

An Analysis of Consumer Behavior on Choosing Bank Syariah in Makassar City

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ABSTRACT

The aims of this study were to discover (1) the effects of internal factors comprising product, price, promotion, location, process; (2) external factors such as religion, social class, reference, family, and technology; and (3) individual characteristics comprising motivation and psychological on the customer's behavior in choosing Bank Syariah. The selection of samples was done by purposive sampling at 11 Banks Syariah in Makassar city. The results of the study indicate that (1) internal factors: sharing cost is secure and profitable, vast parking area, beautiful building (physical), and easy transaction (process); (2) external factors: flowers are contrary to Islamic teaching and family support; and (3) the bank prospect (individual characteristic) have a significant effect on the customer's choice of Bank Syariah.

KEYWORDS: Consumer Behavior and Choice of Bank Syariah

INTRODUCTION

The existence of Bank Syariah is based on several principle aspects to meet the needs of the Moslem community. The principle aspect is to avoid interest assuming that conventional banks belong to unlawful category because usury is forbidden by religion, not only Islam but other revealed religions [1]. Conventional banks also do not meet the aspect of justice due to the risk is on one party. The worldwide development of syariah banks is motivated by two main reasons [2]: 1) The desire of some part of the community to carry out banking transaction or economic activities in general to be compatible with the value and principle of syariah, especially about usury. This is stated in the Al-Qur'an which reads: "*O ye who believe! Devour not usury, doubling and quadrupling (the sum lent). Observe your duty to Allah, that ye may be successful*" (Ali-Imran 130); 2) the superiority of operational system and product prioritizing morality, justice, and transparency in banking activities. The two reasons above are effective in Indonesia, besides several other reasons such as the desire to increase the national banking resilience and prepare facility for international investors to carry out financial transaction and financing activities in Indonesia based on syariah principles. Law No. 10 of 1998 on syariah banking development opportunity provides a strong basis for the institutional and operational aspects. It is stipulated in the Law that Bank Indonesia can apply monetary policy based on syariah principles, so that Bank Indonesia can influence economic liquidity through syariah banks. Since the establishment of syariah banking law, there has been a change in banking system in Indonesia to be dual banking system: conventional bank and syariah bank.

The development of Bank Syariah policy in Indonesia is mainly aimed at satisfying the need of the community who believe that the conventional bank operation is not compatible to Islamic teaching. The main objection of Moslem community to conventional bank is not in accordance with the values of syariah such as the possibility of the distribution to speculative activity, profit gain by capital owners, and unjust to debtors and uncertainty in contract. Within the period of 2005-2010, Bank Syariah had grown tremendously as apparent from its assets Rp 585,467 million to Rp 2,738,745 million, third party fund increased from Rp 340,892 million to Rp 1,603,778 million [3]. Syariah banking system also grows in number. The number of Bank Syariah also increased from three Islamic Commercial Bank and 92 BPRS in 2005 to eleven Islamic Commercial Banks with 23 Islamic business units and 150 BPRS in February 2011. The number of branches and business units increased from 458 to 1,410 offices, 937 sub-offices and 265 treasuries distributed evenly [3]. In the long-term development perspective, Bank Syariah is expected to be able to grow and develop professionally to compete with conventional banks in providing quality of service and financial profit. At this stage, Bank Syariah will be an alternative banking system for customers and prospective customers. Theoretically, a lot of arguments supporting the superiority of syariah banking system, and this has been proven that Bank Syariah can still exist in economic crisis which hit Indonesia in the past. The development policy of Bank Syariah is done by the development of office network in potential areas which must be supported by complete data and information on the customer behavior toward the product and service of Bank Syariah. Potential of financial management based on syariah in Makassar city is big enough in which 91% of 1.164.728 lives are Moslems (Makassar Central Departement of Statistics 2010). Economic activities and number of financial institutions develop dramatically

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from year to year. Since the development of Bank Syariah in Makassar up to May 2010, there have been two general branches with five offices (Bank Muamalat Indonesia, Bank Syariah Mandiri, Bank BNI 46 Syariah, BRI Syariah, and Bank Danamon Syariah) and seven of BPR Syariah [4]. In the realization of the Bank Syariah role, the community is a stakeholder of syariah financial institution will give a special color to its development and accomplishment. If the community accepts the existence of the bank, the development of this institution will be more promising. But the existence of banks opens their branches at centers for economic activities identifying high competition of the syariah bank.

In conjunction with syariah banking policy in Indonesia, this study is directed to an analysis of the potential development of syariah bank by looking at the potential of economic agents. The potential meant can be viewed from the characteristics and customer behavior of the bank, such as (1) only related to syariah bank; and (2) related to conventional banks and syariah banks. The study is more focusing on factors affecting the customer behavior. Here were three factors affecting the customer behavior in choosing Bank Syariah: (1) internal factors comprising marketing mix, people, physical environment, and process; (2) external factors comprising culture, social, technology, and economy; and (3) individual characteristics comprising motivation and psychological. Based on the background mentioned above, the problems posed in the study are as follows:

1. Do internal factors of Bank Syariah comprising product, value added, promotion, location, physical, personal, and process have an effect on the consume behavior in choosing Bank Syariah?
2. Do external factors comprising religion/culture, social class friend's influence, MUI edict (reference), family, and ATM facility (technology) have an effect on the consumer behavior in choosing Bank Syariah?
3. Do individual characteristics comprising motivation and psychological have an effect on the consumer behavior in choosing Bank Syariah?

Based on the background and statement of the problems, the objectives of the study are:

1. To discover the effect of internal factors comprising product, price, promotion, location, process, personal performance on the consumer behavior in choosing bank syariah.
2. To discover the effect of external factors comprising culture, social class, reference, family, and technology on the consumer behavior in choosing bank syariah.
3. To discover the effect of individual characteristics comprising motivation and psychological on the consumer behavior in choosing bank syariah.

MATERIALS AND METHODS

Theoretical Framework

According to Kotler [5], consumer behaviour is influenced by his characteristics because they have a main effect on how the buyer reacts to stimuli and this characteristic is cultural (nation or ethnicity, belief or religion, social status or class, individual factors such as age, occupation, economic condition, life style, personality, individual concept, and psychological factors such as motivation and needs, perception, knowledge, belief, and attitude.

David Loudon and Albert J. Delta Bitta [6] study several points that have to be noticed in consumer behavior. They are:

1. Stimulus variable is an external variable affecting individual in the purchasing process.
2. Response variable is a result of individual activity as a reaction to stimulus variable and fully depends on individual factor and strength of stimuli (for examples, evaluation and attitude change to a product).
3. Intervening variable is an individual variable including motives to purchase, attitude and perception on a product.

According to Henry Assael [7], there are several factors affecting the consumer's decision to buy a product. The decision will give a response or evaluation about the product. The response functions as a feedback for the consumer, and for the company, it functions as an improvement and development of product marketing strategy in the future. Factors affecting the consumer's decision to buy a product are as follows:

1. Marketing Mix

Marketing stimulus is a strategy of marketing mix, a combination of core activity of marketing and production focused on the achievement of profitable aim of the company. Marketing mix variables affecting the consumer's decision is known as 4 Ps : product, price, promotion, and place plus 3 Ps: people, physical environment, and process. Marketing mix elements are controllable variables by the company in marketing strategy development by combining those variables into a comprehensive strategic plan to be used to influence the consumer and market segment. The variable combination is flexible and is suited to situation and condition of the market and is also affected by external factors and consumer's characteristics [8].

2. Environment

Environment where consumer lives will affect the consumer's behaviour to make a decision to purchase a product directly or indirectly so that the trader should always notice this condition. There are several factors affecting the environment:

3. Individual Consumer

According to Bettman *et.al* [9], individual factor psychologically is conditioned by his own characteristic as basic factors in his behaviour. There are several factors affecting the individual:

Based on factors affecting the consumer to buy a product, the business agents must act further than just to know various factors affecting the consumer and develop understanding how consumer makes decision to purchase a product.

Based on the problem formulation and conceptual framework of this study, the hypotheses posed are as follows:

1. Internal environmental factors: product, value added, promotion, location, physical environment, process, personal, have a significant effect on the consumer behavior in the choice of syariah bank.
2. External environmental factors: religion, occupation, social class, reference, family effect, and technology have a significant effect on the consumer behavior in the choice of syariah bank.
3. Individual characteristics factors: syariah bank performance in the future, motivation/need, responsibility and opportunity of syariah bank in economic activities in the future (psychological) have a significant effect on the consumer's behavior in the choice of syariah bank.

Hypotheses

1. Internal environmental factors: product, value added, promotion, location, physical environment, process, personal, have a significant effect on the consumer behavior in the choice of syariah bank.
2. External environmental factors: religion, occupation, social class, reference, family effect, and technology have a significant effect on the consumer behavior in the choice of syariah bank.
3. Individual characteristics factors: syariah bank performance in the future, motivation/need, responsibility and opportunity of syariah bank in economic activities in the future (psychological) have a significant effect on the consumer's behavior in the choice of syariah bank.

Sampling Technique

The selection of samples of this study was done by purposive sampling at 11 syariah banks in Makassar city. And from each bank the samples were selected by random sampling.

Sample Size

After knowing the number of samples, according to Slovin [10], the selection of samples can be done by using the formula as follows: $n \geq N / (1 + N.e^2)$ in which: n = Number of samples N = Number of population e = error term.

By using the error level 5%, the number of samples used was about 397 samples and was rounded to 420 samples. This size was adjusted to the instrument used in the study. The number of samples (respondents) was at least four or five times of variables used in the study [11]. According to Hair *et. al* [12], the number of samples is each independent variable is in proportionate with 15 to 25 observations.

Based on the results of the study to 420 respondents at 5 Islamic Commercial Banks and 6 BPRS (Society Crediting Bank, Bank Perkreditan Rakyat) in Makassar city which consist of Bank Muamalat 77 respondents, Bank Syariah Mandiri 68 respondents, BNI Syariah 60 respondents, BRI Syariah 60 respondents, Bank Danamon Syariah 40 respondents, BPRS Indo Timur 20 respondents, NPRS Niaga Madani 24 respondents, BPRS Dana Moneter (BPRS Monetary Fund) 20 respondents, BPRS Sulawesi Jaya 20 respondents, BPRS Gowata 15 respondents, and BPRS Tabungan Rakyat 16 respondents. The number of samples in each syariah bank was adjusted to the number of population in the bank.

Research Variables

Factors/variables taken were variables of consumer's behaviour affecting the consumer's decision to choose syariah bank or syariah bank and conventional bank. The variables were:

1. Dependent variable (Z), variable related to the consumer's decision conditioned at 2(two) preferences: a) decision related to syariah bank only; b) decision related to syariah bank and conventional bank.
2. Independent variables, variables which have an effect on the consumer's decision. By doing some development, the study used 15 factors spread into 45 sub-variables (X). The details of the 15 factors and 45 sub-variables are as follows:

Table 1
Specifications of Factors and Research Variables

Factors	Remarks
Product (F1)	Application of profit sharing product (X1), Financing with profit sharing (X2), Secure profit sharing financing (X3), Difference of conventional bank and syariah bank on interest (X4)
Price (F2)	Profit sharing is more profitable (X6), profit earned is motivation (X6), Compatibility with profit sharing system (X7), Profit sharing is better than interest system (X8)
Promotion (F3)	Mass media publication (X9), Staff visit (X10)
Distribution (F4)	Accessible location (X11), Location is close to stores (X12), Location is close to housing complex (X13)
Physical Environment (F5)	Large parking lot and secure (X14), Lofty buildings (X15)
Process (F6)	Transaction facility (X16), Operational of syariah bank is better (X17), Responsive to complaints (X18)
Personal (F7)	Tidy staff (X19), Kind attitude (X20), Skilled staff (X21), Professional (X22)
Religion (F8)	Islamic teaching reason (X23), Influence of Islamic teaching (X24), Product with Islamic term (X25), Interest system is against Islamic teaching (X26)
Social Class (F9)	Types of occupation/business (X27), Education (X28), Income (X29)
Reference (F10)	Influence of family/friend (X30), Influence of ulema/MUI (Majelis Ulama Indonesia) edict (X31)
Family (F11)	Family income (X32), Family influence (X33), Family experience (X34)
Technology (F12)	ATM (Automatic Teller Machine) use (X35)
Motivation/Need (F13)	Material need (X36), Spiritual need (X37), Transaction need (X38)
Characteristics (F14)	Knowledge of syariah bank potential in the future (X39), Knowledge of conventional bank operation which contains usury (X40)
Psychological (F15)	Future performance of syariah bank (X41), Ability to carry out responsibility (X42), Future development of syariah bank (X43), Future opportunity (X44), Respondent's experience (X45)

Analysis Method

Based on the statement of the problems, the analysis method used in this study was:

Analysis of Factor

Analysis of factor is used to reduce 45 sub-variables to 15 factors affecting the consumer's behavior in choosing syariah bank.

According to Malhotra [13], analysis of factor is a set of procedures used to reduce and simplify the data. The model of factor analysis is as follows:

$$X_i = A_{i1}F_1 + A_{i2}F_2 + A_{i3}F_3 + \dots + A_{im}F_m + V_iU_i$$

In which:

X_i = standardized variable to i

A_i = standardized multiple regression coefficient of variable I at common factor

F = general factor

V_i = standardized regression coefficient of variable I at special factor (unique) i .

U_i = special factor to variable i

M = sum of general factors

Logistic Regression Analysis (Binary)

Logit/Probit regression analysis was used to test hypotheses 1, 2, and 3, namely which sub-variables (more specific) representing 15 factors which have a significant effect on consumer's behavior in choosing syariah bank.

Logit/probit model was stated in a probabilistic model, in which the dependent variable was logarithm of a situation probability or attribute to be effective with the condition or existence of certain independent variables [14]. This model is based on the opportunity function of cumulative logistic which can be formulated as follows:

$$P_i = E(Y=1/X_i) = \frac{1}{1 + \exp^{-(\beta_0 + \beta_i)}}$$

Expression $-(\beta_0 + \beta_i)$ is often replaced by z , so that the function changes to:

$$P_i = E(Y=1/X_i) = \frac{1}{1 + \exp^{(-z)}}$$

In logit/probit model, the dependent variable or Pi has only two forms: “Yes” and “No”, or “Completely Agree” and “Completely Disagree” in which the positive answer has score 1 and the negative answer has score 0. Therefore, when the z value is very great and positive, so that the value of exp (-z) is very small but will never equals to 0 (only close to zero).

From the result of logit/probit model analysis will arise odd ratio determine the effect on its preference. Whereas the value of coefficient (B) determines the function of z value of which the minimal amount is close to 0 and the maximal amount is close to 1, and determines the value of Pi.

RESULTS AND DISCUSSION

Test of Factor Analysis Fit Model

In order to test factor analysis fit model, Determinant Rotated Component Matrix (RCM), Keyser-Meyer-Olkin (KMO), and Barlett Test were used. When the RCM value ≥ 0.5 the conditional variable becomes a factor component. Whereas to test the adequacy of sampling, there was used Keyser-Meyer-Olkin (KMO). When the KMO value is greater than 0.5 [12], it means that the number of samples used was sufficient. The study result shows that KMO value = 0,787 means that the number of samples used has met the adequacy condition.

Further the test of error opportunity was done by using Barlett test. If the Barlett test has a level of significance smaller than 0.05, it can be assumed that error opportunity is small. The study result shows that the Barlett value = 2153,018 at the level of significance 0.00 means that the error opportunity is small.

Table 2 The Results of KMO and Barlett Tests

Keyser-Meyer-Olkin Measure of Sampling Adequacy.		.787
Barlett's Test of Sphericity	Approx. Chi Square	2,153.018
	Df	78.000
	Sig.	.000

Source: Result of Factor Analysis with SPSS Ver.17

In order to know which variable meets the condition as the component of 15 factors, Rotated Component Matrix was used. See the following table.

Table 3 Rotated Component Matrixes

Factor	Conditional Variable RCM $\geq 0,5$	Unconditional Variable RCM $< 0,5$
Factor 1	X1, X2, X4, X5, X6, X7, X8	X12 X18 X37 X43
Factor 2	X19, X20, X21, X22	
Factor 3	X42, X44, X45	
Factor 4	X23, X24, X26, X41	
Factor 5	X13, X14, X15	
Factor 6	X32, X33, X34	
Factor 7	X27, X28	
Factor 8	X3, X11, X25, X29	
Factor 9	X36, X38	
Factor 10	X16, X17	
Factor 11	X39, X40	
Factor 12	X31, X35	
Factor 13	X10	
Factor 14	X9	
Factor 15	X30	

Source: Result of Factor Analysis with SPSS Ver.17

Table 3 shows that of the 45 variables analyzed, there are 41 conditional variables which become components of 15 factors and 4 unconditional variables comprising variables X12, X18, X37, and X43.

Logistic Regression Fit Analysis Model Test

In order to test binary regression model (logistic regression) which is appropriate for further analysis, Hosmer and Lemeshow goodness of fit test was used measured by Chi Square value.

The appropriateness of logistic model with hypotheses:

Ho = There is no significant difference between expected classification and observed classification.

Ha = There is a significant difference between expected classification and observed classification.

If probability > 0.05 Ho is accepted

If probability < 0.05 Ho is rejected

Because the Chi Square value at Hosmer and Lemeshow Test is 7.187 and probability 0.517 (see appendix 5), means probability > 0.05, so, Ho is accepted. This indicates that the binary regression model is appropriate to be used for further analysis. Likewise value - 2 Log Likelihood at the beginning (Block 0: Beginning Block) as much as 582.244 and - 2 Log Likelihood at block 1 decreases to 455.889. This indicates that the binary regression model becomes better.

Testing Hypotheses 1, 2, and 3 by Logistic Regression Model

The results of logistic regression analysis of 420 respondents can be seen in the following table.

Table 4
Results of Logistic Regression Coefficient

	B	S.E	Wald	Df	Sig	Exp(p)	95,0% C.I. for EXP(B)	
							Lower	Upper
Step X1	-0.101	0.182	0.308	1	0.579	0.904	0.633	1.291
1a X2	0.118	0.168	0.494	1	0.482	1.125	0.810	1.564
X3	-0.475	0.147	10.386	1	0.001**	0.622	0.466	0.830
X4	-0.120	0.160	0.561	1	0.454	0.887	0.648	1.214
X5	0.289	0.165	4.079	1	0.039**	1.335	0.967	1.845
X6	-0.016	0.173	0.009	1	0.925	0.984	0.701	1.381
X7	-0.074	0.158	0.219	1	0.640	0.929	0.681	1.266
X8	-0.073	0.183	0.160	1	0.689	0.929	0.649	1.331
X9	-0.098	0.093	1.112	1	0.292	0.906	0.755	1.088
X10	0.145	0.083	3.041	1	0.081*	1.156	0.982	1.360
X11	0.163	0.137	0.183	1	0.669	0.943	0.722	1.233
X13	0.193	0.104	0.411	1	0.521	1.069	0.871	1.312
X14	0.037	0.121	3.875	1	0.048**	0.788	0.681	1.000
X15	0.199	0.117	3.119	1	0.077*	1.230	0.978	1.546
X16	0.342	0.179	4.906	1	0.027**	1.485	0.047	2.107
X17	0.058	0.162	1.349	1	0.245	0.828	0.602	1.138
X19	0.067	0.268	0.991	1	0.320	1.306	0.772	2.208
X20	-0.238	0.301	0.870	1	0.351	1.324	0.734	2.389
X21	0.207	0.238	0.860	1	0.354	0.802	0.502	1.279
X22	0.395	0.229	,024	1	0.878	10.036	0.662	1.622
X23	-0.189	0.188	,259	1	0.611	10.100	0.761	1.590
X24	0.267	0.209	,040	1	0.841	0.959	0.637	1.444
X25	0.281	0.111	1,679	1	0.195	0.867	0.698	1.076
X26	-0.221	0.136	4,171	1	0.041**	0.758	0.581	0.989
X27	0.035	0.117	2,615	1	0.106	1.209	0.960	1.522
X28	0.096	0.118	,281	1	0.596	0.939	0.745	1.184
X29	-0.042	0.128	,507	1	0.477	1.095	0.853	1.407
X30	-0.143	0.081	,147	1	0.701	1.032	0.880	1.209
X31	-0.277	0.084	,071	1	0.791	1.023	0.867	1.206
X32	0.190	0.109	,019	1	0.891	1.015	0.820	1.256
X33	-0.063	0.114	3,288	1	0.070*	0.813	0.651	1.017
X34	0.091	0.111	,030	1	0.863	0.981	0.789	1.222
X35	0.031	0.105	2,459	1	0.117	1.179	0.960	1.450
X36	0.031	0.135	2,049	1	0.152	1.212	0.931	1.578
X38	0.015	0.159	,055	1	0.815	0.963	0.705	1.316
X39	-0.206	0.164	1,468	1	0.226	1.220	0.884	1.683
X41	0.019	0.151	5,154	1	0.023**	0.710	0.529	0.954
X42	-0.054	0.233	,054	1	0.816	0.947	0.600	1.496
X44	-0.329	0.281	1,376	1	0.241	0.719	0.415	1.247
X45	0.531	0.235	5,116	1	0.024**	1.700	1.073	2.692

Source: Result of logit Regression with SPSS Ver.17

Remarks: * * Level of Significance 5%

From the value of logistic regression coefficient obtained, the logistic regression equation can be made as follows:

$$\text{Prob. (category 1)} = P(Y=1/X_i) = \frac{1}{1 + e^{-Z}}$$

From the equation (Z), the probability of each respondent can be determined at category 1 (respondents who choose conventional and syariah banks) in equation Z. As an example, if the respondent gives the answer strongly influential (core = 7) in 41 items of questions, then Z = 0.564

From the Z obtained as much as 0.624, the probability can be determined, namely

$$\text{Prob. (1)} = P(Y=1/X_i) = \frac{1}{1 + e^{-(0.564)}}$$

$$= 0.637$$

Therefore the probability of respondents who choose conventional and syariah banks is 63.7 % and the probability of respondents who only choose syariah bank is 36.3 % . In which

$$P(y=1(X_i) + P(Y=0/X_i) = 1$$

Probability is approach is used to interpret regression with binary dependent variable. Since there is no “negative” or “more than one” probability, then if:

- a. Negative number, it is assumed as probability zero
- b. Positive number I more than one, it is assumed probability 1
- c. Positive number between 0 and 1, the probability is compatible with existing number.

The hypothesis testing (significance) of coefficient of logistic can be done in two ways.

- 1. Using Wald statistics, that is by comparing it with chi square table (df=1) = 3.84 at the level of significance 95% and chi square table (df=1) = 2.70 at the level of significance 90%. If Wald statistics is greater than chi square table, the variable has a significant effect. On the other hand, if Wald statistics is smaller than chi square, the variable is not significant.
- 2. Comparing the level of significance (Sig) for each variable with Alpha (0.05) at the level of significance 95% and Alpha (0.10) at the level of significance 90%. If Sig is smaller than Alpha, the variable has a significant effect and on the other hand, if Sig is greater than Alpha, the variable is not significant.

Table 4 shows that at the level of significance 95%, there are 6 variables which have Wald statistical value greater than the chi square table

- a. More secure profit sharing financing (X3)
- b. Large and safe parking area (X14)
- c. Easiness of transaction (X16)
- d. Interest system is against Islamic teaching (X26)
- e. Future prospect of syariah bank performance (X41))
- f. Respondents experience (X45)

At the level of significance 90%, there are 4 variables which have Wald statistical value greater than chi square table, namely:

- a. Profit sharing is more profitable compared to interest system at conventional bank (X5)
- b. Staff visit (X10)
- c. Lofty building (X15)
- d. Family influence (X33)

This indicates that at the level of significance 95%, statistically, profit sharing financing variable, large and safe parking area, easiness of transaction, interest system is against Islamic teaching, future prospect of syariah bank performance, and respondents experience have a significant effect on consumer’s behavior to choose syariah bank. Statistically, at the level of significance 90%, profit sharing variable is more profitable compared to interest system at conventional bank, staff visit, lofty building, and family member income have a significant effect on consumer’s behavior to choose syariah bank.

The classification of 420 consumers can be seen in the following table.

Table 5 Classification of Consumers

Observation	Prediction			
	Behavior		Total	Correction Percentage
	0	1		
Step 1 Behavior 0	103	62	165	62,4
1	45	210	255	82,4
Overall Percentage				74,5

Source: Result of Logit Regression with SPSS Ver.17

Table 5 shows that 255 consumers who choose category 1 (deal with conventional and syariah banks) after prediction with logistic regression analysis, there are 45 consumers belongs to classification of consumers who choose category 0 (deal with syariah bank only) or in other words, 82.4% of the 255 consumers can be classified exactly by logistic model. Whereas there are 165 consumer consumers who choose category 0 (deal with syariah bank only), and after prediction there are 62 consumers belong to classification who choose category 1 (deal with conventional and syariah banks) or 62.4% of the 165 consumers can be classified exactly by logistic model.

The hypothesis testing shows that syariah bank internal factors which have a significant effect on consumer's behavior to choose syariah bank are:

1. Secure profit sharing financing of syariah bank product;
2. Value added through profitable profit sharing;
3. Promotion through staff visit;
4. Physical environment about large and safe parking area and lofty building;
5. Easiness of transaction.

The external environmental factors which have a significant effect on consumer's behavior to choose syariah bank are:

1. Religion especially interest system which is against Islamic teaching;
2. Family influence and support.

Individual characteristic which has a significant effect on consumer's behavior to choose syariah bank is psychological factor in which the consumer has knowledge of syariah bank future development prospect.

The Effect Internal Environmental on Consumer Behavior

As has been discussed in the previous subtopic, internal environmental factors of syariah bank comprise: 1) product which explains the application of profit sharing system, financing of sharing system, secure financing of profit sharing, and difference of profit sharing and interest at conventional bank; 2) value added which explains more profitable profit sharing, profit is motivation, compatibility to profit sharing, profit sharing is better than interest system; 3) promotion which explains the mass media publication and staff visit; 4) location which explains accessibility, close to stores, and close to housing; 5) physical environment which explains large and safe parking area and lofty building; 6) process which explains easiness of transaction, better syariah bank operation, and responsive to complaints; 7) personal which explains tidy, kind, skilled, and professional staff.

The internal environmental factors which have no effect on consumer's behavior are 1) accessible location due to syariah bank is located in strategic places such as close to stores; 2) personal related to staff skill since so far there have been no complaints from consumers.

The Effect of External Environment on Consumer Behavior

There are several environmental factors affects the consumer's behavior to choose syariah bank, namely: 1) religious factor such as suitable to Islamic teaching, product with Islamic term, and interest system is against Islamic teaching; 2) social factors such as occupation or business, education, and income; 3) reference factor such as influence of friend or neighbor and influence of ulema and MUI edict; 4) family factor such as family influence, income of family member, and family experience; 5) technology such as ATM facility.

Table 38 indicates that 1) religious factor has a significant effect on consumer's behavior to choose syariah bank especially the interest system which is against Islamic teaching. The reason is 91% of Makassar population is Islam and is subject to Islamic teaching; 2) family influence and support since family has an important role in making decision.

External environment factors which have no significant effect on consumer's behavior are 1) social class: this reflects that consumers who choose syariah bank are not relatively determined by social class such as occupation, education, and income; 2) reference related to MUI edict: this reflects that MUI edict (in the middle of 2004) relatively has no effect on consumer's behavior to choose syariah bank because most ulema or moslem intellectuals view it as hasty without paying attention to Islamic community in general and limited office branch; 3) family related to experience is relatively less influential because this variable is not the main consideration to choose syariah bank. Income is also less influential because this variable reflects no difference for the consumers to choose either syariah bank or conventional bank; 4) technology related to the use of ATM in which all banks have this facility, therefore this variable is not the main concern of consumers to choose syariah bank.

The Effect of Individual Characteristics on Consumer Behavior

Individual characteristics consist of 1) need or motivation: material, spiritual, and transaction; 2) knowledge: syariah bank future potential and conventional bank contains usury; 3) psychological: future performance of syariah bank, trust, potential growth, economic opportunity, and respondents experience.

Table 38 indicates that knowledge of future syariah bank and experience has a significant effect on consumer's behavior to choose syariah bank. This is due to knowledge of consumers to future performance of syariah bank and conventional bank which contains usury. Formal education shows that there are 211 respondents or 50.2% who have S1 education, 110 respondents or 26.2% have senior high school education, 49 respondents or 11.7% have Diploma education, 42 respondents or 10% have S2 (Master's Degree) education and 7 respondents or 1.7% have S3 (Doctoral Degree) education.

On the other hand, need or motivation and psychological factors have no significant effect on consumer's behavior to choose syariah bank. This indicates that the consumers do not put these factors into consideration to choose syariah bank.

CONCLUSION

1. Internal environmental factors comprise (1) profit sharing product, (2) more profitable value added, (3) promotion through staff visit, (4) physical environment, that is large and safe parking area and lofty building, and (5) easiness of transaction process have a significant effect on consumer's behavior to choose syariah bank.
2. External environment such as (1) religious factor especially interest system is against Islamic teaching, and (2) influence and support of family have a significant effect on consumer's behavior to choose syariah bank.
3. An individual characteristics especially psychological factor, that is knowledge of the future prospect of syariah bank development and consumers experience have a significant effect on consumer's behavior to choose syariah bank.
4. Of the 420 respondents, 255 respondents use dual banking (choose conventional and syariah banks) and it is predicted that 45 consumers or 17.6% will only choose syariah bank. The number of consumers who is still loyal to use dual banking is 210 respondents or 82.4%.
5. Of the 420 respondents, there are 165 respondents who use syariah bank only and it is predicted that 62 consumers or 37.6 % will use or choose dual banking (choose syariah bank and conventional banks). The number of respondents who is still loyal to use syariah bank is 103 respondents or 62.4 %.
6. Probability of each consumer tendency to use or choose dual banking (choose conventional and syariah banks) is 63.7% and probability of each consumer to choose only syariah bank is 36.3 %. This indicates that consumers of syariah bank in Makassar city in general use conventional bank.

SUGGESTION

1. Based on the results of analysis, profit sharing product has a significant effect on consumer's behavior of syariah bank. Therefore, banking agents should take strategic measurements to improve the product management not only for short -term financing but also for long-term financing such as housing loan, plantation loan, car purchase loan, etc.
2. Complete information on syariah bank must be provided accordingly to the community, related to syariah system, type's ofoduct/service, facility, and supporting facility. The main weakness of syariah bank so far is the community has not understood syariah bank, so that they need some information on syariah bank. Therefore:
 - a. Bank Indonesia must explain legal aspect of dual banking system to assure the community that the system exists.
 - b. Syariah bank must be proactive in promotion through mass media and visit to community leaders.
 - c. MUI must explain about syariah system according to fiqh muamalah.
3. Professionalism of syariah bank related to public service, types of product/service offered and supporting facility need to be improved. This is related to their feelings about safety, convenience, and easiness of transaction. The application of syariah system as syariah bank superiority must be carried out correctly remembering that some of the community feels that syariah bank system is not different from other conventional banks.
4. The development of syariah bank needs to determine the target, so that product/service offered can meet the need of the community. The results of this study show that community which has an access to syariah bank is middle class down such as civil servants, private employees, small traders. This market potential must not be ignored because the fund rotation for the middle community down is relatively big.
5. Accessibility of syariah bank by the community is important and must be put into consideration in choosing the location of syariah bank, fast service network, and it is possible to use pick up the ball system to provide service and improve professionalism as absolute conditions in the development of syariah bank in the future.

6. The development of syariah general bank should not make Bank Perkreditan Rakyat as a competitor but as a partner in the collection and distribution of fund, grab market potential, and make net working so that bigger business scale can be achieved.

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