

Analysis of Factors Affecting the Level of Public Knowledge of Sharia Bank Products (Case Study of Deli Serdang Regency)

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ABSTRACT

This research aims to describe the factors that influencing people's insight into sharia banking products. Case study of Deli serdang district. This research using qualitative data analysis public knowledge of sharia banking products in the case study of kab. Serdang Deli. The data collection techniques used were direct interviews obtained from respondenst, researcher interviews with sources and direct observation of the research writer's objects or places in the community of the Deli serdang district. And also from notes, books, aticels, government reports, books related to research, and to get actual data. Based on research results, not many people know what is a sharia bank and what products are available at sharia banks?. then from the results of interviews, most people are interested in transact with sharia banks, so there is a need for socialization from the banking side sharia in order to increase public knowledge about sharia banks as well as the availability of islamic banking institutions that are closer to public.

ABSTRAK

Penelitian ini bertujuan untuk mendeskripsikan faktor-faktor yang mempengaruhi wawasan masyarakat terhadap produk perbankan syariah. Studi kasus kabupaten Deli serdang. Penelitian ini menggunakan analisis data kualitatif pengetahuan masyarakat terhadap produk perbankan syariah studi kasus kab. Serdang Deli. Teknik pengumpulan data yang digunakan adalah wawancara langsung yang diperoleh dari responden, wawancara peneliti dengan narasumber dan observasi langsung terhadap objek penelitian penulis atau tempat di masyarakat kabupaten Deli serdang. Dan juga dari catatan, buku-buku, atikel, laporan pemerintah, buku-buku yang berhubungan dengan penelitian, dan untuk mendapatkan data yang aktual. Berdasarkan hasil penelitian, belum banyak masyarakat yang mengetahui apa itu bank syariah dan produk apa saja yang tersedia di bank syariah. kemudian dari hasil wawancara, sebagian besar masyarakat tertarik untuk bertransaksi dengan bank syariah, sehingga perlu adanya sosialisasi dari pihak perbankan syariah agar dapat meningkatkan pengetahuan masyarakat tentang bank syariah serta tersedianya lembaga perbankan syariah yang lebih dekat dengan Masyarakat.

INTRODUCTION

The growth of Islamic banking in Indonesia has been very significant over the past three decades, especially since the establishment of the first Islamic bank, Bank Muamalat Indonesia (BMI) in 1992. However, Islamic banking still lags behind conventional banking, where Islamic banks only control a market share of 6.18% compared to the market share held by conventional banks of 93.82%. This disparity in market share raises questions about the competitiveness and market power of Islamic banks in Indonesia. According to data from the official website of the Financial Services Authority (OJK), the total assets of Indonesian Islamic banks in 2023 increased

from the previous year by 15.67% or Rp. 47.90 trillion from the previous year's Rp. 305.73 trillion to Rp. 353.62 trillion.

According to OJK, the entire amount of conventional commercial banks is still much larger at Rp. 10,581.45 trillion. The total number of conventional commercial banks and BPRs as of January was 1,612 banks, while the number of Islamic banks, including Sharia Commercial Banks (BUS), Sharia Business Units (UUS), and Sharia Rural Banks (BPRS) was 197 banks. Based on this fact, Islamic banks are still far behind conventional banks, and this is an irony in a country with the largest Muslim population in the world. This figure shows that the development of Islamic banking has progressed very rapidly (Umaryati, 2018). With so many financial institutions, including conventional and Islamic financial institutions, there is competition for products owned by each financial institution to meet the needs of the community (Daulay & Nasution, 2016). Islamic banking functions as an intermediary institution that distributes public funds (Syakir, 2014). Meanwhile, the religion practiced by the people of Deli Serdang based on population data 2022 is predominantly Muslim.

Table 1. Population Data According to Religion Followed by Deli Serdang District 2021

No.	Religion	Total
1.	Islam	1.402,282
2.	Protestan	301,106
3.	Catholic	75,173
4.	Hindu	2,989
5.	Bhudda	44,758
6.	Khonghucu	11,802

Based on table 1 above, the population according to religion adheres to Deli Serdang District, it is stated that the majority of the residents of Deli Serdang District are Muslims. However, the large number of Muslim communities does not make people use sharia institutions because the location is difficult for the public to reach and access to information on Islamic financial institutions is still limited, so people still use conventional financial institutions. This is due to the lack of socialization carried out by the banking sector to the community as a whole. The socialization is only among the upper middle class and educated people who may have read or participated in socialization that understands the benefits of Islamic banks. In general, they are interested, but in the implementation order it is still not realized because of the remote location of the reach of Islamic banks. So inevitably this is one of the obstacles for people who are still in the conventional bank system and have not switched to Islamic banks. (Observation, March 16, 2024).

According to Ningsih (2020) states that knowledge is all information obtained by customers regarding the different types of products and services offered by Sharia Banks and Conventional Banks. Knowledge can be obtained from various ways such as formal and non-formal education, mass media, experience and many more. This knowledge is one of the most important factors in running life. The community has a very important role in the operations of financial institutions, especially banks. This is because the public is a customer at the bank. Without customers, banks will not be able to function properly. Banks are business entities that collect funds and flow back to the community in the form of credit, financing, and other products, banks aim to improve people's living standards and economy (Syakir & Fawwaz, 2022). One of the main differences between Islamic banks and conventional banks lies in the way

they return and distribute profits to customers. The terms used are interest and profit sharing. One of the factors that causes the low market share of Islamic banks is the lack of socialization about Islamic banking which results in people not understanding Islamic banking, so that the public is more familiar with conventional banks than Islamic banks. In addition, the low number of Islamic bank customers is caused by the perception that Islamic banks are not as comprehensive, modern, and good as conventional banks. Both in the services and the products offered (Indi, 2019). Therefore, efforts to socialize the mechanisms and mechanisms and principles of Islamic banking to the public so that they can know and understand the concept of Islamic banking (Warisno, 2020). This aims to ensure that the public can avoid transactions that are not in accordance with Islamic principles and re-believe in the sustainability of sharia-based transactions. Bank Indonesia itself has issued a policy on changing the business activities of conventional commercial banks to commercial banks that carry out business activities based on sharia principles (Syakir, 2023). If the public does not have knowledge about the products offered, Islamic banks will face difficulties in attracting customers (Hasanah, 2021).

Several previous studies have provided an overview of the factors that affect public knowledge of sharia bank products. As in research Maulina dan Ismaulina (2020), Using quantitative research methods, it was concluded that the variable level of trust had no effect on saving preferences, and the variables of level of trust, knowledge and level of service simultaneously had no positive and significant effect on saving preferences. Journal Fauzy (2019), with the title "Analysis of Knowledge About Sharia Banking for Students of AlIttihad Islamic Boarding School Mojokerto and Its Influence on Interest in Saving at Sharia Banks". This study examines the level of knowledge of students at the al-Ijtihad Islamic Boarding School in Mojokerto regarding Islamic banks and their interest in saving in Islamic banks. The research method used in this study is quantitative using a questionnaire. The findings of the study show that there is a significant relationship between the knowledge and interest of students to save at Islamic banks. This means that the higher the level of knowledge, the greater the interest in saving at an Islamic bank.

The difference between the journal and this study is that the journal uses quantitative research methods, while the researcher uses qualitative research. The journal also emphasizes more on the influence of Al-Ittihad Mojokerto students' knowledge on interest in saving at Islamic banks, while the researcher focuses on analyzing factors that affect people's knowledge in Deli Serdang Regency on Islamic bank products. However, the similarity is that the two research on knowledge of Islamic bank products.

And in the research Pa et al. (2022), It is known that the knowledge of the Sidamanik community about Islamic and conventional banks has equality but not all people use Islamic banks because more of them use conventional banks, the factors that cause this are the lack of public knowledge about Islamic banks, lack of information about Islamic banks, lack of socialization about Islamic banks, and lack of facilities from the government regarding Islamic banks.

From several previous studies, it is known that the low level of Islamic financial literacy in Indonesia society. Based on the results of a survey conducted by the Financial Services Authority (OJK), the level of Islamic financial literacy in Indonesia only reached 16.3% in 2019. This figure is still lagging behind other countries that have an advanced Islamic finance industry.

Factors that affect the level of public knowledge about Islamic bank products need to

be identified and analyzed in depth in order to formulate the right strategy to improve Islamic financial literacy in the community. Therefore, this research is very important to be conducted to identify factors that affect the level of public knowledge about Islamic bank products. By understanding these factors, the right strategy can be formulated to increase Islamic financial literacy in the community, especially in Deli Serdang Regency, so that it can encourage the growth of the Islamic banking industry in Deli Serdang Regency.

RESEARCH METHOD

Qualitative research uses a descriptive approach to understand the subject being researched. This term refers to an investigation that objectively observes the subject as it is. Researchers can then interpret and understand this subject by using terms that everyone can understand. The research involves collecting oral or written words describing symptoms, conditions, and individuals that can. Data was taken from people living in Deli Serdang Regency. Data collection was carried out through field research involving observation and direct interviews with respondents. The researcher also makes direct observations on the object or place of the research. In addition, data is also obtained from records, books, magazines, published company financial statements, government reports, articles, and books that are used as theories to obtain accurate and factual data. This data not only reflects visible values, but also attempts to understand the underlying values and gain a deeper understanding of the respondents. In addition, the research also aims to find and discuss the phenomena that occur in detail and clearly.

RESULTS AND DISCUSSION

Overview of the Research Location

Deli Serdang Regency is a regency in the province of North Sumatra, with its capital in Lubuk Pakam District. Regency that has a large diversity of natural resources so that it is an area that has quite good investment opportunities. And this district also has cultural diversity that is enlivened by almost all tribes in Indonesia. Before the Proclamation of Independence of the Republic of Indonesia on August 17, 1945, Deli Serdang Regency which is known today has two governments in the form of kingdoms (sultanates), namely the Sultanate of Deli which is centered in the city of Medan and the Sultanate of Serdang which is centered in Perbaungan. Deli and Serdang Regencies are designated as Autonomous Regions in accordance with Law No. 22 of 1984 concerning the Law on the Principles of Local Government and Law No. 7 of 1965. The anniversary of Deli Serdang Regency was set on July 1, 1956 (B. D. Serdang, 2022). Deli Serdang Regency has 22 sub-districts, for the population of Deli Serdang Regency based on the results of the 2020 Population Census the number of people in Deli Serdang regency is 1,931,441 people including residents who live in-place and this is among the second largest in North Sumatra after Medan City, the population growth rate from 2022-2023 based on the latest figures of the 2020 Population Census is 1.56% every year (B. K. D. Serdang, 2024). The leaders of Deli Serdang Regency are as follows:

Table 2. Term of office of Regent of Deli Serdang Regency

No.	Periode Jabatan	Nama Bupati
1.	1946-1947	Bapak Moenar S. Hamidjojo
2.	1947-1951	Bapak R. Sampurno Kolopaking
3.	1951-1958	Bapak Wan Omaroeddin Baros

4.	1958-1963	Bapak Abdullah Eteng
5.	1963-1970	Bapak Abdul Kadir Kendal Keliat
6.	1970-1978	Bapak Baharoeddin Siregar
7.	1978-1979	Bapak Abdul Muis Lubis
8.	1979-1984	Bapak Tenteng Ginting
9.	1984-1989	Bapak H. Wasiman
10.	1989-1994	Bapak Ruslan Mansyur
11.	1994-1999	Bapak Maymaran NS
12.	1999-2004	Bapak Abdul Hafid
13.	2004-2014	Bapak Amir Tambunan
14.	2014-2023	Bapak Ashari Tambunan
15.	2024	PJ Bapak Wiriya Alrahman

Source : <https://portal.deliserdangkab.go.id/pejabat-kabupaten.html>

Geographical Location of the Research Location

Deli Serdang Regency as part of the east coast of North Sumatra Province is located between 2o57' North Latitude and 3o16' South Latitude and 98o33' to 99o27' East Longitude with an area of 2,497.72 km². The Deli Serdang Regency area is bordered by Karo Regency and Simalungun Regency to the South, bordered by Serdang Bedagai Regency to the East, and bordered by Karo Regency and Langkat Regency to the West (S. D. Serdang, 2024). Deli Serdang Regency is known for only two seasons, namely the dry and rainy seasons. From June to September, the wind currents that blow do not contain much water vapor, resulting in a dry season. From December to March, wind currents that contain a lot of water vapor blow so that the rainy season occurs. This situation changes every half year after passing the transition period in April-May and October-November (B. K. D. Serdang, 2024).

Factors Affecting Knowledge

Knowledge is an individual's ability that influences the actions taken. Knowledge is not only influenced by education absolutely, but can also be acquired through past experiences. Nonetheless, education level also plays an important role in a person to absorb and understand the information received, so that they can know with (Notoatmodjo, 2020). That knowledge sulks at information that has significance for individuals in a certain field of study. According to Prasetyo in Maspriyadi (2019) knowledge includes everything that is in our thoughts, and we can gain knowledge based on our personal experiences, Some of the factors that affect knowledge include:

Educational factors

The higher a person's level of knowledge, the easier it is for them to receive information about an object or topic related to that knowledge. Knowledge can generally be obtained through information provided by parents, teachers, and the mass media. Education has a close relationship with knowledge, because education is one of the basic human needs that is indispensable for self-development. The higher a person's level of education, the easier it will be for them to receive and develop knowledge and technology.

Employment and economic factors

A person's work greatly affects the process of accessing the information needed for an object.

1. Experience factor; Individual experience has a significant influence on knowledge, the more

experience a person has in a certain matter, the more their knowledge about it will also increase. To measure the level of knowledge, methods such as interviews or questionnaires can be used to evaluate the understanding of the research subjects or respondents towards the material to be measured.

2. **Belief;** A person's beliefs are often inherited and difficult to prove objectively. Positive beliefs and negative beliefs can affect a person's knowledge.
3. **Socio-cultural;** Culture and habits in the family have an influence on a person's knowledge, perception, and attitude towards something. Understanding Knowledge is that Knowledge includes information and skills possessed by a person in a particular field that affects the action to be taken.
- 4.

The author chooses a concept that is in accordance with the phenomenon that occurs in the field. In the concept of knowledge chosen, that is, the concept of knowledge according to Notoatmodjo (2020), Pengetahuan dianggap sebagai kemampuan individu yang mempengaruhi tindakan yang dilakukan. Pengetahuan tidak hanya dipengaruhi oleh pendidikan secara mutlak, tetapi juga dapat diperoleh melalui pengalaman masa lalu. Namun, tingkat pendidikan juga memainkan peran penting dalam kemampuan seseorang untuk menyerap dan memahami informasi yang diterima.

Sharia Bank Product Knowledge

Money is a commonly accepted medium of exchange in society, where every good can be traded for money, where the monetary value is constantly changing and unpredictable due to the nature of the money (Syakir, 2015). An Islamic bank, also known as an Islamic bank, is a type of bank that does not rely on interest in its operations. The bank is based on sharia principles in the development of its products and services. As a financial institution, Islamic banks provide financing and other services in payment transactions and money circulation in accordance with sharia principles (Hasanah, 2021). Sharia Bank Product Knowledge refers to the knowledge that consumers have to know the information of a product to be used. From this knowledge, consumers can know the advantages and disadvantages of the product, which will influence their decisions in the future. It is important for consumers to have a complete understanding of the products offered by the company so that they can make a satisfactory transaction (Ngaziz, 2020). Sumarwan stated that the knowledge of prospective customers or customers can be measured through several indicators. These indicators include general knowledge about Islamic banks, the difference between Islamic banks and conventional banks, the products offered by Islamic banks, the contracts used in Islamic banks, as well as the requirements and initial deposits required when opening an account (Pandang et al., 2019).

Public knowledge about Sharia bank products refers to the extent to which the public understands and has knowledge about the products and services offered by Sharia banks. Muslim economists highlight that one of the challenges in the development of Islamic banks is the lack of public understanding of Islamic bank products and operations (A. Maulana, 2021). Knowledge of the products offered by banks can be a factor of consideration for customers in choosing a bank. The clearer the information conveyed about a product, the easier it will be for potential customers to evaluate whether the product is in line with their desires and meets their needs. If deemed appropriate, prospective customers will consider using the product (F. R. Maulana et al., 2020).

Definition of Sharia Bank

A bank is a business entity that collects funds from the community through deposits and distributes them to the community in the form of financing or other forms with the aim of improving people's welfare. According to the Islamic encyclopedia, Islamic banks are financial institutions whose core business is to provide credit and services in payment transactions and circulation carried out in accordance with Islamic *sharia* principles (Akbar, Estelee, 2023). According to Law Number 21 of 2008 article 1 paragraph (1), Sharia Banking includes everything related to Sharia Banks and Sharia Business Units, including organizational structures, business activities, as well as methods and processes for implementing their business activities. In article 1 paragraph (7) of Law Number 21 of 2008 concerning Sharia Banking, it is stated that Sharia Banks are banks that carry out their business activities based on sharia principles and are divided into Sharia Commercial Banks and Sharia People's Financing Banks. Article 1 paragraph (12) explains that sharia principles are Islamic legal principles that are the basis for banking activities based on fatwas issued by institutions that have the authority to issue fatwas in the field of sharia (Efrina & Zainal, 2022).

Islamic banks use the principle of profit sharing as the main basis in all their operations, both in funding products, financing, and other products. Although Islamic bank products have similarities with conventional bank products, there are differences due to the prohibition on *riba*, *gharar*, and *maysir*. Therefore, funding and financing products in Islamic banks must avoid these prohibited elements (Sunreni, 2019). Sharia banking or Islamic banks are a modern form of banking that is based on legitimate Islamic law. The bank was developed in the first century of Islam and used the concept of risk sharing as the main method, as well as avoiding finance that was based on predetermined certainty and profits (Shandy Utama, 2018). A similar view was expressed by Karnaen Perwataatmaja and Muhammad Syafi'i Antonio who defined an Islamic bank as a bank that operates in accordance with Islamic sharia principles. This bank follows the provisions of Islamic law, especially in terms of procedures for believing in Islam. Based on the various opinions that have been put forward, it can be understood that an Islamic bank or Islamic bank is a banking financial institution in its operational activities and a system applied based on Islamic law.

Sharia Bank Products

1. Fundraising Products

Islamic banks collect funds from customers or the public through various types of products, such as current accounts, savings, and deposits. In collecting these funds, the bank applies sharia operational principles, namely the principles of *wadiah* and *mudharabah*.

a. The Principle of *Wadiah*

The principle of *wadiah* applied in Islamic banks is the *wadiah yaddhamanah* used in current account products. *Wadiah yad dhamanah* has a difference from *wadiah amanah*. In the *wadiah* of trust, the entrusted property must not be used by the party receiving the trust. However, in the *wadiah yad dhamanah*, the party receiving the deposit (bank) is fully responsible for the security of the deposited property is allowed to use it.

b. Principles of *Mudharabah*

In the application of the *mudharabah* principle, depositors play the role of capital

owners (*shahibul maal*), while banks play the role of managers (*mudharib*).

1) Fund Distribution Products

In distributing funds to customers, sharia financing products are divided into four categories based on their purpose of use in general:

a) Principles of Buying and Selling (*Ba'i*)

- 1) Murabahah *financing*
- 2) Salam *financing*,
- 3) Istishna *financing*

c. Principle of Lease (*Ijarah*)

Ijarah transactions are based on the transfer of benefits. Thus, the basic principle of ijarah is actually similar to the principle of buying and selling, but the difference lies in the object of the transaction in the form of services.

a) The Principle of Profit Sharing (*Shirkkah*)

- 1) Musharakah *financing*
- 2) Mudharabah *financing*

b) Complementary Contract

- 1) *Hiwalah* (debt and receivables transfer process)
- 2) *Rahn* (pawn form)
- 3) *Qardh*, is a loan of money
- 4) *Wakalah* (representation in transactions)
- 5) *Kafalah* (refers to bank guarantee)

d. Bank Services Products

In addition to acting as a liaison between those who need funds (*deficit units*) and those who have excess funds (*surplus units*), Islamic banks also provide various banking services to customers by obtaining rewards in the form of rent or profits. Some of the banking services provided include:

- 1) *Sharf* is a foreign exchange buying and selling transaction, which is basically in accordance with *the principle of sharf*. In buying and selling currencies of different types, the delivery must be done directly at the same time (*spot*).
- 2) *Ijarah*, also known as rent, includes various types of activities, such as safe *deposit box* rental and document administration services (*custodian*).

Functions and Roles of Sharia Banks

As a business established based on the interests of the ummah both in this world and the hereafter, Islamic banks should carry out their functions and roles in accordance with Islamic teachings based on *the Qur'an* and *Hadith*. The functions and roles of Islamic banks include those listed in the accounting standards issued by AAOIFI (Accounting and Auditing Organization for Islamic Financial Institutions):

1. As an investment manager, Bank Syariah has the ability to manage the investment of customer funds
2. As an investor, Bank Syariah can allocate the funds it has and also the customer funds entrusted to it to invest.
3. As a provider of financial services and payment traffic, Bank Syariah can carry out various banking service activities as usual for other banks.

As part of its social responsibility, Bank Islam also has the obligation to manage zakat and other social funds, including collecting, administering, and distributing funds (Hamdani et al., 2018).

Factors Affecting Public Knowledge of Sharia Bank Products in Deli Serdang Regency

To obtain the data and information needed in this study, the researcher used an interview method with the community in Deli Serdang Regency to find out their knowledge about Islamic banks. In this study, the researcher conducted interviews with 21 respondents from various professions in Deli Serdang Regency. The majority of the population in Deli Serdang Regency is Muslim and has an adequate level of education. However, the extent of their knowledge and understanding of Islamic banks and their products can be seen from the following table:

Table 3. Informant's Response to Public Knowledge of Sharia Banks

No.	Answer	Intensity	%
a.	Yes	6	28,5
b.	No	15	71,5
	Total	21	100

Source: Primary Data Processed, 2024.

Based on table 3, it can be concluded that out of a total of 21 informants interviewed, as many as 6 informants (28.5%), stated that they knew or understood about Islamic banks and their products, although not all of the products they knew, meanwhile, as many as 15 informants (71.5%) stated that they did not know about Islamic banks and their products. Most people in Deli Serdang Regency have heard the term Sharia Bank but they are not very familiar with the systems and products in Islamic banks. As said by Mr. Amir, one of the residents of Deli Serdang Regency:

"I only have knowledge of the name of the Islamic bank and have never delved into Islamic banks and only know about it through the media."

A statement that is not much different was also conveyed by Mrs. Sridevi:

"I have no knowledge of Islamic banks and do not understand the products offered by Islamic banks. So far, I have used conventional banks more often when receiving money transfers and other financial matters."

In addition, there are people who still think that Islamic banks and conventional banks are the same, just different terms. As Mr. Budiyanto said:

"Actually, saving in conventional banks and Islamic banks does not have a significant difference, the only difference is the terms used"

More deeply, the researcher interviewed several people in Deli Serdang Regency, who are already customers of Islamic banks and conventional banks, as well as their reasons for choosing Islamic banks or conventional banks as a means of money transactions. The following

are the results of interviews with Mr. Ahmad, Mrs. Rina, and Mr. Rizal as customers of Islamic banks:

"I have been a customer at an Islamic bank for about 6 years, the reason I chose an Islamic bank is because the operational system is in accordance with Islamic sharia principles which avoid the element of usury. As a Muslim, I feel more comfortable using products and services that are in accordance with my religious teachings. I use several products at Islamic banks, such as savings based on wadiah and mudharabah contracts, home ownership financing with murabahah contracts, and sharia investment products in the form of deposits". (Mr. Ahmad)

"I have been a customer at an Islamic bank for about 3 years. The main reason I chose Islamic banks is because I want to avoid transactions that contain elements of usury. Copy that, I am also interested in the concept of profit sharing offered by Islamic banks. And currently I use udharabah savings products and business financing with musharakah contracts to develop my business". (Rina's mother)

"I only became a customer at an Islamic bank about 1 year ago. Initially, I used a conventional bank, but after knowing more about the operational system of Islamic banks, I decided to switch to Islamic banks. I feel more comfortable using products and services that are in accordance with sharia principles". (Mr. Rizal)

The following are the results of interviews with Mr. Andi, Mrs. Rina, and Mr. Rizal as customers of conventional banks:

"I have been a customer at a conventional bank since about 10 years ago. I chose a conventional bank because its operational system is familiar to me and the products are diverse enough to meet my needs. In addition, conventional banks also offer competitive interest rates on deposit products. I use savings and current accounts for daily transaction purposes, as well as time deposits for long-term investments. I have also used home ownership loans from conventional banks". (Mr. Andi)

"I have been a customer at a conventional bank for about 5 years. The main reason I chose a conventional bank is because it has many branches and an extensive network, making it easier

for my business transactions. In addition, I also feel comfortable with the products offered by conventional banks. Currently, I use a checking account to manage my business finances, as well as a credit card to facilitate payment transactions.” (Ibu Sari)

”I have been a customer at a conventional bank since I started working, about 4 years ago. The main reason I chose a conventional bank is because it offers convenience in opening an account and accessing banking services online. In addition, conventional banks also offer quite competitive interest rates for savings products. And now I use savings accounts and e-banking services to facilitate my financial transactions. I have also used motor vehicle loans from conventional banks”. (Mr. Rudi).

From several reasons that are a reference for choosing an Islamic bank, it is because in the teachings of Islam itself it is forbidden to have something with an element of riba and try the principles taught in Islam. Meanwhile, those who use conventional banks consider the conventional bank system to be familiar with products that are so diverse according to customer needs, besides that conventional banks are located in each region which means it is easier to find conventional banks than Islamic banks, and another reason is that conventional banks can offer competitive interest rates, this is also what compares conventional banks with Islamic banks. To provide direction to the public, it is important to conduct socialization about the current existence of Islamic banks. There are still many people who do not understand the difference between Islamic banks and conventional banks. The socialization needed is to involve the banking sector to convey information to the public about the various programs offered, especially the available products. The view of the public in Deli Serdang Regency towards Islamic banks and their products can be influenced by several factors, such as education level, economic conditions, social or environmental factors, experience, and information received. The following is an explanation of these factors:

Informant Response Measured from Educational Factors

According to Ki Hajar Dewantara, education is defined as a process that directs the potential possessed by children so that they can become functional human beings in society and achieve maximum happiness. Education also has a role in increasing one's insight and knowledge. In general, individuals with higher education tend to have a wider range of knowledge than individuals with lower levels of education (Soemitra, 2018).

Table 4. Informants' Responses with Higher Education Tend to Easier to Get Information About Islamic Banking

NO	Alternative Answer	Intensity	%
1.	Yes	21	100%
2.	No	0	0%
	Total	21	100%

Source : Primary Data Processed, 2024.

Based on Table 4, it can be concluded that people who agree with higher education have a higher likelihood of getting information about Islamic banking, there are 21 people (100%) who agree and can easily, while those who do not have as many as 0 people (0%).

Table 5. Informant's Response About I Know Islamic Banking Products Through Educational Institutions

NO	Alternative Answer	Intensity	%
1.	Yes	4	19,1
2.	No	17	80,9
	Total	21	100

Source: Primary Data Processed, 2024.

Then from table 5, it can be concluded that in Deli Serdang Regency, there are 4 people (19.1%) who gain knowledge about Islamic banking products through education. On the other hand, as many as 17 people (80.9%) in the district do not have knowledge about Islamic banking products through education. It can be known that the people of Deli Serdang Regency do not know much about Islamic banks based on educational factors. This is similar to what was expressed by Mr. Nuruddin:

"Not many people have a deep understanding of the special advantages of Islamic banks. This understanding is more common among the middle to upper class and educated people who may have read or participated in socialization that explains the benefits of the sharia bank."

From the results of the research, it can be concluded that a person's knowledge can be measured based on educational factors, both formal and non-formal education. The higher a person's education level, the easier it is for people to understand about Islamic banks. However, based on the analysis of field data, only a few people in Deli Serdang Regency have a deep understanding of Islamic banks and their products. This is due to the lack of socialization carried out by the banking sector to the community as a whole. Only the upper middle class and educated individuals may have acquired adequate knowledge about Islamic banks through reading or participating in socialization. Therefore, one's knowledge is not only obtained through formal education, but also through personal experience and interaction in the community environment.

Informant's Response Measured by Economic Factors

The availability of facilities required for certain activities is determined by a person's economic status, so this socioeconomic status will have an impact on a person's knowledge (Amin, 2021).

Table 6. The informant's response about increasing business capital can encourage a person to accept the distribution of Islamic bank financing

NO	Alternative Answer	Intensity	%
1.	Yes	21	100
2.	No	0	0
	Total	21	100

Source: Primary Data Processed, 2024.

Based on Table 6, it can be seen that the people of Deli Serdang Regency, there are 21 people (100%) who are interested in increasing business capital through the distribution of

financing from Islamic banks. Meanwhile, while there are not as many as 0 people (0%). It can be understood and known that economic conditions are also a trigger for the influence of community knowledge because of the availability of facilities needed for certain activities. Economic circumstances also play a part in influencing a person's choice of products with a disposable income and the ability to borrow as well as attitudes towards shopping and saving activities. As Mr. Ibrahim said:

"If I have capital, I want to save or borrow at an Islamic bank because Islamic banks have a stronger commitment to implementing Islam. They have proven tremendous dedication in practicing Islamic sharia principles. The lack of information causes us to also lack knowledge and understanding about banks."

Based on the results of the research, it can be concluded that economic conditions also affect a person's choice of products. Factors such as available income, savings and assets, debt and borrowing ability, as well as attitudes towards shopping and saving activities, have an influence on public knowledge about Islamic banks and their products. People who are in the low economic category tend to be resigned to the situation and rely on assistance from the government. They rarely save, make financing, or transact at Islamic banks. Their economic conditions are only enough to meet their daily needs and there is no opportunity to save or finance at Islamic banks.

Informant Response Measured From Social and Environmental Factors

The environment has an influence on individuals in gaining experiences that can affect their way of thinking. Based on data obtained from field research, many people in Deli Serdang Regency do not understand Islamic banking and its products. This is due to the lack of knowledge and understanding of Islamic banking in the surrounding environment and their families. If there are individuals in the surrounding environment or families who understand Islamic banking and its products, then people who previously did not understand Islamic banking will understand and have the potential to become customers in Islamic banks (Hermanto, 2016).

Table 6. Informant's Response to the Emergence of Islamic Banking Institutions as Financial Institutions that Make It Easier for the Community to Carry Out Their Activities

NO	Alternative Answer	Intensity	Proporsi
1.	Yes	8	38,1%
2.	No	13	61,9%
	Total	21	100%

Source: Primary Data Processed, 2024.

Table 6 above shows that the people of Deli Serdang Regency who feel that Islamic bank services are very satisfactory are 8 people (38.1%), while those who do not or have no experience in transactions at Islamic banks are 13 people (61.5%). The emergence of Islamic financial institutions is driven by market demands. The initiators of Islamic financial institutions realized that society is a market for them. People began to believe that Islam was the *way of life* and wanted to apply Islamic practices in their lives. For example, Mrs. Ayu as a conventional bank

customer, wants to switch to an Islamic bank. However, the consideration that still exists is the location of the Islamic bank which is quite far from where he lives:

"I actually want to switch to an Islamic bank. However, because the existing Islamic bank is quite far from this village, I am considering it carefully. I was worried that I would face difficulties and spend a considerable amount of time and money just to do saving activities."

Based on the results of the interviews conducted, the researcher understands that one of the driving factors for the emergence of Islamic financial institutions is market demand. The initiators of Islamic financial institutions realized that society was a market for them, and people began to believe that Islam was the *way of life* they adhered to, and wanted Islamic practices in their daily lives. However, there are several reasons why people in Deli Serdang Regency are reluctant to save in Islamic banks. One of them is the location of Islamic banks that are far from the research location, so that people are less interested in becoming customers in Islamic banks. Therefore, the community also hopes that the Islamic bank can provide services and services that make it easier for them to transact, and can communicate directly with the Islamic bank when they need help.

Informant Response Measured from Experience Factor

Experiencing something is one way to gain truth and knowledge. Not everyone has first-hand experience with the banking world. In Deli Serdang Regency, there are still people who have never had any experience with banking. However, some people in Deli Serdang Regency already have experience in dealing with and transacting in the banking world.

Table 7. The informant's response to the service provided to the customer was very satisfactory

NO	Alternative Answer	Intensity	%
1.	Yes	8	38,1
2.	No	13	61,9
	Total	21	100

Source: Primary Data Processed, 2024.

Based on Table 7 above, it shows that the people of Deli Serdang Regency who responded to the emergence of Islamic banking institutions as financial institutions that make it easier for the community to carry out their activities were 8 people (38.1%), while those who answered were not as many as 13 people (61.9%). It is understandable that people who have a good understanding of Sharia Banks and have had experience in transacting with Islamic banks are satisfied with the use of products and services at the bank. This was explained by Zernita, a student of the State Islamic University of North Sumatra who has used Islamic bank products. He also shared his experience about services in Islamic banks.

"Yes, I understand Islamic banking and its various products such as mudharabah deposits, IMBT, mudharabah, and others, besides that I am satisfied with the service at Islamic banks because the customer service is very friendly and helpful."

Based on the results of interviews and field data analysis, it was found that people in Deli Serdang Regency rarely have direct experience with the banking world. Therefore, they do not understand both Islamic banks and conventional banks. However, for people who have become customers in Islamic banks, they have a slightly better understanding of Islamic banks. This is due to their habit of saving and transacting at Islamic banks. They have experience with Islamic banks and understand the difference between conventional banks and Islamic banks.

Informant's Response Measured from Information Factors

Knowledge can be obtained through information. Even though a person has a low level of education, they still have the opportunity to improve their knowledge if they get quality information through various media and various activities, including socialization. In this case, information has an important role in increasing one's knowledge.

Table 8. Informants' Responses About Sharia Banks Often Conduct Socialization to the Community

NO	Alternative Answer	Intensity	%
1.	Yes	7	33,4
2.	No	14	66,6
	Total	21	100

Source: Primary Data Processed, 2024.

Based on Table 8, it shows that the people of Deli Serdang Regency who have never seen the Islamic bank conduct socialization in as many as 14 people (66.6%), while those who stated that they have as many as 7 people (33.4%). Based on the results of the interviews, the researcher found that some people consider that there has been no socialization carried out by Islamic banking in Deli Serdang Regency. This statement was supported by Mrs. Amenah, a trader, who stated that she had never heard of any socialization about Islamic banking in her place of residence. This statement was also affirmed by Deslina, a student, who had also never heard of any socialization about Islamic banks in the village. According to them, if the public is given a deeper understanding of Islamic banks, it is likely that many people in Deli Serdang Regency will be interested in transacting at Islamic banks. This can be seen from the response of Mr. Amin, a conventional bank customer, who admitted that he was not interested in saving at an Islamic bank because of his lack of knowledge about Islamic banks. In the research conducted, many people in Deli Serdang Regency are actually interested in becoming customers at Islamic banks, but they do not have enough understanding of the products offered. They are also confused when they are already customers, because they do not know which product to choose or use. This is due to the lack of information provided by the Islamic banks themselves.

Based on the results of research on the community in Deli Serdang Regency, it was found that knowledge about Islamic banks varied. There are some people who already have a sufficient understanding of Islamic banks, but there are also those who do not know about Islamic banks. In fact, some consider Islamic banks to be the same as conventional banks that function as a place to collect and distribute funds to the public or customers. In the knowledge of the community in Deli Serdang district about Islamic banks, there are two factors that are most influential. First, experience. Experience taught them to choose to transact at a bank that is in accordance with sharia principles, because this not only provides benefits in this world, but also

in the hereafter. They realize that banks that do not implement an interest system or *riba* are prohibited in Islam. Second, information. Information plays an important role in the knowledge of the people in Deli Serdang Regency, because through this information they can understand about Islamic banking, both through the media and from individuals who provide information to them.

CONCLUSIONS

Based on findings, research, and interviews around continuity business Pak Ajay Ahmad's Tempe in Tanjung Pasir Village, there are MDS results in each dimension of sustainability: dimensions institutional for continuity management in the in the business industry House ladder own index amounting to 7.14%; average value index continuity This is 7.25 or in the range 50.00–74.00 (enough sustainable); dimensions social status is sufficient sustainable amounting to 6.33%. Dimensions economy is dimensions with level continuity highest , meanwhile dimensions social own level Lowest . The business sector in Tempeh Tanjung Pasir Village has twenty-one characteristics. Price of materials standard, which is not stable and operational (dimensions economy), lack of support for MSMEs from government regions and villages (dimensions social), pollution of air in tempeh boiling, and management trash (dimensions institutional) have marked the highest sensitivity attributes.

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