

Factors Affecting The Level Of Public Understanding Of Sharia Banking Products

Irma Juniartik¹, Nurlaila², Nur Ahmadi Bi Rahmani³

^{1,2,3} Faculty of Islamic Economics and Business, State Islamic University of North Sumatra North Sumatra

Irmajuni2906@gmail.com¹, nurlaila@uinsu.ac.id², nurahmadibi@gmail.com³

Abstract

Actualmente, el desarrollo de los bancos islámicos no va a la zaga del progreso de los bancos convencionales, pero todavía existe uno de los problemas que enfrentan los bancos islámicos: la baja comprensión pública de los productos bancarios islámicos, especialmente aquellos causados por la dominación de la banca convencional para que los bancos islámicos la banca todavía es subestimada por algunas personas. Este estudio tiene como objetivo determinar los factores que pueden influir en el nivel de comprensión pública de los productos de la banca islámica. Esta investigación utiliza métodos cuantitativos. Los datos utilizados son datos obtenidos de un cuestionario de 300 encuestados. Los resultados obtenidos de este estudio se basan en la distribución de cuestionarios que han sido medidos a través de los indicadores factoriales del nivel de comprensión, los cuales se representan en la línea continua, se puede observar que las variables de conocimiento, experiencia, factores económicos, medio ambiente, la educación y la información tienen un efecto positivo con un valor t de 4933, que es más grande que el valor de la tabla t y significativo para el nivel de comprensión pública de los productos bancarios de la shariah.

Keywords: *Products, Knowledge, Experience, Economy, Environment, Education, information*

Abstrak

Perkembangannya bank syariah saat ini tidak ketinggalan dengan kemajuan seperti halnya bank konvensional, tetapi masih ada salah satu permasalahan yang dihadapi bank syariah adalah rendahnya pemahaman masyarakat tentang produk perbankan syariah terutama yang disebabkan oleh dominasi perbankan konvensional sehingga perbankan syariah masih dianggap sebelah mata oleh sebagian masyarakat. Penelitian ini bertujuan untuk mengetahui faktor-faktor yang dapat mempengaruhi tingkat pemahaman masyarakat terhadap produk perbankan syariah. Penelitian ini menggunakan metode kuantitatif. Adapun data yang digunakan yaitu data yang diperoleh dari kuesioner sebanyak 300 responden. Adapun hasil yang diperoleh dari penelitian ini berdasarkan penyebaran kuesioner yang telah diukur melalui indikator faktor tingkat pemahaman, yang digambarkan pada garis kontinum dapat diketahui bahwa variabel pengetahuan, pengalaman, faktor ekonomi, lingkungan, pendidikan dan informasi berpengaruh positif dengan nilai t hitung sebesar 4.933 dimana lebih besar dari nilai t table dan signifikan terhadap tingkat pemahaman masyarakat terhadap produk perbankan syariah.

Kata kunci: Produk, Pengetahuan, Pengalaman, Ekonomi, Lingkungan, Pendidikan, Informasi

Article History
Received Date: April 26 th, 2023
Revised Date: May 30 th, 2023
Accepted Date: June 30 th, 2023

DOI: 10.21927/10.21927/jesi.2023.13(2).342-357
Corresponding author: Irmajuni2906@gmail.com

INTRODUCTION

In Indonesia, regulations regarding Islamic banks are contained in law no. 21 of 2008 concerning Sharia banking. 5 A Sharia bank is a bank that carries out its business activities based on Sharia principles and according to its type consists of Sharia commercial banks, Sharia business units, and Sharia rural banks (BPRS). Sharia Banks consisting of BUS, UUS, and BPRS carry out activities to collect and distribute public funds in addition to providing other financial services (Andri, 2009).

Islamic banks in terms of development are currently not lagging with progress like conventional banks. Not a few Islamic banks are conversions from well-established conventional banks that are trying an alternative to attract as many customers as possible (Iswanaji et al., 2022). There are several reasons why the existing conventional banks are starting to look at the Sharia system, including the potential market because the majority of Indonesia's population is Muslim and with their growing awareness to behave in an Islamic way, including the muamalah aspect of business (Antonio, et.al., 2012).

At the development position stage, it is understandable that at this time the understanding of the majority of people

regarding the Islamic banking system and principles is still not correct. The Islamic economic system is clear, which prohibits the practice of usury and the accumulation of wealth only for certain parties unfairly (Shafi'i, 2001). However, in practice, the forms of products and services, the basic principles of the relationship between banks and customers, as well as conducting halal business practices in Islamic banking, still need to be socialized widely. Islamic bank which was developed based on the principle that does not allow the separation between temporal and religious matters. This principle requires adherence to shari'ah as the basis of all aspects of life (Setyawati, et. al., 2012).

Most people already know what Islamic banks are, but they do not know the products offered by Islamic banks, so people who do not know Islamic bank products will certainly not be interested in using Islamic banking services because they think that the supporting facilities provided are still limited. inferior to the facilities offered by conventional banks, except for people who have a strong desire to save at Islamic banks because they avoid elements of usury (Alwi, 2022). Public understanding and knowledge about Islamic banks will also affect people's views about Islamic banks themselves. Simply put, the public's view of Islamic

banks depends on what they know. If knowledge about Islamic banks is low, viewing Islamic banks is certainly low (Nani, 2019).

Understanding and outreach to the public about Sharia banking products and systems in Indonesia are still very limited which is referred to as the impact of customers' lack of knowledge about Sharia financial institutions or Sharia banks. This is supported by data published by Bank Indonesia, which that until 2017, Islamic banking only had 5% of the total banking market share nationally (Nugrahaet, et.al., 2022). In addition, the perception of customers who evaluate Islamic financial institutions is the same as conventional financial institutions, which differs only in name. Islamic financial literacy in Indonesia is considered low at around 8.1%, far behind compared to conventional banking at 29.5%. Low literacy makes the total assets of Islamic banking only grab a market share of 5.85%. Based on OJK data as of May 2019, it is known that the total composition of Islamic banking assets nationally only reaches IDR 484.62 trillion with an Islamic banking market share of 5.85 percent (Nugraheni, 2018).

Understanding is a person's ability to explain, explain and interpret a problem or concept, this means that someone who has

understood something or has gained an understanding will be able to explain or re-explain what he has received. In addition, those who have understood this, can provide interpretation or interpret broadly according to the circumstances around them, they can make connections with current and future conditions. 39 The tool used in thinking is the reason, and the results of thought are born with language and can also be intelligence (Widarsono, 2017).

Society is a group of people consisting of various groups and living in one area, groups can consist of people who can people who are not able. Real society is a group of people who already have customary laws, norms, and various regulations that are ready to be obeyed. According to Aziz (2021), society comes from the word *musyarakah* which means together. Then it turns into a community which means gathering together, living together by being interconnected and influencing each other than getting an agreement to become a community.

Products are goods or services that can be bought and sold, in marketing a product is anything that can be offered to a market and can satisfy a want or need. Islamic banking is a financial institution that carries out the intermediary function in collecting public funds and channeling financing to the public

per Sharia principles. Islamic banks are not only interest-free but have an orientation toward achieving prosperity (Suyuti, 2020).

Most people already know what Islamic banks are, but they do not know the products offered by Islamic banks, so people who do not know Islamic bank products will certainly not be interested in using Islamic banking services because they think that the supporting facilities provided are still limited. inferior to the facilities offered by conventional banks, except for people who have a strong desire to save at Islamic banks because they avoid the element of usury (Ilfitah, 2021). Public understanding and knowledge about Islamic banks will also affect people's views about Islamic banks themselves. Simply put, the public's view of Islamic banks depends on what they know (Nugraha, 2021).

RESEARCH METHOD

This research is a type of quantitative research. Where the quantitative method is also called the traditional method because this method has been used for a long time. This method is also known as the associative positivistic method, which is a statistic for predicting how the effect of the independent variable on the dependent variable uses regression (Ahmadi, 2016).

The population in this study is the Kotapinang community, Kab. South Labuhan Batu aged 20 years and over consists of students, teachers, private employees, and others. Based on this definition, the population of this study is all the people of Kotapinang District, totaling 64,455 people. Given the very limited ability of the authors both in terms of cost, time, and effort, the authors determine the number of samples in this study using the Slovin formula. If calculated using the solving formula, the results obtained for the sample in this study are 99.84, so they are rounded up to 100.

$$\text{Slovin formula: } n = \frac{N}{1 + N.e^2}$$

The research method is a scientific way to get data with a specific purpose and use. Obtained data through this research is empirical data observed that has criteria certain valid. The source of data used in this research is primary data. The primary data in this study were obtained from distributing questionnaires to all residents of Kotapinang District. The data collection technique was carried out by providing a set list of questions or written statements to obtain information from several respondents in the form of a questionnaire or questionnaire (Adulsani, 2018). The researcher uses a questionnaire where all alternative answers have been listed

in the questionnaire so that the respondent only has to choose the appropriate answer.

RESULTS AND DISCUSSION

Validity and Reliability Test

To test the validity and reliability of the instrument, the authors use SPSS analysis. A validity test is a measure that shows the level of constraints or the validity of a measuring instrument. The measuring instrument that can be used in testing the validity of a questionnaire or questionnaire is the number resulting from the correlation between the questionnaire score and the overall score of the respondents to the information in the questionnaire. The valid measure of whether or not a question can be seen from the SPSS output in the form of the item value of the total statistics for each questionnaire item.

For the level of validity, a significant test was carried out by comparing the calculated r-value with the r-table value. For degrees of freedom ($df = n - k$) in this case is the number of samples and k is the number of constructs. In this case, the amount of df can be calculated from $100 - 7$ or $df = 93$ with an alpha of 0.05 to get r table 0; if r count (for each question item can be seen in the total correlation question corrected item pool) is greater than r table and the r value is positive, then the question item is said to be valid.

Table 1. Validity Test

| Variable | Question Items | Total Correlation | R Table | Information |
|-----------------------------|----------------|-------------------|---------|-------------|
| Knowledge (X1) | X1.1 | 0.745 | 0.1191 | Valid |
| | X1.2 | 0.807 | 0.1191 | Valid |
| | X1.3 | 0.790 | 0.1191 | Valid |
| | X1.4 | 0.816 | 0.1191 | Valid |
| | X1.5 | 0.769 | 0.1191 | Valid |
| Experience (X2) | X2.1 | 0.616 | 0.1191 | Valid |
| | X2.2 | 0.890 | 0.1191 | Valid |
| | X2.3 | 0.855 | 0.1191 | Valid |
| Economy (X3) | X3.1 | 0.680 | 0.1191 | Valid |
| Environment (X4) | X4.1 | 0.921 | 0.1191 | Valid |
| | X4.2 | 0.911 | 0.1191 | Valid |
| Education (X5) | X5.1 | 0.948 | 0.1191 | Valid |
| | X5.2 | 0.959 | 0.1191 | Valid |
| Information (X6) | X6.1 | 0.870 | 0.1191 | Valid |
| | X6.2 | 0.905 | 0.1191 | Valid |
| | X6.3 | 0.87 | 0.1191 | Valid |
| Banking Products (Y) | Y.1 | 0.745 | 0.1191 | Valid |
| | Y.2 | 0.807 | 0.1191 | Valid |
| | Y.3 | 0.790 | 0.1191 | Valid |
| | Y.4 | 0.816 | 0.1191 | Valid |
| | Y.5 | 0.769 | 0.1191 | Valid |

Source: Data processing, 2023

From the tables above it can be seen that each question item has r count > from r table (0.1191) and is positive. Thus the questions are said to be valid.

Reliability Test

The reliability test was carried out to see the stability and consistency of the respondents in answering things related to the questions arranged in a questionnaire form. The results of this test will reflect whether or

not a research instrument can be trusted, based on the level of accuracy and stability of a measuring instrument.

The standard used in determining the reliability or unreliability of a research instrument. One of them is by looking at the comparison between the calculated and the table values at the 95% transparency level (5% significance). If the test is carried out using the Alpha Cronbach method, the calculation will be represented by the Alpha value in the following table.

Table 2. Reliability Test

| Reliability Test | Reabilitas Coefecient | Cronbach Alpha | Information |
|---------------------------|-----------------------|----------------|-------------|
| Knowledge Variable | 5 Question items | 0.842 | Reliable |
| Experience Variable | 3 Question items | 0.707 | Reliable |
| Economic Variables | 1 Question items | 0.874 | Reliable |
| Environment Variables | 2 Question Items | 0.807 | Reliable |
| Education Variables | 2 Question Items | 0.898 | Reliable |
| Information Variables | 3 Question Items | 0.858 | Reliable |
| Banking Product Variables | 3 Question Items | 0.842 | Reliable |

Source: Data processing, 2023

From the description of the table above it can be seen that each variable has a Cronbach Alpha > 0.60. Thus the variables (Knowledge, Experience, Economy,

Environment, Education, Information, and Understanding) can be said to be reliable.

Normality test

The Normality test aims to test whether, in the regression model, the dependent variable and independent variable both have a normal distribution or not. The way to test the normality of the data is to use the Normal P-P Plot by looking at the spread of the data. If on the graph the distribution of the data follows a straight-line pattern, then the data is normal. If the test of normality table uses the Kolmogrov-Smirnov sig value > 0.05, then it can be normally distributed. The normality test in this study is as follows.

Table 3. Normality Test

One-Sample Kolmogorov-Smirnov Test

| | | Standardized Residual |
|----------------------------------|----------------|-----------------------|
| N | | 100 |
| Normal Parameters ^{a,b} | Mean | ,0000000 |
| | Std. Deviation | ,96922337 |
| Most Extreme Differences | Absolute | ,227 |
| | Positive | ,173 |
| | Negative | -,227 |
| Kolmogorov-Smirnov Z | | 2,269 |
| Asymp. Sig. (2-tailed) | | ,880 |

a. Test distribution is Normal.

b. Calculated from data.

Source: Data processing, 2023

The table above explains the results of the normality test for all variables using the Kolmogrov-Smirnov calculation above which is 0.880 and greater than 0.05, it can be concluded that the variable data is normally distributed.

Multicollinearity Test

The multicollinearity test aims to determine whether there is a significant correlation (correlation) between the independent variables. The multicollinearity test with SPSS is shown through the Coefficient table, namely in the Tolerance column and the VIF (Variance Inflated factors) column. Tolerance is an indicator of how much variability of an independent variable cannot be explained by other independent variables. If the tolerance value is greater than 10.10 and if the VIF value is less than 10.00, then multicollinearity does not occur.

Table 4. Multicollinearity Test

| | | Coefficient ^a | | | | | | | | | | | |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|--------------|------------|---------|-------------------------|-----------|-----|--|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | | | |
| | | B | Std. Error | | | | Beta | Zero-order | Partial | Part | Tolerance | VIF | |
| 1 | (Constant) | 6,684 | 4,772 | | 1,401 | ,165 | | | | | | | |
| | Pengalaman | ,323 | ,347 | ,094 | 4,933 | ,000 | ,631 | ,096 | ,067 | ,373 | ,2681 | | |
| | Pengalaman | ,250 | ,389 | ,047 | 2,644 | ,001 | ,359 | -,067 | -,040 | ,701 | 1,426 | | |
| | Ekonomi | 2,755 | 1,320 | ,200 | 2,087 | ,040 | ,686 | ,212 | ,128 | ,413 | 2,424 | | |
| | Lingkungan | ,979 | 1,107 | ,120 | 3,884 | ,001 | ,730 | ,091 | ,064 | ,204 | 4,893 | | |
| | Pendidikan | 2,912 | ,981 | ,401 | 2,968 | ,004 | ,772 | ,294 | ,183 | ,207 | 4,827 | | |
| | Informasi | ,584 | ,535 | ,109 | 3,092 | ,001 | ,657 | ,112 | ,067 | ,381 | 2,623 | | |

a. Dependent Variable: Pemahaman

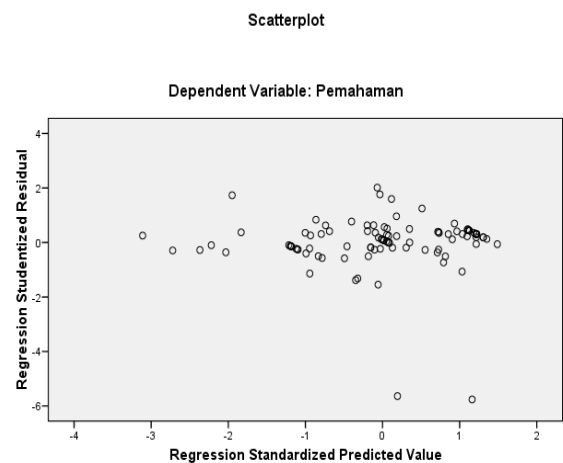
Source: Data processed, 202

From the results of the multicollinearity test conducted, it is known that the variable inflation factor (VIF) of the six variables Knowledge (X1) is 2.681, Experience (X2) is 1.426, Economy (X3) is 2.424, Environment (X4) is 4.8933, Education (X5) is 4.827, Information (X6) is 2623 and the results obtained from these three variables are less than 10, so it can be assumed that there is no

multicollinearity between the independent variables in the regression model.

Heteroscedasticity Test

The Heteroscedasticity Test aims to test whether there is an inequality of variance in the regression model. Heteroscedasticity is a condition where the variance of the confounding error is not constant for all independent variable values, where this test aims to test whether the variance of the residuals or one other observation occurs in the regression model. To detect it, look at the points that spread above and below the number 0 on the Y axis on the Scatterplot graph. The results of the statistical heteroscedasticity test obtained in this study are as follows::



Gambar 1. Uji Heteroskedetisitas

The results of the heteroscedasticity test show that the dots do not form a clear pattern. As seen, the points spread above and

below the number 0 (zero) at temperature Y. So it is concluded that there is no heteroscedasticity in the regression model. Thus the assumptions of normality, multicollinearity, and heteroscedasticity in the model can be met.

Multiple Linear Regression Test

Table 5. Multiple Linear Regression Test

| | | Coefficient ^a | | | | | | | | | | |
|-------|-------------|-----------------------------|------------|---------------------------|-------|------|--------------|---------|-------|-------------------------|-------|--|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | | |
| | | B | Std. Error | Beta | | | Zero-order | Partial | Part | Tolerance | VF | |
| 1 | (Constant) | 6,684 | 4,772 | | 1,401 | ,165 | | | | | | |
| | Pengetahuan | ,323 | ,347 | ,094 | 4,933 | ,000 | ,631 | ,096 | ,057 | ,373 | 2,681 | |
| | Pengalaman | ,250 | ,389 | ,047 | 2,644 | ,001 | ,359 | -,067 | -,040 | ,701 | 1,426 | |
| | Ekonomi | 2,755 | 1,320 | ,200 | 2,087 | ,040 | ,686 | ,212 | ,128 | ,413 | 2,424 | |
| | Lingkungan | ,979 | 1,107 | ,120 | 3,884 | ,001 | ,730 | ,091 | ,054 | ,204 | 4,893 | |
| | Pendidikan | 2,912 | ,981 | ,401 | 2,968 | ,004 | ,772 | ,294 | ,183 | ,207 | 4,827 | |
| | Informasi | ,584 | ,535 | ,109 | 3,092 | ,001 | ,657 | ,112 | ,067 | ,381 | 2,623 | |

a. Dependent Variable: Pemahaman

Source: Data processing, 2023

From Table 1.6 above, it can be seen that the results of the equation model for the variables Knowledge (X1), Experience (X2), Economics (X3), Environment (X4), Education (X5), Information (X6) and Banking Products (Y) are obtained are as follows :

$$Y = 6.684 + 0.323 X1 + 0.250 X2 + 2.755 X3 + 0.979 X4 + 2.912 X5 + 0.488 X6.$$

Based on the results of the equation obtained, it can be explained the meaning and meaning of the coefficients of Knowledge (X1), Experience (X2), Economics (X3), Environment (X4),

Education (X5), Information (X6), and Banking Products (Y) are as follows

1. The value of the constant (c) is 6,684, this means that if the variables Knowledge (X1), Experience (X2), Economics (X3), Environment (X4), Education (X5), Information (X6) are equal to zero, then understanding Community Against Islamic Banking Products equals the value of 6,684 assuming other variables are constant.
2. Knowledge value (X1) is 0.323, this means that if the independent variable, namely knowledge, increases by 1%, it will be able to increase public understanding of Islamic banking products by 0.323%.
3. Experience Value (X2) 0.250, this means that if the independent variable, namely Experience, increases by 1%, it will increase Public Understanding of Islamic Banking Products by 0.250%.
4. Economic Value (X3) 2,755 this means that if the independent variable, namely the Economy, increases by 1%, it will increase Public Understanding of Islamic Banking Products by 2,755%.
5. The value of the Environment (X4) is 0.979, this means that if the independent variable, namely the Environment, increases by 1%, it will increase Public

Understanding of Islamic Banking Products by 0.979%.

6. Education Value (X5) 2,912 This means that if the independent variable, namely Education, increases by 1%, it will increase Public Understanding of Islamic Banking Products by 2,912%.
7. Information value (X6) 0.488, this means that if the independent variable, namely information, increases by 1%, it will increase public understanding of Islamic banking products by 0.488%.

Hypothesis testing

Table 6. T-Statistics Test

| | | Coefficients ^a | | | | | | | | | | | |
|-------|-------------|-----------------------------|------------|---------------------------|-------|------|--------------|------------|---------|-------------------------|-----------|----|--|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | | | |
| | | B | Std. Error | | | | Beta | Zero-order | Partial | Part | Tolerance | VF | |
| 1 | (Constant) | 6.684 | 4.772 | | 1.401 | ,165 | | | | | | | |
| | Pengetahuan | ,323 | ,347 | ,094 | 4.933 | ,000 | ,631 | ,086 | ,067 | ,373 | 2,681 | | |
| | Pengalaman | ,250 | ,389 | ,047 | 2,644 | ,001 | ,369 | -,067 | -,040 | ,701 | 1,426 | | |
| | Ekonomi | 2,755 | 1,320 | ,200 | 2,087 | ,040 | ,686 | ,212 | ,128 | ,413 | 2,424 | | |
| | Lingkungan | ,979 | 1,107 | ,120 | 3,884 | ,001 | ,730 | ,091 | ,054 | ,204 | 4,893 | | |
| | Pendidikan | 2,912 | ,981 | ,401 | 2,968 | ,004 | ,772 | ,294 | ,183 | ,207 | 4,827 | | |
| | Informasi | ,584 | ,535 | ,109 | 3,092 | ,001 | ,657 | ,112 | ,067 | ,381 | 2,623 | | |

a. Dependent Variable: Pemahaman

Source: Data processing, 2023

The t-test aims to determine whether the independent variables or Knowledge (X1), Experience (X2), Economics (X3), Environment (X4), Education (X5), and Information (X6) partially or individually have a significant effect on the dependent variable or Banking Products (Y).

Knowledge (X1) has a t value of 4,933. This value is greater than the t table (1.65291)

with a sig t value (0.000) < 0.05. So testing the research hypothesis is that Ha is accepted and H0 is rejected. This explains that partially Knowledge has a significant and positive effect on Islamic Banking Products in Kec. Penang City. Experience (X2) has a calculated t value of 2,664. This value is greater than the t table (1.65291) with a sig t value (0.001) < 0.05. So testing the research hypothesis is that Ha is accepted and H0 is rejected. This explains that partially Experience has a significant and positive effect on Islamic Banking Products in Kec. Penang City

Economy (X3) has a calculated t value of 2,087. This value is greater than the t table (1.65291) with a sig t value (0.040) < 0.05. So testing the research hypothesis is that Ha is accepted and H0 is rejected. This explains that partially the economy has a significant and positive effect on Islamic Banking Products in Kec. Penang City. Environment (X4) has a calculated t value of 3,884. This value is greater than the t table (1.65291) with a sig t value (0.001) < 0.05. So testing the research hypothesis is that Ha is accepted and H0 is rejected. This explains that partially the environment has a significant and positive effect on Islamic Banking Products in Kec. Penang City.

Education (X5) has a calculated t value of 2,968. This value is greater than the t table (1.65291) with a sig t value (0.004) < 0.05. So testing the research hypothesis is that Ha is accepted and H0 is rejected. This explains that partially Education has a significant and positive effect on Islamic Banking Products in Kec. Penang City. Information (X6) has a calculated t value of 3,092. This value is greater than the t table (1.65291) with a sig t value (0.001) < 0.05. So testing the research hypothesis is that Ha is accepted and H0 is rejected. This explains that partial information has a significant and positive effect on Islamic Banking Products in Kec. Penang City.

Statistical F Test

The F test is carried out to determine the effect of the independent variables on the dependent variable simultaneously or as a whole. The F test is used to determine the quality of the significance of the regression between each independent variable (X) simultaneously/concurrently if there is an influence or not on the dependent variable (Y). At the value of $F_{hitung} < F_{tabel}$ or a significance value of > 0.05. This means that Ho is accepted. This shows simultaneously that the independent variable has no significant effect on the dependent variable.

At the value of $F_{hitung} > F_{tabel}$ or a significance value of < 0.05. This means that Ho is accepted. This shows simultaneously the independent variables have a significant effect on the dependent variable.

Table 7. Statistical F Test

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|----|-------------|--------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 11896,285 | 6 | 1982,714 | 28,568 | ,000 ^a |
| | Residual | 6454,465 | 93 | 69,403 | | |
| | Total | 18350,750 | 99 | | | |

a. Predictors: (Constant), Informasi, Pengalaman, Ekonomi, Pengetahuan, Pendidikan, Lingkungan

b. Dependent Variable: Pemahaman

Source: Data processing, 2023

Based on the calculation results above, it can be seen that F count (28,568). This value is greater than the F table (2.26) with a sig F value (0.000) < 0.05. So testing the hypothesis Ha is accepted and H0 is rejected. This explains that simultaneously Knowledge (X1), Experience (X2), Economics (X3), Environment (X4), Education (X5), and Information (X6) have a significant and positive effect on Islamic Banking Products in Kec. Penang City.

R-Square test

The determination coefficient test or R² aims to find out how much the independent variable is capable of, namely the variables of knowledge, experience, economics, environment, education, and information explaining the dependent variable of Islamic

banking products or to find out the percentage of the dependent variable explained by the independent variable.

Table 8. R Square Test

| Model Summary ^a | | | | | | | | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|---------------|--|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | | Durbin-Watson | |
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change | | |
| 1 | .805 ^a | .648 | .626 | 8,33084 | .648 | 28,568 | 6 | 93 | .000 | 1,133 | |

a. Predictors: (Constant), Informasi, Pengalaman, Ekonomi, Pengetahuan, Pendidikan, Lingkungan

b. Dependent Variable: Pemahaman

Source: Data processing, 2023

The results of the test for the coefficient of determination provide meaning that 64.8% of the variables of knowledge, experience, economy, environment, education, and information can explain the level of public understanding of Islamic banking products, and the remaining 25.2% is processed by other variables outside of this study.

Discussion

Factors Affecting the Level of Public Understanding of Islamic Banking Products

From the calculation results above, it can be seen that six (6) indicators affect the level of public understanding of Sharia banking products in Kotapinang District.

Knowledge

Judging from the results of the hypothesis test variable X1 (Knowledge) from this study Ha was accepted and Ho was

rejected. So this can explain that partially Knowledge has a significant and positive effect on Islamic Banking Products in Kec. Penang City. Knowledge essentially includes everything that is known by someone about a particular object either through self-experience or through other people. In this case knowledge of Islamic banking where people who have a lot of knowledge about Islamic banking can be said to understand Islamic banking (Wahyuni, 2012).

Understanding is very important for everyone to know or interpret something in this case understanding Islamic banking products, which can influence the development of the bank itself in advancing the economic community both in urban and rural areas because more and more people understand the products that are offered by Islamic banks, there will be more and more customers who were previously conventional bank customers will move to Islamic banks to transact to meet their needs (Musyahida, *et.al.*, 2021).

Experience

Judging from the results of the hypothesis test variable X2 (Experience) from this study Ha was accepted and Ho was rejected. So this can explain that partially Knowledge has a significant and positive effect on Islamic Banking Products in Kec.

Penang City. Previous experience greatly influences how a person perceives the world. Mirrors for us are certainly not something new, but it is different for the Mentawai people in the interior of Siberut or our brothers and sisters in the interior of Iran. Based on the experience one has, one can think through what one has done, so that this is used to find the truth (Sharma, 2017).

Knowledge can be interpreted as "the result of human knowledge of something or all human actions to understand an object it faces or the result of human efforts to understand a particular object. Knowledge can be obtained through one's own experience and also through other people both directly and through the media, and what is told can be accepted as something that is considered true. Various efforts can be made by someone to gain knowledge, including asking people who are considered to know more about something having scientific authority in a particular field. Knowledge essentially includes everything that is known by someone about a particular object either through self-experience or through other people. In this case knowledge of Islamic banking where people who have a lot of knowledge about Islamic banking can be said to understand Islamic banking (Althaf, *et. al.*, 2017).

Economy

Judging from the results of the hypothesis test variable X3 (Economics) from this study, H_a was accepted and H_o was rejected. So this can explain that partially Knowledge has a significant and positive effect on Islamic Banking Products in Kec. Penang City. The economic factor is a factor that can affect the low level of public understanding because, from the economic situation, the community can do higher education so that they can receive knowledge and information that exists in society. A person's economic status will also determine the availability of a facility needed for certain activities (Tuwemeng. *et., al.*, 2017).

Economic factors are factors that can influence the minimum level of understanding of the community because of the economic situation the community can carry out higher education so that they can receive knowledge and information that exists in society. A person's economic status will also determine the availability of a facility needed for certain activities. Occupation also affects consumption patterns. Work indirectly contributes to influencing a person's level of understanding, this is because work is closely related to

social interaction factors and culture (Arifin, 2021).

Environment

Judging from the results of the X4 (Environment) variable hypothesis testing from this study Ha was accepted and Ho was rejected. So this can explain that partially Knowledge has a significant and positive effect on Islamic Banking Products in Kec. Penang City. Almost every society has some form of social class structure. Social classes are relatively permanent and ordered divisions in a society whose members share similar values, interests, and behaviors. A person's reference or reference group consists of all groups that have a direct or indirect influence on the attitude or behavior of that person. The environment is one of the factors that influence one's understanding. In the environment, a person will gain experience that will affect one's way of thinking (Nugraheni, 2021).

Almost every society has some form of social class structure. Social classes are relatively permanent and ordered divisions in a society whose members share similar values, interests, and behaviors. A person's reference or reference group consists of all groups that have a direct or indirect influence on the attitude or behavior of that person. The

environment is one of the factors that influence one's understanding. In the environment, a person will gain experience that will affect one's way of thinking (Rani, 2015).

Education

Judging from the results of the hypothesis test variable X5 (Education) from this study, Ha was accepted and Ho was rejected. So this can explain that partially Knowledge has a significant and positive effect on Islamic Banking Products in Kec. Penang City. Ki Hajar Dewantara (Father of Indonesian National Education) explained the meaning of education, namely: Education is a requirement in the life the growth of children, which means, education is to guide all the natural forces that exist in these children so that they as human beings and as members of society can achieve the highest safety and happiness. Education is a conscious effort to prepare students through guidance, teaching, and/or training activities for their future roles (Setiawan, *et, al.*, 2017).

Information

Judging from the results of the hypothesis test variable X6 (Information) from this study, Ha was accepted and Ho was rejected. So this can explain that partially Knowledge has a significant and positive

effect on Islamic Banking Products in Kec. Penang City. According to Wied Hary, information will influence one's understanding. Even though someone has low education, if he gets good information from various media, for example, TV, radio, or newspapers then it can increase one's understanding (Ahmaed, *et. al.*, 2022).

CONCLUSION

The results of this study indicate that knowledge has a positive effect with a t-count value of 4,933 which is greater than the t-table value and is significant for the level of public understanding of Islamic banking products. Understanding has a positive effect with a t-count value of 2,664 which is greater than the t-table value and is significant for the level of public understanding of Islamic banking products. The economy has a positive effect with a t count value of 2,087 which is greater than the t table value and is significant for the level of public understanding of Sharia banking products. The environment has a positive effect with a t-count value of 3,884 which is greater than the t-table value and is significant for the level of public understanding of Islamic banking products. Education has a positive effect with a t count value of 2,968 which is greater than the t table value and is significant

for the level of public understanding of Sharia banking products. Information has a positive effect with a t count value of 3,092 which is greater than the t table value and is significant for the level of public understanding of sharia banking products in Kotapinang District.

REFERENCE

- Andri, S. (2009). Bank dan Lembaga Keuangan Syariah, Jakarta: Kencana. Undang-Undang Republik Indonesia Nomor, 23.
- Antonio, M. S., Sanrego, Y. D., & Taufiq, M. (2012). An analysis of Islamic banking performance: Maqashid index implementation in Indonesia and Jordania. *Journal of Islamic Finance*, 176(813), 1-18.
- Adulsyani, Sosiologi: Skematika, Teori Dan Terapan, Jakarta : Bumi Aksara, 2018
- Aziz, F. A., & Irfangi, A. (2021). Analysis of Profit-Sharing Knowledge And Bank Interest In Understanding Of Sharia Banking Operational Management And Its Implications For Saving Students In Sharia Banking. *Palarch's Journal Of Archaeology Egypt/Egyptology*, 18(3), 525-538.

- Ahmed, I., Usman, A., Farooq, W., & Usman, M. (2022). Shariah board, web-based information, and branding of Islamic financial institutions. *Journal of Islamic Marketing*, 13(3), 717-739.
- Adinugraha, H. H., & Muhtarom, A. (2021). Understanding Of Islamic Studies Through Sharia Economics Perspective In Indonesia. *Journal of Islamic Economics Perspectives*, 3(1), 17-31.
- Alwi, S., & Khotijah, S. A. (2022). Analysis of the Lack of Public Knowledge Regarding the Development of Islamic Banking in Indonesia. *CASHFLOW: Current Advanced Research On Sharia Finance and Economic Worldwide*, 1(4), 85-92.
- Arifin, M. (2021). The Influence Of Islamic Law And Economic Principles On the Banking Industry In Indonesia. *Journal Of Legal, Ethical And Regulatory Issues*, 24(7), 1-11.
- Awaluddin, M., Suyuti, M. G., & prilmayanti Awaluddin, S. (2020). Optimization of Islamic Institute Role in Promoting Sharia Banking in Indonesia. *Jurnal Minds: Manajemen Ide dan Inspirasi*, 7(2), 79-94.
- Altaf, M., Iqbal, N., Mohd. Mokhtar, S. S., & Sial, M. H. (2017). Managing consumer-based brand equity through brand experience in Islamic banking. *Journal of Islamic Marketing*, 8(2), 218-242.
- Iswanaji, C., Muslim, A., & Hasbi, M. Z. N. (2022). Ijarah Collaborative Service Model in Sharia Banking. *Indonesian Interdisciplinary Journal of Sharia Economics (IJSE)*, 5(2), 702-719. <https://doi.org/10.31538/ijse.v5i2.1778>
- Ifita, K., & Canggih, C. (2021). The Influence of Sharia Financial Literacy, Religiosity, and Perception of Saving Students' Interest in Sharia Banks. *Indonesian Interdisciplinary Journal of Sharia Economics (IJSE)*, 3(2), 113-134.
- Musyahidah, S., Ermawati, E., & Nurdin, N. (2021). The Effect of Riba Avoidance and Product Knowledge on the Decision to Become a Customer of Islamic Banks. *International Journal of Multidisciplinary Research and Analysis*, 4(08).
- Nani, D. A. (2019). Islamic Social Reporting: the Difference of Perception Between User and Preparer of Islamic Banking in Indonesia. *TECHNOBIZ: International Journal of Business*, 2(1), 25-33.

- Nugraha, K., Arief, M., Abdinagoro, S. B., & Heriyati, P. (2022). Factors Influencing Bank Customers' Orientations toward Islamic Banks: Indonesian Banking Perspective. *Sustainability*, 14(19), 12506.
- Nugraheni, P. (2018). Sharia supervisory board and social performance of Indonesian Islamic Banks. *Jurnal Akuntansi dan Auditing Indonesia*, 137-147.
- Nugraheni, P., & Widayani, F. N. (2021). A study of intention to save in Islamic banks: the perspective of Muslim students. *Journal of Islamic Marketing*, 12(8), 1446-1460.
- NAB Rahman, N Ahmadi (2016). *Metodologi Penelitian Ekonomi*. Medan: Press FEBI
- Sharma, R. R., Newaz, F. T., & Fam, K. S. (2017). Muslim religiosity, generational cohorts and buying behavior of Islamic financial products. *Australian Journal of Management*, 42(3), 482-501.
- Tumewang, Y. K., Isnaini, R. N., & Musta'in, J. L. (2019). The impact of the macro economy on the profitability of Islamic banks. *Asian Journal of Islamic Management (AJIM)*, 101-108.
- Souiden, N., & Rani, M. (2015). Consumer attitudes and purchase intentions toward Islamic banks: the influence of religiosity. *International journal of bank marketing*.
- Setiawan, B., Puspitasari, R., & Manurung, T. M. S. (2016). The existence of Islamic banking in Indonesia from non-muslims perceptions. *ASEAN Marketing Journal*, 81-96.
- Wahyuni, S. (2012). Moslem community behavior in the conduct of Islamic bank: The moderation role of knowledge and pricing. *Procedia-Social and Behavioral Sciences*, 57, 290-298.