# Determinant of Islamic bank Savings Customers Satisfaction: A Case of Indonesian Islamic Bank

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## Abstract

*Bank competition is fierce among conventional banks, Islamic banks, and among these types of banks. To win the competition, bank management must try to satisfy customers. This study aimed to determine the determinants of customer satisfaction in terms of savings. This study aimed to determine the determinants of voluntary consumer satisfaction. This research is a development of the Peng and Moghavvemi (2015) model and only using 'Voluntary Savings Customers' of Islamic banks and add three variables. There were 247 participating respondents. Respondents came from Bank Syariah Indonesia (BSI), Bank Muamalat, Bank BPD Syariah, Bank BTN Syariah, Bank Bukopin Syariah. Snowball sampling was used. The analysis tool used was Partial Least Square (PLS) with SmartPLS software. The results showed that empathy had a moderately significant effect, whereas assurance; reliability; tangibles and compliance had a significant effect on perceived value. On the other hand, the empathy and trust have a significant effect on customer satisfaction. The test results also show that assurance, reliability, perceived value, tangibles, compliance, and religiosity are not significant for Customer Satisfaction.*

**Keywords:** *'Voluntary Customer', Service Quality, Compliance, Perceived Value, Customer Satisfaction.*

## Introduction

The development of Islamic banks is increasing in Indonesia, as can be observed from the growth in the number of offices. At the end of 2018, Sharia Commercial Banks (BUS) totaled 14 units and Sharia Business Units (UUS) as many as 20 units, while in early 2022 there were 15 BUS and 21 UUS (OJK[3], 2022). Islamic banking assets continues to increase, reaching IDR 248.11 trillion in 2013 increasing to IDR 489.69 trillion in 2018 and finally IDR 629.06 trillion in 2021 (OJK, 2022). Although Islamic banking assets have increased, it is undeniable that the increase has not been able to bring Islamic banking into an equal position to conventional banking. The market share of Islamic banking was only 5.98% in 2018 and increased slightly from 2022 to 6.65% (OJK, 2022). This means that Islamic banks still have to work hard to convince potential customers to prefer Islamic banks to conventional banks.

Refers to the above facts, the management of Islamic banks needs to pay special attention to improving the quality of Islamic bank services to customers because service quality is one of the determining factors for customer satisfaction. Customers who are satisfied with Islamic banking services will encourage them to leave, or at least make Islamic banking their main bank. On the other hand, if a customer is dissatisfied with Islamic banking services, it is very likely that it will be followed by the spread of negative word-of-mouth from customers, so that prospective customers cancel their desire to become customers of Islamic banks. Using the above logic, customer satisfaction is the central point in the development of Islamic banking, so it is necessary to know with certainty the factors that affect customer satisfaction. Of course, the approach taken cannot be separated from the perceptions of customers, considering that the product offered by the bank, has its own uniqueness.

Management should conduct routine research using valid data, and then the next policy and strategy can be implemented appropriately. Sampling is one of the determinants of obtaining valid data; therefore, it should be considered. Research on customer satisfaction in both conventional and Islamic banks has been carried

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[3] OJK (Otoritas Jasa Keuangan) or Financial Services Authority is an Indonesian government body that controlled Financial Industry.

out extensively, but in general, it uses Islamic banks' customers, which do not segregate funding customers with lending customers, such as Al-Azzam (2015), Hashemi and Abbasi (2014), and Hidayat (2009).

The mixing between the funding customer and the lending customer needs to be reviewed, considering that the two types of customers have very different characteristics and obtain different services from the bank's staff. Funding customers are needed by the bank because the funds obtained will be distributed to lending customers. The better the customer's service savings, the higher the amount of funds to get. Financing (lending) customers in a position that requires funds from the bank, so a slight lack of services is accepted. The mixing of funding and lending customers results in a biased assessment. Further, saving the customer side may be divided into two large groups: forced customers and voluntary customers. Customers are forced to become customers because of the policies of other parties; it can be the company where they work or the bank where they have taken financing. Workers are forced to become customers because their companies pay salaries through certain banks. Financing customers are forced to become savings customers, because they facilitate installment payments. Widyarini and Hadi (2021) show that the characteristics of forced and voluntary savers differ.

This research was enhancements of Widyarini and Hadi (2021) by specializing in determining the customer satisfaction of voluntary depositors. Customer satisfaction with voluntary depositors will greatly impact the successful management of Islamic banks because of the low cost of funds that must be paid by Islamic banks.

The satisfaction of funding customers is generally influenced by two factors: bank services and returns provided. In terms of services, there were no differences between Islamic and conventional banks. In the conventional concept, banks can provide maximum service, in the sense of trying to fulfill all customer wishes, so that customers feel satisfied. Meanwhile, in the Sharia concept, bank services to customers are limited by Islamic law, which emphasizes morals and worship. Islamic banks have two savings contracts: *wadiah yad amanah* and *mudharabah* contracts. By using the *wadiah yad amanah* contract, Islamic banks have no obligation to provide any return to customers, whereas in *mudharabah* contracts, Islamic banks must provide a certain percentage of their profits to customers.

## Literature Review and Hipotheses Building

*Customer Satisfaction*

Customer satisfaction is also a necessity. Customer satisfaction will make customers stay (not move), and it is possible for them to become loyal. Customer satisfaction builds a positive image and word of mouth. Positive words-of-mouth is beneficial for bank management, as it is a free advertisement that has a much higher value than advertising.

Customer satisfaction is the feeling of pleasure or disappointment of someone resulting from comparing the performance of the product (or results) with expectations (Kotler and Keller, 2009). Employees who are in charge of providing services to bank customers in direct contact with buyers play an important role, so that the service is not wholehearted and considered not to reflect the bank's services in the eyes of its customers (Hegazy, 1995; Jamal and Nasir, 2003).

*Perceived Value*

Perception, in general, can be interpreted as an opinion or impression that one receives on a certain object, judging from the experience obtained through the learning and thinking process. Perception is a process by which a person can choose, organize, and interpret information into a meaningful picture (Kotler, 1997), everyone's perception of values is not the same, and is greatly influenced by many factors, both internal and external, including culture, education, insight, environment, social class, family, understanding, and application of religious guidance. The same service may have different meanings for each person; therefore, it will provide a different assessment. Perception refers to subjective opinions. The reason for choosing

respondents with a higher education level (at least high school) is expected to provide a perception of the value of Islamic bank operational activities carried out objectively, so that the data are valid and reliable.

H₁:      Perceived Value has a positive effect on customer.

*Compliance*

Compliance is a logical consequence of guidance that must be implemented by bank management, which states that its operational activities are based on Islamic law (Islamic banks). Based on this statement, the customer as the buyer of the service (Muslims) should be able to assess the correctness of the operational activities, whether they have followed the guidance of sharia. Thus, this assessment will have an impact on the perception of value and satisfaction felt by Islamic bank customers.

H₂:  Compliance has a positive effect on Perceived Value and Customer Satisfaction.

*Service Quality*

Essentially, every customer wants good service for the operational activities of Islamic banks, especially depositors. Poor perception of service value will make saver customers doubt Islamic banks' professionalism. This condition will result in more customers compared with other Islamic bank operational activities. If they obtain better Islamic bank operations, customers will move (and withdraw their savings) to another Islamic bank that is considered more professional. The services in question are related to assurance (security guarantee of money deposited), tangibles (physical evidence that is seen or shown), empathy (empathy/concern for customers), and reliability (reliability or value given to customers compared to other Islamic banks).

H₃,₄,₅,₆: Service quality (Assurance, Tangibles, Empathy, Reliability) has a positive effect on perceived value and customer satisfaction.

*Trust*

Trust can be interpreted as a customer's trust in Islamic banks. This trust must exist, although there are levels that may differ from one customer to another. In this study, customers are Islamic bank savings, so in this case, the customer hands over his money to the bank to invest in other business activities. For this reason, customers hope that their money will increase (not decrease due to loss). Thus, trust in the management of savings cannot be separated from the results that will be received and provide a certain level of customer satisfaction.

Trust can be said to be the foundation of business activities, especially for the sale of services (non-contracting), and will determine the results after making a purchase. This trust must be built after the establishment of the business, and what is conveyed must be proven. In general, trust is formed after making a purchase (for services), because from the beginning, knowing the product to be purchased is only formed from perception (not prodding). Likewise, trust in the operational activities of Islamic banks, because they already have experience, will have an impact on their satisfaction level. Reputation and stereotypes are usually related to what is heard or seen without direct experience. A person's reputation will influence individuals to see trust and distrust factors in establishing trust.

H₇: Trust has a positive effect on customer satisfaction

*Religiosity*

Religiosity here is religiosity in *muamalah* whose practice behavior can be seen in the eyes of the eye. The level of religiosity of a person reflects how influential the choice of place to save on an Islamic bank is in giving him satisfaction. Muslims who are highly religious will certainly be careful in choosing and looking at operational activities labeled as sharia, especially Islamic banks. This is because the fortune he/she

receives tends to be associated with halalness and leads to the barricade of the recipient of the fortune. The blessing of fortune will guide human behavior in calmness, tranquility, and adequacy in living their lives. In other words, a person who has a high level of Muamalah religiosity can feel satisfaction as a customer of an Islamic bank, able to show the criteria of the Islamic bank where its operational activities are in accordance with Sharia.

The definition of religiosity is not always synonymous with religion (Sahlan, 2012). Religion refers to the institution of worship of God in its official, juridical, regulations, and laws. Meanwhile, religiosity looks more at the aspect of personal "deep conscience." Furthermore, religiosity is deeper than religion, which seems more formal. Religiosity is more abstract; its attitude contains several commendable actions, including honesty, justice, ethics, discipline, and responsibility.

$H_8$: Religiosity has a positive effect on customer satisfaction.

This work is a development of Widyarini and Hadi (2021) and Peng and Moghavvemi (2015), with several differences: 1. Only voluntary depositors were used in this study. 2. Responsiveness is not included because it is not easy to get customers who have made complaints. 3. Add compliance variables that can be applied only to Islamic banks. 4. Add religiosity as something that can control a person in decision-making. 5. Adding Trust as a determinant variable for customer satisfaction.

## Research Method

This research was conducted on customers of Islamic bank savings in Yogyakarta. Yogyakarta is a student city that is visited by people from various regions in Indonesia, who then settle down both in the short and long term. The questionnaire was distributed using the snowball method. Respondents of this research are customers of Islamic banks operating in Yogyakarya (BUS), namely, customers from PT. Bank Muamalat Indonesia, PT. Bank Syariah Indonesia and PT. Bank Mega Syariah, and the Sharia unit of a conventional bank as PT. BPD Syariah Yogyakarta Special Region, PT. BTN and Bukopin Syariah. The study's inclusion criteria were voluntary saving customers of a Sharia bank. In this context, voluntary means that the customer is not forced by others to open a savings account at a Sharia bank. From 559 distributed questionnaire, 392 respondents (78% response rate) returned the questionnaire, and 247 respondents fullfill the requirement. Most of respondents were PT Bank Syariah Indonesia customers (65%) followed by PT Bank Muamalat Indonesia (24%). Most of them (86%) had a college or doctoral degree and 14% were high school graduates.

*Data Analysis*

*Convergent Validity*

Convergent validity is a measuring tool used to determine whether a question has asked something that is indeed to be asked. A question is considered valid if it has an outer loading value of 0.5 or more (Ghozali, 2006). Based on the Outer loadings value, there are 5 (five) questions did not meet this standard and were excluded from the study. After these questions are discarded, the minimum outer loading value is 0.511; thus, it can be concluded that all questions have sufficient convergent validity and can be used in subsequent analyses.

*Discriminant Validity*

Discriminant validity is a measuring tool used to measure whether the question asked is capable of separating from things that should not be measured. To measure the discriminant, SmartPLS uses a comparison between the square roots of the Average Variance Extracted (AVE) and the correlation between latent variables.

The results show that there are several correlation values greater than the square root of AVE; therefore, these variables do not pass the discriminant validity test. This suggests that the questions on the variables

have similar answers. This phenomenon occurs in the guarantee variable against the Reliability and Perceived Value variables: Reliability with Perceived Value; Perceived Value with Guarantee, Reliability, Satisfaction, Tangibles. The variable that is most similar to the other variables is Perceived Value.

This marketing research is related to a person's perception of some indicators in Islamic banks. In marketing research, questions for one variable and another are sometimes similar, so they can be perceived differently by respondents who pay less attention to the question. This similarity of questions is inevitable in marketing research, so the validity of the discriminant is less noticeable.

*Reliability*

The reliability value in the SmartPLS output is called composite reliability. The lowest reliability value is for the religiosity variable, which indicates the religiosity level of a respondent, which is 0.568. This value belongs to the lowest reliable group; therefore, it can be concluded that all variables can be used in subsequent analyses.

*Goodness of Fit*

This study has two basic models: the Perceived Value model and Customer Satisfaction model. Perceived Value is influenced by empathy, assurance, reliability, compliance, and tangibles, whereas satisfaction is influenced by Trust, Perceived Value, Religiosity, Empathy, Assurance, Reliability, Compliance and Tangibles. The goodness of fit of the Perceived Value model was 82.4% and that of the customer satisfaction model was 56.1%, which means that most of the influential factors were included in this study. Thus, it can be concluded that both the proposed models can be used for analysis. However, when these two models are compared, the quality of the Perceived Value model is better than that of the Customer Satisfaction model, because it has a greater coefficient of determination.

## Result and Discussion

The model in this study is a new model that has never been developed before, so retesting with different samples is needed. To ensure the quality of the proposed model, the data were processed using SmartPLS software 10 (ten) times. Table 1 presents the results. Figure 1. indicates the significance of the influence of all independent variables on all dependent variables. The significance values are presented in Figure 1. is the average value of the result of ten iterations of the calculation.

**Table 1.** Result Summary

| Variables | Estimate | p val | | |
|---|---|---|---|---|
| | | nim | max | avg |
| Eamphaty to PV **) | 0.096 | 2.3% | 4.4% | 3.2% |
| Assurance to PV ***) | 0.414 | 0.0% | 0.0% | 0.0% |
| Reliability to PV ***) | 0.212 | 0.0% | 0.1% | 0.0% |
| Tangibles to PV ***) | 0.193 | 0.0% | 0.0% | 0.0% |
| Compliance to PV ***) | 0.159 | 0.0% | 0.0% | 0.0% |
| Eamphaty to Satisf ***) | 0.241 | 0.1% | 0.3% | 0.2% |
| Assurance to Satisf | 0.097 | 25.1% | 30.7% | 27.2% |
| Reliability to Satisf | 0.027 | 75.1% | 77.9% | 76.7% |
| Belief to Satisf ***) | 0.286 | 0.1% | 0.2% | 0.1% |
| Tangibles to Satisf | 0.074 | 21.2% | 59.3% | 38.0% |
| Compliance to Satisf | -0.074 | 23.0% | 27.5% | 25.2% |
| Religiosity to Satisf | -0.040 | 24.7% | 59.9% | 45.8% |
| PV to Satisf | 0.197 | 8.9% | 12.5% | 10.2% |
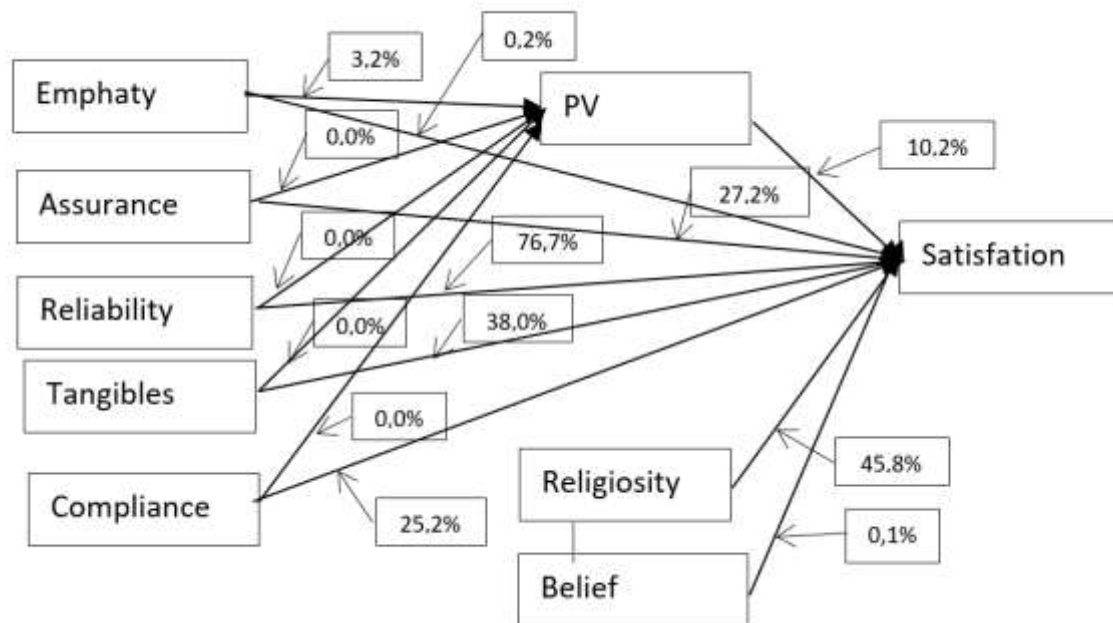
**Figure 1.** Final Result in Figure

Table 1 shows that both the t-value and its significance change for each calculation, even though the case per sample has been increased to the maximum value. This fact shows that the proposed model is immature, so it is worth testing using SmartPLS. Although the proposed model is immature, its influence is similar in the sense that it is always in the group of significantly strong, moderate, weak, or insignificant. The exception was the effect of Perceived Value on Satisfaction. Of the 10 (ten) times the calculations carried out turned out to be 5 (five) times, the conclusion was significantly weak and 5 (five) times insignificant, while for the average value it was insignificant.

*Perceived Value Model*

The Perceived Value model includes five independent variables: Empathy, Assurance, Reliability, Tangibles and Compliance. The Empathy variable had a moderately significant effect on Perceived Value, whereas the other four variables had a significant and strong effect. Therefore, in general, this study is able to prove all the hypotheses.

*Emphaty*

Empathy has a significance value between 2.3% and 4.4% with an average value of 3.2%, so it can be concluded that the empathy variable has a moderately significant effect on Perceived Value. Given that the estimated value is positive (0.096), the empathy variable has a positive moderate significant effect on Perceived Value.

This study succeeded in proving that empathy has a positive effect on the perception of value in Islamic banks. The greater the empathy, the greater is the perceived value of Islamic banks. The proxy used in this study to measure empathy used references to transaction speed and clarity of information provided by staff and staff friendliness. Transaction speed is one of the key factors in customer service. The sooner customer transactions can be completed, the happier the customers will be, thereby increasing the perception of customer value towards the Islamic bank.

The clarity of the information provided by staff is a starting point for the interaction between customers and Islamic banks. The ability of Islamic bank staff to explain all the information needed by customers has an impact on customer perception. Bank staff who are qualified and able to explain well will greatly improve customer perceptions, and vice versa. Bank staff friendliness is a key factor in human relations, Islamic bank staff, and customers. Both sides need one another, and neither side is superior or inferior. In the midst of increasing competition from Islamic banks, it turns out that the position of customers is slightly better because the services provided by Islamic banks are relatively the same, so customers can easily move to other Islamic banks if they feel uncomfortable. Bank staff friendliness is a central element in creating a pleasant atmosphere for customers.

This positive influence indicates that Islamic bank management can increase the perceived value by increasing customer empathy. Management can run programs to increase empathy so that customers' perceived value perception of Islamic banks can increase. The components that increase customer empathy are all within the control of the bank's management, so what is needed for customer empathy to increase is the willingness of management to do so. The components of empathy include the speed of transactions, clarity of information provided by the bank's staff, and the friendliness of the bank's staff. The speed of transactions is completely within management control. The transaction speed depends on two factors: the ability of the bank's staff to serve customers and the sophistication of the equipment. Training is a good solution to improve a bank's staff skills. To increase the sophistication of equipment, management must invest in more sophisticated hardware.

The results of this study support the conclusions of Peng and Moghavvemi (2015), although the research objects were very different. Previous research used conventional bank customers in Malaysia, whereas this study used voluntary Islamic bank savings customers in Indonesia. Islamic banks in Indonesia can be categorized as new businesses in Indonesia, so there has not been much research conducted on Islamic banks, especially voluntary Islamic bank savings customers. Although this model is still not robust, the results show that empathy is a very important variable.

*Assurance*

Assurance has a significance value of 0.0% in all calculations; therefore, it can be concluded that assurance has a strong significant effect on Perceived Value. Given that the estimated value is positive (0.414), the guarantee variable has a significant positive effect on Perceived Value.

Assurance is a dominant variable important in the Perceived Value model because it has the highest estimated value compared to other independent variables, has a significant influence, and has the highest t-value among other variables. In this study, assurance is the guarantee provided by banks on Islamic bank products. The assessment of this variable is based on answers about the popularity, reputation, and mastery of products by the Customer Service of Islamic banks. This component plays an important role in the process of providing Islamic bank guarantees. Customer Service must master the products of Islamic banks because the first interaction between the bank and prospective customers begins with Customer Service. If the Customer Service masters the product, then the predicate of the prospective customer is likely to turn into a customer because the prospective customer feels that he gets a guarantee of the safety of funds entering the Islamic bank. Customers are not worried about bank bankruptcy because of guarantees from the Indonesian government (called Lembaga Penjamin Simpanan/LPS).

The results of this study support the conclusions of Peng and Moghavvemi (2015), although different approaches were used. This support suggests that differences in approaches turn out to be giving the same results.

*Reliability*

Reliability has a significance value between 0.0% and 0.1%, with an average value of 0.0%, so it can be concluded that the reliability variable has a strong significant effect on the Perceived Value. Given that the

estimated value is positive (0.212), reliability has a positive and strong significant effect on Perceived Value. The higher the level of reliability of Islamic banks, the higher their Perceived Value.

The reliability indicators in this study relate to hardware, such as a bank's connection to a sophisticated online network, cooperation in the use of ATM networks, transaction speed, and employee response speed. These indicators are closely related to customers' assessment of the reliability of Islamic banks.

The data show that 77.49% of customers stated that the reliability of Islamic banks is good, and only 16.44% stated otherwise. Customers increasingly know that a particular bank already has a good network, and the more their perception of the value of that bank will increase. Therefore, the Bank must demonstrate the sophistication of its computer network to its customers. This is one reason why customers become savings customers in Islamic banks. Islamic banks may improve reliability in several ways, including increasing the speed of service time. This component has the lowest value among the other components, so the management of Islamic banks should pay more attention to this section so that customer perception can be improved.

This research supports Emari et al. (2011), conducted in Iran using Gronroos's model approach, and Peng and Moghavvemi (2015), performed in Malaysia. The similarity of the results shows that different approaches and different sets of samples can actually provide similar results.

*Tangibles*

Tangibles has a positive estimated value (0.193) and a significance of 0.0% in all calculations, so it can be concluded that tangibles have a strong significant positive effect on Perceived Value.

This variable is related to the tangible condition of Islamic banks, such as the distribution of ATMs, office buildings, and facilities inside and outside the building, so it is natural that it has a strong significant positive effect on Perceived Value. Bank customers can directly and automatically affect their perceptions of Islamic banks. Thus, the management of Islamic banks must pay attention to the appearance of tangibles to obtain a good perception from customers.

The most disadvantaged component of this variable is the availability of ATM and parking facilities. Customers stated that the distribution of ATMs was wide (48.18%), as well as for parking (49.80%). For these two reasons, management must take action so that the perception of customer value towards Islamic banks can increase.

These results are identical to those reported by Emari et al. (2011) and Lee and Moghavvemi (2015).

*Compliance*

Compliance has a positive value with a significance of 0.0% in all calculations; therefore, it can be concluded that the compliance variable has a significant positive effect on Perceived Value.

The compliance variables in this study are customer perceptions of Islamic banks' compliance in carrying out Sharia values for products and operational activities. The more customers believe that the content of the contract has been carried out honestly or that the bank has been carried out in accordance with Islamic rules, the higher the value of Perceived Value will be. This variable is partially related control. Management may convince customers by providing them with concrete evidence or explanations. As long as facts can be captured by the customer with something that the bank is trying to highlight, it will automatically increase the Perceived Value.

*Satisfaction Model*

The satisfaction model includes eight independent variables: empathy, assurance, reliability, tangibles, compliance, perceived value, trust, and religiosity. The variables Empathy and Trust had a significant effect on satisfaction, while the other six variables were insignificant.

*Empathy*

The Empathy variable has a positive value with significance between 0.1% and 0.3%, so it can be concluded that the empathy variable has a strong significant positive effect on satisfaction.

The indicators of empathy are the provision of explanations to clients and equal treatment of clients regardless of social class, friendliness, and courtesy. The ability to provide explanations to customers by bank employees on all questions of potential customers, so that they are confident and decide to become customers, is a very important initial provision for customer satisfaction. This stage is the first impression obtained by prospective customers; therefore, the management of Islamic banks must be aware of this and ask all lines to give a good initial impression.

In the position of prospective customers already customers, sometimes they also ask something about the product, and bank employees must master all Islamic bank products. Islamic bank management must be able to carry out everything that has been said by employees to increase empathy.

This research supports the findings of Revathi and Saranya (2016) and Peng and Moghavvemi (2015). Considering the differences in research locations and analytical methods that provide the same results, Islamic bank management must pay attention to the empathy variable to improve customers.

*Assurance*

Assurance has a positive value, but a significance of between 25.1% and 30.7%; therefore, so the conclusion is assurance has no effect on customer satisfaction.

There were 7.29% of respondents who paid no attention to Assurance, and 14.98% of respondents stated that Assurance was severely lacking or lacking. Customers in this group are willing to open savings with awareness without paying attention to whether the bank has sufficient collateral. This can happen, one of them, because customers are already convinced of the 'big name' of Islamic banks. Almost all Islamic banks operating in Indonesia are subsidiaries of or affiliated with well-known Conventional Banks, such as Bank Syariah Indonesia, Bank BTN Syariah, Bank Bukopin Syariah and Bank BPD Syariah. Only Bank Muamalat has no relationship with Conventional Banks, but it is a pioneer in the establishment of Islamic banks. By using this logic, it is natural that customers do not pay attention to the collateral variables for opening their savings account and will not affect customer satisfaction.

*Reliability*

The Reliability variable has a positive value, but its significance is between 75.1% and 77.9%; therefore, it can be concluded that the reliability variable has no effect on satisfaction. Reliability has a significant effect on Perceived Value, but is not strong enough to shape customer satisfaction.

Theoretically, the more reliable the facilities owned by Islamic banks, the more satisfied the customers will be. Customer data show that 62.69% of customers have never or only slightly filled their savings, so it can be concluded that customers open a savings account not because the bank is reliable but because they are forced to become customers. This compulsion did not appear verbally in the respondent's answer as the client formally stated that they opened a savings account because it was voluntary. When connected with the customer's answer about the sharia application, the customer who stated that the Islamic bank has syar'i is only 21.07% and the rest answered *Khusnudzon*, Did not Care, No other choice or Consequences as a

Muslim. This fact shows that customers are not sure that Islamic banks are already syar'i, so they do not expect to obtain satisfaction from opening their savings accounts.

*Tangibless*

Tangibless has a positive value, but its significance is between 21.2% and 59.3%; therefore, it can be concluded that Tangibles has no effect on satisfaction.

Based on respondents' data, it is known that the data are very homogenous, so theoretically, it is very difficult to be significant. Questions about the behavior of one employee gave the most homogeneous results compared to the other questions. This question was adopted from previous studies such as Revathi and Saranya (2016) and Peng and Moghavvemi (2015); however, they used conventional banks. This study used Islamic banks, so employees tend to behave much more politely, so it is natural for respondents to answer very politely. For subsequent research, it is advisable to replace this question with a variety of answers (more heterogens).

*Compliance*

Compliance has a negative value, with significance between 23.0% and 27.5%. They concluded that compliance has an insignificant negative effect on satisfaction.

In this study, compliance is translated as compliance with Islamic banks carrying out Sharia concepts in the daily activities or operations of banks. In simple terms, a negative influence means that the compliance variable has an inverse relationship with customer satisfaction, so the higher the compliance, the lower the customer satisfaction. This conclusion is not uncommon, but because the influence is insignificant, it becomes meaningless.

Respondents' answers showed that many did not know precisely the answers to the questions in the questionnaire. Questions about profit-sharing calculations are widely answered with 'did not know. This shows that respondents felt that banks were not transparent. The lack of explanation from Islamic bank employees on this matter is likely to be the cause of customers becoming apathetic and giving an unfavorable response to customer satisfaction, so that the influence becomes negative.

This fact must be responded to by Islamic banks by increasing openness to profit-sharing calculations, so that customers believe that the bank's operational activities have been carried out correctly on the basis of Islamic Sharia. This job is not easy, considering that historically most Islamic banks began with or are still part of conventional banks.

*Trust*

Trust has a positive value with significance between 0.1% and 0.2%, so it can be concluded that trust has a strong significant positive effect on satisfaction. The higher the customer's trust in the implementation of Islamic rules, the higher is the level of customer satisfaction. The components of the question in this variable are the degree of clarity of the contract, calculation of the profit share, and the correctness of the transaction.

The contracts commonly used by Islamic banks for customer savings are mudharabah or wadiah. These two contracts have different consequences for customers and Islamic banks. Mudharabah contracts give banks the freedom to manage funds, but banks are obliged to provide profit-sharing. Meanwhile, a wadiah contract does not provide freedom for banks to manage funds, and there is no obligation to provide profit sharing. In the wadiah contract, customers only receive Shodaqoh (gift) from the bank. The difference between the contract and the selection of the contract has a significant impact on the satisfaction of Islamic bank customers. For customers who only want to keep funds instead of at home, the Wadiah contract will provide satisfaction, while customers who want results can use the Mudharabah contract.

For Mudharabah contract users, the correctness of calculating the profit share will greatly determine the level of customer satisfaction. The calculation procedures are carried out transparently and explained well by bank officers, which further increases customer confidence in the implementation of Islamic Sharia rules. The openness of profit-sharing calculations will have an impact on increasing the level of customer satisfaction because it believes that Islamic banks have implemented all the rules correctly.

This study only used savings customers and did not include the type of savings contract (*mudharabah* or *wadiah*). This study must be further developed to determine the consistency of conclusions that can be scientifically accounted for. This is necessary because research with biased data will be biased and will have an impact on determining the next management strategy.

*Perceived Value*

Perceived Value has a positive value with significance between 8.9% and 12.5%, with an average value of 10.2%. The Perceived Value variable has a positive and insignificant effect on satisfaction.

This is an intermediate variable that connects service quality and customer satisfaction. This study shows that the influence of the Perceived Value variable on customer satisfaction is inconsistent, sometimes weakly significant (8.9%) and sometimes insignificant (12.5%), although, on average, the impact is not significant (10.2%). In general, it can be concluded that Perceived Value does not significantly influence customer satisfaction. This study cannot prove that Perceived Value serves as an intermediate variable that connects the Servqual variable with Customer Satisfaction. However, since the value is close to 10%, it is very possible that, in the future, with better efforts from Islamic banking management, this variable can have a significant effect on customer satisfaction. The Perceived Value shows how the customer perceives the bank; therefore, this variable should receive more serious attention from the bank's management.

This study did not support the work of Peng and Moghavvemi (2015). The difference in the respondents was the cause of the difference in the conclusions. Peng and Moghavvemi (2015) did not separate with 'Forced Customers' and 'Voluntary Customers,' whereas in this study only used Voluntary Customers. Another difference was the characteristics of the respondents and location of the study.

*Religiosity*

Religiosity has a negative value with significance between 24.7% and 59.9%, so it can be concluded that the religiosity variable has no effect on satisfaction.

This study used six questions to measure reliability, two of which were removed because they did not pass the validity test. The questions are: "Giving alms to beggars is a futile deed because it will make him lazy to work" and "I am willing to sacrifice money to win prizes, because I will use it for Umrah or hajj."

This shows that the satisfaction of Islamic bank customers is not related to a person's level of religiosity. Satisfaction is influenced more by external factors, such as the condition of Islamic banks, rather than internal customer factors. Religious clients do not mean that they can be treated casually because they tend to be obedient; however, customers tend to think more logically. Thus, the management of Islamic banks needs to revise their services in general to customers. Management should not distinguish between conventional bank customers and Islamic bank customers by referring to them as religious.

## Conclusion

The conclution of this research are:

*All variables Quality of service (CARTER) had a significant effect on Perceived Value.*

*Not all the variables of service quality (CARTER), Perceived Value, Trust and Religiosity affect customer satisfaction.*

*The Perceived Value variable has not been proven to function as a mediator between Quality of Service (CARTER) and satisfaction.*

## Advice for Future Research

Research on Saving's customer satisfaction should separate to 'Forced and Voluntary'.

The next research must separate the *wadiah* and *mudharabah* contracts.

## Implications

Islamic bank management must give different treatment to each group of customers ('Forced and Voluntary').

Equal treatment between customer groups will result in negative words of mouth.

Islamic bank management must pay attention to issues of Empathy, Reliability and Tangibless.

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## Author Contribution

Widyarini and Sunarti both did substantial contributions to the conception or design of the work; drafting of the paper and revising it critically for intellectual content; and gave their final approval of the version to be published.

Widyarini were involved in the analysis and interpretation of the data; revising it critically for intellectual content; and gave the final approval of the version to be published.

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The data set is available from the corresponding author on request.

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