ABSTRACT

KHULAILATUN NIKMAWATI. Analysis of the Level of Society Acceptance to Sharia Bank: Case Study on Bogor City. Under direction of I MADE SUMERTAJAYA and YENNI ANGRAINI.

Since the establishment of sharia bank in 1992, market share of sharia bank assets only reached 2.6%. In other words, only 2.6% people using sharia bank services. Whereas the growth of asset and financing to deposit ratio (FDR) for the last six years are above 100%. Targeted market share has not been attained. The objectives of this study are: (1) to determine factors which influence the market share of sharia bank model and (2) adapt its result to field conditions. Methodology of this study is desk study, field survey and spline regression analysis. The result of this study indicated that: (1) the amount of office variable is the most important variable that form the model of the market share of sharia bank assets. This was in line with the main reason why people choose conventional banks due to the easily accessible location, 87.5% as well as sharia bank customers who prefer using the conventional banks, 61%; (2) the variable of sharia interbank money market rate. This was in line with the second reason why people choose sharia bank based on the field data and (3) the presence of Banking Act is the last variable that form the model of market share of sharia bank as agreed by the field survey showing 67% of respondent regard the Act as the important variable to increase the growth of sharia Bank.

Keywords: level of acceptance, sharia bank, market share, spline regression