



# Analysis of Religiosity, Customer Perceptions, and Income Levels on the Decision to Choose Cooperatives and Sharia Financing

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## Abstract

**Purpose** - This study aims to determine the influence of religiosity, customer perceptions and income level on the decision to choose Koperasi Simpan Pinjam dan Pembiayaan Syariah (KSPPS) Melati, Sapuran branch in Wonosobo.

**Method** - The analysis in this study uses multiple linear regression analysis to answer the questions in this study. This study used a total sample of 99 respondents to obtain research data.

**Result** - The results of this study indicate that customer perceptions and income levels have a positive effect on the decision to choose KSPPS Melati. While the religiosity variable has no effect on the decision to choose KSPPS Melati.

**Implication** - This study uses primary data obtained from respondents answers through questionnaires distributed to respondents.

**Originality** - Future research is expected to be able to add or replace variables in this study, to increase interest in choosing KSPPS Melati.

**Keywords:** Religiosity, Customer Perception, Income Level, and Decision to Choose KSPPS Melati.



## Introduction

The development of the sharia economy is characterized by the increase in sharia financial institutions and sharia business institutions. In addition, the growth of Islamic economics academically is marked by the widespread opening of concentrations of Islamic economics in Islamic or public tertiary institutions, as well as the spread of institutions and organizations that concentrate on the study and development of Islamic economics (Zuhirsyan, 2018). The success of Islamic banking in Indonesia cannot be separated from the role of Lembaga Keuangan Mikro Syariah (LKMS). The position of LKMS which among others was presented by Bank Perkreditan Rakyat Syariah (BPRS), Baitul Maal Wat Tanwil (BMT), Koperasi Pesantren (KOPONTREN) is very vital in reaching sharia transactions in areas that cannot be served by commercial banks or banks that open sharia units (M. Luthfi Hamidi, 2003).

According to (Retnoningsih, 2015) baitul maal wat tanwil (BMT) is a microfinance institution or integrated independent business center whose main activities are developing productive businesses and investing in improving the quality of small-scale economic activities to encourage and support economic activities.

The decision-making process is influenced by external and internal factors. Marketing mix factors are external factors while internal factors that influence consumer decisions are consumer psychological factors consisting of motivation, personality, learning, perceptions, and attitudes. However, what is happening today are problems that arise beyond the factors closely related to microfinance institutions. Most of these problems come from the mindset of everyone in choosing and deciding what steps to take to overcome this problem. The main consideration for prospective members in deciding this problem is the facts that are currently happening and experienced by the microfinance institution itself.

**Table 1. Public Interest in KSPPS Melati**

Year	Total Membership
2014	1.998
2015	1.335
2016	891
2017	2.197
2018	1.703

The problem that is currently happening to the Koperasi Simpan Pinjam dan Pembiayaan Syariah (KSPPS) Melati is the unstable amount of public interest in choosing and using products or services at KSPPS Melati for the period 2014 to 2018. This can be seen in the following table 1.

The table above shows that the level of public trust in using and choosing products and services in KSPPS Melati in the last 5 years has been unstable. This is where the role of microfinance institutions is to disseminate information to the public, especially potential members, regarding the knowledge of KSPPS Melati, be it from its definition, location, principles, various products, and services. Based on this data and evidence, it can be concluded that KSPPS Melati profit-sharing financing is high and the public's interest in KSPPS Melati products and services is unstable.

To be able to solve this problem, it can be done by socializing and introducing KSPPS Melati products and services to increase the interest of members and prospective members to have more confidence in using any products and services available at KSPPS Melati. With this introduction, people who do not understand the existence of various kinds of products will understand and understand the meaning and use and function of each of the KSPPS Melati products and services.



## Literature Review

### Baitul Maal Wat Tanwil (BMT)

Baitul Maal Wat Tanwil or abbreviated as BMT consists of two terms, namely baitul maal and baitul tanwil. Baitul Maal is more directed at efforts to collect and distribute non-profit funds, such as zakat, alms, and infaq (Mariko, 2015). According to Undang-Undang No 16 Pasal 1 Ayat 2 (2016) savings and loan cooperatives and their business activities include savings, loans, and financing according to sharia principles, including managing zakat, infaq/alms, and endowments.

### Decision to Choose KSPPS Melati

According to (Boediono, 2001) a decision is an ending of the process of thinking about a problem or problem to answer the question of what to do to solve the problem, by choosing an alternative.

### Religiosity

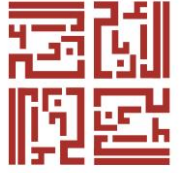
According to (Handayani R, Darwin, Eka Agustiani, 2018) religion is an element of culture that colors every aspect of society and integrates into a person's individual life even if a person belongs to a certain religion or not.

According to (Maisur, Muhammad Arfan, 2015) religiosity is a condition that exists within a person that encourages thinking, behaving, behaving, and acting in accordance with the teachings of his religion. Based on several studies that found a tendency for Muslim consumers to consider halal issues in choosing products to be consumed or used.

H1: Religiosity has a positive effect on the decision to choose KSPPS Melati.

### Customer Perception

According to (Zuhirsyan, 2018) perception is a process when a person organizes an object in his mind, interprets, experiences and processes signs or everything that influences the behavior to be chosen.



According to (Iffah, 2018) perception is the ability to recognize goods, qualities or relationships and differences between one thing and another through the process of observing, knowing, or interpreting after the five senses are stimulated. When a person obtains information, a message selection process will take place regarding which messages are considered important and unimportant. Customer perceptions whether concrete or not and this is influenced by knowledge in the form of information, experience, motivation, and desires that match their needs.

H2: Customer perceptions have a positive effect on the decision to choose KSPPS Melati.

### **Income Level**

According to (Sobri, 1990) the level of income is a type of income earned by someone who is ready to be spent or consumed. According to (Pertiwi, 2015) income is the overall income received from both the formal and non-formal sectors which is calculated within a certain period of time. There is a positive relationship between income and consumptive behavior, meaning that if income increases, consumption will also increase and vice versa if income decreases, consumption will also decrease.

H3: Income level has a positive effect on the decision to choose KSPPS Melati.

## **Methods**

### **Types of research**

The type of research carried out in this research is quantitative research, namely research by obtaining data in the form of numbers or qualitative data that is calculated (Sugiyono, 2012).

### **Population and Research Sample**

The population is a generalization area consisting of objects that have certain qualities and characteristics determined by researchers to be studied



and then drawn conclusions (Sugiyono, 2015). The population in this study were 8,124 members.

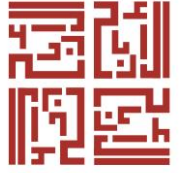
The sample is part or representative of the population being studied. The sampling technique in this study was to use the slovin formula. According to (Arikunto, 2014) based on determining the number of samples of the slovin formula, the following samples can be obtained:

$$n = \frac{N}{N \cdot e^2 + 1} + \frac{8.124}{8.124 \cdot 0,1^2 + 1} = 98,784$$

From the calculation above, a sample of 98,784 customers can be obtained which is then rounded up to 99 KSPPS Melati customers at the Sapuran branch. The sample in this study were 99 KSPPS Melati Sapuran branch customers who joined from 0 (zero) years to 5 years and used a product or service at KSPPS Melati Sapuran branch.

**Table 2. Operational Definition and Variable Measurement**

Variables	Indicators	Code
<b>Decision to Choose KSPPS Melati</b> (Boediono, 2001), (Zuhirsyah, 2018)	Practicality	X1
	Guarantee	X2
	Satisfaction	X3
	Product size	X4
	Role and period	X5
<b>Religiosity</b> (Muhamad, N., & Mizerski, 2010), (Zuhirsyah, 2018)	Belief	X6
	Guidelines	X7
	Government	X8
	Accountability	X9
<b>Customer Perception</b> (Zuhirsyah, 2018), (Iffah, 2018), (Lailatul Iffah, 2018)	Facility utilization	X10
	Experience	X11
	Knowledge	X12
<b>Income Level</b> (Sobri, 1990), (Maisur, Muhammad Arfan, 2015)	Investment	X13
	Need	X14
	Ability	X15



### **Data Types and Sources**

The type of data used in this study is primary, namely data that comes from the original or first source. The data in this study were sourced from two sources, namely obtained through interviews and answers to questionnaires from respondents and secondary data sourced from government agencies as supporting data.

### **Method of collecting data**

The data collection method in this study was by using a questionnaire (questionnaire) by visiting the respondents directly. By visiting respondents directly, it is hoped that the response rate will be high.

## **Results and Discussion**

### **Object of research**

The research object in this study is the KSPPS Melati Wonosobo customer at the Sapuran branch. There were 8,124 customers who became the population in this study, which was then based on determining the number of research samples according to the slovin formula, 98,784 were obtained which were then rounded up to 99 respondents in this study. The data obtained shows that KSPPS Melati customers in Wonosobo, the Sapuran branch, were very cooperative in filling out the questionnaires given, seen from the response rate of 98.98%. In addition, 1 questionnaire was declared invalid because it was lost.

### **Description of Research Variables**

The description of the research variables is used to provide an overview of the natural variables of this study, namely the religiosity variable (X1), customer perception (X2) income level (X3) as the independent variable and the decision to choose KSPPS Melati (Y) as the dependent variable.



**Table 3. Research Variable Descriptive Statistics**

Variable	Std. Deviation	Actual Range	Actual Average	Theoretical	Average Theoretical Range
Decision to Choose KSPPS Melati	4,457	24,89	18-30	6-30	18
Religiosity	2,012	16,88	12-20	4-20	12
Customer Perception	1,812	12,21	6-15	3-15	9
Income Level	2,682	11,06	5-15	3-15	9

**Validity test**

The results of the validity test can be seen in the following table 4. All variables used in this study have a correlation range between 0.552 to 0.868 and are significant at the 0.000 level. This shows that statements about the decision to choose KSPPS, religiosity, customer perceptions and income levels that measure these variables can be declared valid.

**Reliability test**

The results of the reliability test can be seen in the following table 5. Overall, the reliability test conducted in this study has shown satisfactory results. This can be seen from the Cronbach alpha value which is greater than the Cronbach alpha upper limit value of 0.6.

**Table 4. Validity Test Results**

Variable	Correlation range	Significance	Information
Decision to Choose KSPPS Melati	0,552** - 0,768**	0,000	Valid
Religiosity Religiusitas	0,614** - 0,809**	0,000	Valid
Customer Perception	0,726** - 0,868**	0,000	Valid
Income Level	0,834** - 0,857**	0,000	Valid



**Table 5. Reliability Test Results**

Variable	Cronbach Alpha Based on Standardized Items ( $\alpha$ )	Alpha Limit ( $\alpha$ )	Information
Decision to Choose KSPPS Melati	0,726	0,6	Reliabel
Religiosity	0,681	0,6	Reliabel
Customer Perception	0,721	0,6	Reliabel
Income Level	0,807	0,6	Reliabel

**Goodness of Fit test**

F test results can be seen in the following table 6. The results of the white test as shown in table Goodnees of fit model show that the variables of religiosity, customer perceptions and income levels do not occur heteroscedasticity. Because  $X^2$  count <  $X^2$  table.  $X^2$  count is obtained from  $n \times R^2 = 98 \times 0.112 = 10.976$  and  $X^2$  table =  $df = 0.05, 12 = 21.02607$ , so  $X^2$  count,  $X^2$  table =  $10.976 < 21.02607$  (Dr. Suliyanto, 2011)

**Normality test**

From the Normality Test table 7, it can be seen that the results of normality calculations using the One-Sample Kolmogorof-Smirnof Test have a probability level of significance above the level of  $\alpha = 0.05$ , namely 0.200. This means that in the regression model there are residual variables or confounding variables that are normally distributed.

**Table 6. Goodnees of fit model test results (F test) ANOVA<sup>b</sup>**

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	129.078	12	10.757	0.894	.557b
	Residual	1023.262	85	12.038		
	Total	1152.341	97			



**Table 7. One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
<b>N</b>		98
<b>Normal Parameters<sup>a,b</sup></b>	Mean	.0000000
	Std. Deviation	1.56616237
<b>Most Extreme Differences</b>	Absolute	.072
	Positive	.072
	Negative	-.072
<b>Test Statistic</b>		.072
<b>Asymp. Sig. (2-tailed)</b>		.200c,d

**Multicollinearity Test**

The results of the multicollinearity test can be seen in the following table 8. Based on the multicollinearity test table, all variables have a tolerance value of more than 0.1. Further more, the VIF calculation results also show the same thing, that is, all variables have a VIF value of less than 10. So, it can be concluded that there is no multicollinearity between the independent variables in the regression model.

**Heteroscedasticity Test**

The results of the white test as shown in table 9 anova a show that the variables of religiosity, customer perceptions and level of income do not occur heteroscedasticity. Because  $X^2 \text{ count} < X^2 \text{ table}$ .  $X^2 \text{ count}$  is obtained from  $n \times R^2 = 98 \times 0.112 = 10.976$  and  $X^2 \text{ table} = df = 0.05, 12 = 21.02607$ , so  $X^2 \text{ count} < X^2 \text{ table}$  or  $10.976 < 21.02607$ .

**Table 8. Multicollinearity Test Results**

Variable	Collinierity Statistic		Information
	Tolerance	VIF	
Religiosity	0,243	4,121	No multicollinearity
Customer Perception	0,535	1,870	No multicollinearity
Income Level	0,558	1,791	No multicollinearity

**Table 9. Heteroscedasticity Test Results Anova<sup>a</sup>**

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	129.078	12	10.757	0.894	.557 <sup>b</sup>
	Residual	1023.262	85	12.038		
	Total	1152.341	97			

### Regression Equation Analysis

The results of the Multiple Linear Regression test can be seen in the following table 10. Based on the data in the Multiple Linear Regression test table, the linear equations of this study are:

$$Y = 8.569 - 0.237X_1 + 0.543X_2 + 0.271X_3 + 1.617$$

The linear line equation shows that: A constant of 8.569 means that without being influenced by religiosity, customer perceptions, customer education, sharia accounting knowledge, income level and service quality, the decision to choose KSPPS Melati is good

The regression coefficient of religiosity ( $\beta_1$ ) is -0.237 with a significant level of 0.155, this value is above the 0.05 significance level. Thus, the hypothesis which states that religiosity has a positive effect on the decision to choose KSPPS is scored (H1 is rejected). This means that religiosity does not affect the decision to choose KSPPS Melati.

**Table 10. Hypothesis Test Results**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.569	2.251		3.807	.000
Religiosity	-.237	.166	-.194	-1.433	.155
Customer Perception	.543	.124	.400	4.380	.000
Income Level	.217	.082	.296	3.308	.001



The regression coefficient of customer perceptions ( $\beta_2$ ) is 0.543 with a significance level of 0.000, this value is below the 0.05 significance level. Thus, the hypothesis which states that customer perceptions have a positive effect on the decision to choose KSPPS is accepted (H2 is accepted). This means that the better the customer's perception of the products in KSPPS Melati, the stronger the decision to choose KSPPS Melati. Assuming other variables are considered constant.

The regression coefficient of income level ( $\beta_5$ ) is 0.271 with a significant level of 0.001, this value is below the significance value of 0.05. Thus, the hypothesis which states that the level of income has a positive effect on the decision to choose KSPPS is accepted (H5 is accepted). This means that the higher the customer's income level, the stronger the decision to choose KSPPS jasmine. Assuming other variables are held constant. The regression coefficient of service quality ( $\beta_6$ ) is 0.184 with a significant level of 0.122. Thus, the hypothesis which states that service quality has a positive effect on the decision to choose KSPPS is rejected (H6 is rejected). This means that service quality has no effect on the decision to choose KSPPS Melati (Ghozali, 2005).

**Coefficient of Determination**

The results of the Coefficient of Determination test can be seen in the following table 11. The Coefficient of Determination table shows an adjusted R square value of 0.567 or 56.7%, this indicates that the decision variable for choosing KSPPS can be explained by the variables of religiosity, customer perception, customer education, sharia accounting knowledge, income level, and service quality of 56.7 %, while the remaining 43.3% is caused by other factors not examined in this study.

**Table 11. Test Results for the Coefficient of Determination**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.771 <sup>a</sup>	.594	.567	1.617



### **The Influence of Religiosity on the Decision to Choose KSPPS Melati**

From the Multiple Linear Regression table, it shows that religiosity has no effect on the decision to choose KSPPS Melati. This research is not in line with research conducted by (Handayani R, Darwin, Eka Agustiani, 2018; Prihandono, 2017; Zuhirsyan, 2018) which proves that religiosity has a positive effect on the decision to choose an Islamic bank. In addition, it is also not in line with research conducted by (Maghfiroh, 2018) which proves religiosity has a negative effect on the intention to save in Islamic banks.

This study proves that the level of religiosity of customers does not affect their decision in choosing KSPPS Melati products. Someone tends to prioritize rationality over religious elements in deciding to choose a financial institution, because someone considers results and risks rather than elements of halal according to sharia principles. So, the decision to choose KSPPS Melati is not influenced by one's level of religiosity.

### **The Influence of Customer Perceptions on the Decision to Choose KSPPS Melati**

From the Multiple Linear Regression table, it shows that customer perceptions have a positive effect on the decision to choose KSPPS Melati. This research is in line with research conducted by (Diana, 2013; Iffah, 2018; Lailatul Iffah, 2018) which proves customer perceptions have a positive effect on the level of bank service quality. However, this research is not in accordance with research conducted by (Nelvi, 2015; Zuhirsyan, 2018) which proves that customer perceptions have a negative effect on the decision to choose an Islamic bank.

This study proves that customer perceptions have a positive effect on the decision to choose KSPPS Melati, because the information received by customers from KSPPS Melati either directly or indirectly will make benchmarks and views in deciding to choose products from KSPPS Melati, so that when the information is positive will form good customer perceptions so that it will encourage customers to choose KSPPS Melati.



### **The Effect of Income Level on the Decision to Choose KSPPS Melati**

From the Multiple Linear Regression table, it shows that income level has a positive effect on the decision to choose KSPPS. This research is in accordance with research conducted by (Maghfiroh, 2018; Maisur, Muhammad Arfan, 2015) which proves that income has a positive effect on customers' saving decisions at Islamic banks. However, this research is not in accordance with research conducted by (Khasanah, 2016) which proves that income has a negative effect on the decision to become a customer of an Islamic financial institution and research (Huda, 2018) which proves that income does not affect people's interest in saving in Islamic banks

This research proves that a high level of income will influence customers to choose KSPPS Melati. This is since a high level of income allows a person to easily meet their needs and is likely to have a residual value from their income, so that customers will be encouraged to save their money in Islamic financial institutions in the hope of security and halalness, and to get a blessed return at a later date. So that the higher the level of customer income, the more interested they will be in joining KSPPS Melati.

### **Conclusion**

Based on the results of testing the influence of religiosity, customer perception, customer education, sharia accounting knowledge, income level and service quality on the decision to choose KSPPS.

To KSPPS Melati, Sapur branch, it is suggested to improve service to its customers because good service quality will increase the number of customers who trust using KSPPS Melati products. It is also recommended that they be more able to accept the same or different research at KSPPS Melati and not make it difficult to obtain data used in research.

Most of the answers from respondents did not pay attention to the contents of the existing statements so that this research had difficulty getting maximum results. Because most of the members work as traders so that the objectives in this study were not fulfilled. As well as this research, it is difficult



to obtain field data due to data restrictions from the KSPPS Melati Sapuran branch.

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