<b>INT3</b>	0.556	<b>0.951</b>	0.533	0.141
<b>INT4</b>	0.556	<b>0.945</b>	0.498	0.145
<b>INT5</b>	0.545	<b>0.942</b>	0.552	0.163
<b>INT6</b>	0.551	<b>0.941</b>	0.523	0.151
<b>RLG2</b>	0.403	0.443	<b>0.840</b>	0.026
<b>RLG4</b>	0.572	0.526	<b>0.890</b>	0.077
<b>SN1</b>	0.063	0.078	0.074	<b>0.774</b>
<b>SN2</b>	0.110	0.149	0.132	<b>0.801</b>
<b>SN3</b>	0.135	0.143	0.025	<b>0.874</b>
<b>SN4</b>	0.045	0.095	-0.012	<b>0.867</b>
<b>SN5</b>	0.021	0.118	0.018	<b>0.820</b>

This table above shows how discriminant validity was ascertained by comparing the indicator loading with cross loading. Researchers have suggested that the entire indicators should be greater than the cross loading (Hair *et.al.* 2014; Chin, 1998). Table 4.2 compares the indicator loading with other reflective indicators. All the available indicators are greater than the cross loading, this means the requirement of discriminant validity has been achieved.

**Tabel 4.3 Composite Reliability**

Construct	Indicators	Loadings	AVE	Composite
Attitude	ATD1	<b>0.877</b>	0.6900	0.917
	ATD2	<b>0.874</b>		
	ATD3	<b>0.875</b>		
	ATD4	<b>0.808</b>		
	ATD5	<b>0.708</b>		
Subjective Norm	SN1	<b>0.774</b>	0.686	0.916
	SN2	<b>0.801</b>		
	SN3	<b>0.874</b>		
	SN4	<b>0.867</b>		
	SN5	<b>0.820</b>		
Religion	RLG2	<b>0.840</b>	0.748	0.856
	RLG4	<b>0.890</b>		
Intention	INT1	<b>0.898</b>	0.876	0.977
	INT2	<b>0.937</b>		
	INT3	<b>0.951</b>		
	INT4	<b>0.945</b>		
	INT5	<b>0.942</b>		
	INT6	<b>0.941</b>		

Table 4.3 above mentioned the composite reliability coefficient of the latent construct. The composite reliability of each construct ranged from 0.856 to 0.977, this namely internal consistency of the scale. The composite reliability of all constructs is above the threshold of 0.70.

### Structural Model and hypotheses testing

The validity and reliability of the measurement model having established, the next was to test the hypothesized relationship by running algorithm and bootstrapping in smart PLS 3.0. Predictive relevance of the model: the quality of the structural model can be assessed by R<sup>2</sup>. This depicts the variance in the endogenous variable. Based on the result reported in the table 4.5, the R<sup>2</sup> was found to be 0.430, indicating that intention to select Islamic bank

for 43%. Considering the assessment criterion suggested by Cohen (1988), 0.430 is really substantial, 0.13 moderate and 0.02 is weak. This explain s the predictive influences intention to select Islamic bank in Indonesia.

**Table 4.4 Results and Hypotheses Testing**

Hypotheses	Relations	Beta	SE	T-Value	P Values	Results
H1	Attitude -> Intention	0.387	0.063		0.000	Support
H2	Religiosity -> Intention	6.188			0.000	Support
		0.337	0.071			
H3	Subject Norm -> Intention	4.740				
		0.090	0.039		0.012	Support
		2.273				

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$  (one-tailed test)

At the outset, Hypothesis 1 predicted that attitude is significantly and positively influences intention to select IB. Result (Table 4.11, Figure 4.4) revealed a significant positive relationship between attitude and Intention ( $\beta = 0.387$ ,  $t = 6.188$ ,  $p=0.000 < 0.05$ ), supporting Hypothesis 1.

Hypothesis 2 predicted that subject norms significantly and positively influences to Intention. As shown in Table 4.11, a significant positive relationship between subject norms and Intention ( $\beta = 0.337$ ,  $t = 4.740$ ,  $p = 0.000 < 0.05$ ) was found, indicating support for Hypothesis 2.

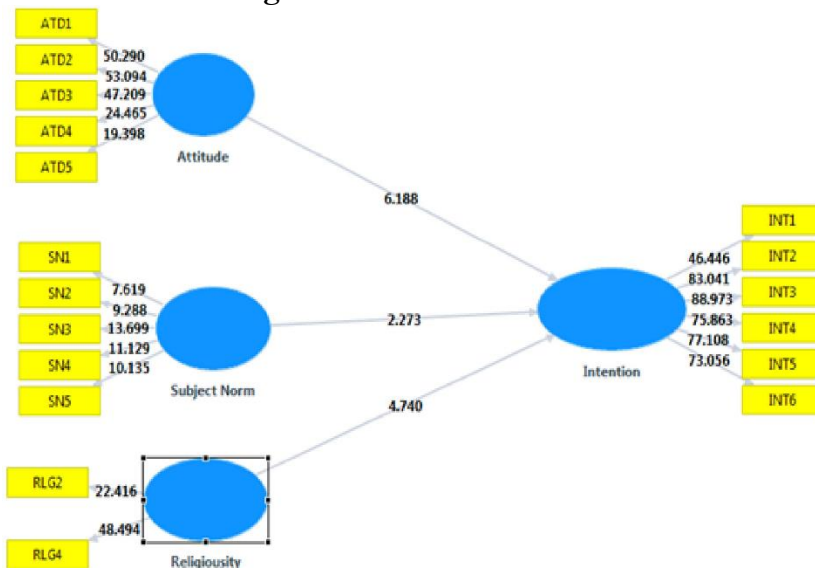
Similarly, in examining the influence of religiosity on Intention to select IB, result indicated that religiosity have significantly and positively relationship with Intention ( $\beta = 0.090$ ,  $t = 2.273$ ,  $p = 0.012 < 0.05$ ), was support Hypothesis 3.

**Table 4.5 Variance Explained in the Endogenous Latent Variables**

Latent Variables	Variance Explained (R2)
Intention to use/select IB	43%

The research model explains 43% of the total variance in in Intention to select IB. The result suggests that the three sets of exogenous latent variables (i.e., attitude, subject norms, and religion) collectively explain 43% of the variance of intention to select IB respectively. Hence, based on the Falk and Miller’s (1992) and Chin (1998) the criteria, the endogenous latent variables showed acceptable levels of R-squared values, which were considered as moderate.

**Figure 2: Structural Model**



### **Limitation and Suggestion for Future Research.**

This empirical study has two limitations. Firstly, determinant factors on Islamic bank customers only surveyed of three full fledged Public University beyond UI, UNHAS, and UNSRI not included private university. Second, the scope of study in three regions (Jakarta, Sumatera, and Makassar) in Indonesia, the sample should not be generalized as intention to use or select Islamic banking of the whole Indonesian population.

### **Conclusion**

In conclusion, This study examined the factors intention of customers to select Islamic bank in Indonesia used PLS -SEM analysis. There are three significant direct relationships that attitude, subjective norm, and religion. The results of the study support of the hypotheses. Finally, PLS-SEM results indicate that the underpinning theory, the TRA is good strong theory to test the intention to use/select Islamic banking in Indonesia.[\*]

### **Reference**

Al-Quranul Karim.

Ajzen, I. (1985), "From intention to actions: a theory of planned behavior", in Kuhl, J. and Beckmann, J. (Eds), *Action Control from Cognition to Behavior*, Springer, New York, NY, pp. 11-39. Ajzen, I. (1988), *Attitude, Personality, and Behavior*, Dorsey Press, Chicago, IL.

Ajzen, I. (1991), "The theory of planned behavior, organizational behavior and human", *Decision Processes*, Vol. 50, pp. 199-211.

Ajzen, I. and Fishbein, M. (1980), *Understanding Attitudes and Predicting Social Behavior*, Prentice-Hall, Englewood Cliffs,

NJ.

- Alam S.S., Janor H., Zanariah, Wel C.A.C and Ahsan N, “Is Religiosity an Important Factor in Influencing the Intention to Undertake Islamic Home Financing in Klang Valley? *World Applied Sciences Journal* 19 (7): 1030-1041, 2012 ISSN 1818-4952
- Amin, H., Muhammad, M.Z., Lada, S., Amran, A. and Hamid, M.R.A. (2006): Islamic banking development in BIMPEAGA countries: issues and potential cooperation, “*Journal of Muamalat and Islamic Finance Research*, Vol.3 No. 1, pp. 89-118
- Amin, H., 2008. Choice Criteria for Islamic Home Financing Empirical Investigation Among Malaysian Bank Customers. *International Journal of Housing Markets and Analysis*, 1(3): 256-274.
- Alam, S. M et al. (2008), Interest; A Condemned Money & Prohibited in the Strongest Possible Terms in Islam. *Economic Review*, 11, 2008
- Amin, Hanudin.; Abdul Rahim Abdul Rahman; Stephen Laison Sondoh Jr and Ang Magdalene Chooi Hwa. “Determinants of customers’ intention to use Islamic personal financing. The case of Malaysian Islamic banks”. *Journal of Islamic Accounting and Business Research*. 2011, Vol. 2 No. 1: 22-42
- Blue Print of Islamic Banking of Bank Indonesia, (2010). BI regulation no: 9/7/PBI/2007
- BIS Review, 2004
- Chau, P.Y.K. and Hu, P.J.H. (2001), “Information Technology acceptance by individual professionals: a model comparison approach”, *Decision Science*, Vol. 32 No. 4, pp. 699-719.
- Davis, F.D., Bagozzi, R.P. and Warshaw, P.R. (1989), “User Acceptance of computer technology: a comparison of two theoretical models”, *Management Science*, Vol. 35 no. 8, pp. 982-1003.
- Dusuki, AW, and Abdullah, NI, (2006), The Ideal of Islamic



- Banking: Chasing Mirage, Paper presented in INCEIF Islamic Banking and Finance Educational Colloquium, Bank Negara Malaysia. Kuala Lumpur, 3rd-5th April 2006
- Dusuki, A., & Abdullah, N. (2007), Why do Malaysian customers patronise Islamic banks? *Marketing*, 25(3), 142-160
- Ersyam, Fansuri, (2010), Indonesian Association of Islamic Banking, East Java, 05/30/2010, <http://www.republika.co.id>
- Erol, C., & El-Bdour, R. (1989), Attitudes, Behaviour, and Patronage Factors of Bank Customers towards Islamic Banks, *International Journal of Bank Marketing*, 7(6), 31-37.
- Erol, C., & El-Bdour, R. (1990), Conventional and Islamic Banks: Patronage Behavior of Jordan customers", *International Journal of Bank Marketing*, Vol. 8 No.4, pp. 31-37.
- Economic Report, Ministry of Finance, Malaysia).
- Ebert, R.J. and Griffin, R.W. 1998), Business Essentials, 2nd ed, Prentice Hall, Upper Saddle River Nj. Eri, Y. (2004), "Retailing on internet the buying intention", MBA thesis, School of Management University Sains Malaysia, Penang.
- Fishbein, M. And AjzenIcek, (1975); Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research. Reading, MA: Addison Wisley.
- Fishbein, M. And AjzenIcek, (1980); Understanding Attitudes and Predicting Social Behavior, URL is <http://www-nix.oit.umass.edu/~adzein/homepage/>
- Gopi, M and Ramayah, T (2007), Applicability of theory of planned behavior in predicting intention to trade online, Some evidence from a developing country", *International Journal of Emerging Markets*, Vol. 2 No. 4, 2007, pp. 348-360.
- Global Business Card Indonesia Quarterly Business Intelligence Report (2013)
- Hair, J.F., Ringle, C.M., & Sarstedt, M. (2013), Partial Least Squares Structural Equation Modelling: Rigorous application, better results and higher acceptance, Long Range planning, 46, 1-12

- Haron, S., Ahmad, N., & Planisek, S. (1994). Bank patronage factors of Muslim and non-Muslim customers, *International Journal of Bank Marketing*, 12(1), 32-40
- Hair, J.F., Jr., Black, W.C., Babin, B.J., Anderson, R.E., & Tatham, R.L. (2010), *Multivariate data analysis* (7th ed). Upper Saddle River, NJ: Pearson Prentice Hall.
- Indonesian Central Bureau of Statistics, 2010
- Lewis, W., Agarwal, R. and Sambamurthy, V. (2003), "Sources of influence on beliefs about information technology use: an empirical study of knowledge workers", *MIS Quarterly*, Vol. 27 No. 4, pp. 657-78.
- Mathieson, K. (1991), "Predicting user intention: comparing the technology acceptance model with the theory of planned behavior", *Information Systems Research*, Vol. 2 No. 3, pp. 173-91
- Ma'ruf et al. (2003), Ma'ruf, J.J., Mohamad, O. and Ramayah, T. (2003), "Intention to purchase via the internet: a comparison of two theoretical models", *The Proceedings of the 5th Asian Academy of Management Conference*, "Challenges of Globalized Business: The Asian Perspective", Hyatt Hotel, Kuantan, Pahang, Malaysia.
- Metawa, S.A. and M. Al-Mossawi (1998), "Banking Behavior of Islamic Bank Customer: Perspectives and Implications", *International Journal of Bank Marketing*, 16 (7), 299-313.
- May, O.S. (2005), "User acceptance of internet banking in Penang: a model comparison approach", MBA thesis, School of Management, University Sains Malaysia, Penang.
- Makiyan, S.N. (2003), "Role of Rate of Return on Loans in the Islamic Banking System of Iran", *Managerial Finance*, 29(7), 62-69.
- Karbhari, Yusuf, Kamal Naser, Zerrin Shahin, (2004), Problems and Challenges Facing the Islamic Banking System in the West : the Case of the UK, *Thunderbird International Business Review*, Vol 46 (5) 521- 543, September-october 2004, Published

- online in Wiley Inter Science ([www.interscience.wiley.com](http://www.interscience.wiley.com))
- Kaplan, A.M., Schoder, D. and Haenlein, M. (2007), "Factors influencing the adoption of mass customization: the impact of base category consumption frequency and need satisfaction", *The Journal of Product Innovation Management*, Vol. 24 No. 1, pp. 101-16.
- Othman, A., & Owen, L. (2001), "Adopting and Measuring Customer Service Quality (SQ) in Islamic Banks: Case Study in Kuwait finance House", *International Journal of Islamic Financial Services*, Vol.3 No.1, pp.1-26.
- Olzon, D., & Zoubi, T.A. (2008), "Using Accounting Ratios to Distinguish Between Islamic and Con-ventional Banks in the Gcc ", *the International Journal of Accounting*, 43, 46-65
- Ramayah, T., Noor, M.N.M., Nasurdin, A.M. and Hasan, H. (2003), "Students' choice intention of a higher learning institution: an application of the theory of reasoned action (TRA)",
- Ramayah, T., Noor, M.N.M., Nasurdin, A.M. and Sin, Q.B. (2004), "The relationships between belief, attitude, subjective norm, intention, and behavior towards infant food formula selection: the views of the Malaysian mothers", *GadjahMada International Journal of Business*, Vol. 6 No. 3, pp. 405-18.
- Ramayah, T., Ling, C.Y., Norazah, M.S. and Ibrahim, M. (2005), "Determinants of intention to use an online bill payment system among MBA students", *E-Business*, No. 9, pp. 80-91.
- Rashid, M., Hassan, M.K., Ahmad A.U.F. (2008), *Quality Perception of the Customers towards Domestic Islamic Banks in Bangladesh*, Working Paper, Dhaka
- Shih, Y.Y., and Fang, K. (2004), "The use of decomposed theory of Planned Behavior to study Internet banking in Taiwan", *Internet Research*, 2004, Vol. 14 No. 3: 213-223.
- Statistik Perbankan Islamic (Islamic Banking Statistics), August 2013.

- Tang, Z.; Jianghong Luo and Juan Xiao , “Antecedents of intention to purchase mass customized products”, *Journal of Product & Brand Management*, 2011, Vol 20 No4 : 316–326
- Taylor and Todd (1995), Taylor, S. and Todd, P. (1995), “Understanding the information technology usage: a test of competing models”, *Information Systems Research*, Vol. 6 No. 2, pp. 144-76.
- Tan, M. and Teo, T.S.H. (2000), “Factors influencing the adoption of internet banking” *Journal of the Association for Information systems*, Vol. 1 No. 5, pp. 1-42
- Teo, T.S.H. and Pok, S.H. (2003), “Adoption of WAP-enabled mobile phones among internet users”, *The International Journal of Management Science*, Vol. 31, pp. 483-98.
- Venkatesh, V. and Davis, F.D. (2000), “A theoretical expansion of the technology acceptance model: four longitudinal field studies”, *Management Science*, Vol. 46 No. 2, pp. 186-204.
- Wilson, R. (1995), “Marketing Strategies for Islamic Financial Products”. New Horizon
- Vizcaino and Suroyo, (2014), Indonesia revises Islamic banking rules as industry grow slides, Sidney- Jakarta, Thu Nov 20, 2014.