

The Impact of Non-Muslim Community Perspectives on Islamic Banking in Jayapura, Papua, Indonesia

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ABSTRACT

Islamic banks function as intermediary institutions governed by Sharia principles, catering to both Muslim and non-Muslim clientele. Operating within a Dual Banking System alongside conventional banks, Sharia-compliant banks engage in profit and loss sharing activities. The increasing clientele at Banks Syariah Papua encompasses not only Muslims but also a considerable number of non-Muslim customers. This study aims to examine the impact of location, product offerings, promotional activities on the inclination of non-Muslim individuals to patronize Banks Syariah Papua. The population studied is the non-Muslim population of Kecamatan Jayapura Utara, Papua Province. This study includes 123 samples from respondents. Research results indicate that location variable, product variable, and promotion variable have a significant impact on the attitudes of non-Muslim populations toward Bank Syariah Indonesia customer interest factors on the interest of non-Muslim customers to become customers at Banks Syariah Papua.

Keywords: Bank Sharia Indonesia; Islamic Bank; Non-Muslim; Perspective, Sharia Economics

INTRODUCTION

Bank Syariah Indonesia, Originally known as Bank Syariah Mandiri, Bank Syariah Indonesia underwent a merger with BNI Syariah and BRI Syariah. The historical amalgamation of Bank Syariah Mandiri, BNI Syariah, and BRI Syariah into a single entity, now known as Bank Syariah Indonesia (BSI), took place on February 1, 2021, coinciding with 19 Jumadil Akhir 1442 H. The objective of this merger is to capitalize on the strengths of the three Sharia Banks, leading to improved service offerings, expanded market presence, and enhanced capital capacity. Bank Syariah Indonesia is driven to compete on a global scale, supported by its parent companies (Mandiri, BNI, BRI) and the commitment of the government through the Ministry of SOEs. The consolidation of the three Sharia Banks represents a strategic move aimed at establishing a prestigious Sharia-compliant financial institution, poised to contribute significantly to national economic growth and the overall welfare of society (Fadhilah, 2018).

The primary objective of Bank Syariah Indonesia is to promote and implement Syariah principles in financial transactions in Indonesia. The subsequent question is how the population perceives Syariah-compliant banking and whether or not they wish to implement it. This research objective is to inform the predominantly Christian populace of Jayapura about Bank Syariah and its promotional activities. However, one of the challenges faced is the conventional banking concept that has become an intrinsic part of the Jayapura community and middle-class society, resulting in many individuals using conventional banking services (Hapsari & Beik, 2014).

Location factors play an important role in determining the accessibility and affordability of Islamic banking services for the public. The location of branch offices or banking service offices can be a determining factor in influencing people's decisions to use Islamic banking services. A study by (Rosanti, 2019) shows that a strategic location can increase people's accessibility to Islamic banking services, which in turn can increase their interest in using these services. Fadhilah (2018) in (Rosanti, 2019) states that the location, service, perception, profit and loss sharing and promotion variables partially have a significant positive effect on the interests of non-Muslim customers to become BCA Syariah KC customers in Yogyakarta.

The impact of saving in a sharia-compliant bank encompasses an understanding of the various products offered by such institutions. Consumer knowledge encompasses the comprehensive range of information possessed by individuals on diverse items and services, with other cognizance pertinent to their job as customers. The assessment of sharia banking products include the extent of awareness and comprehension among the community about sharia-compliant financial goods and services (Sari et al., 2023). The deficiency in public comprehension of sharia banking goods and operations has been identified as a significant hindrance to the advancement of sharia banking. Hence, it is important to do research about the degree to which the general public's comprehension of sharia-compliant banking goods and services influences their investment and withdrawal behaviors inside sharia banks (Jumaev et al., 2012).

According to Liu et al. (2012) in (Setyoviyon & Sin, 2020), loyalty is positive behavior and related to the level of customer repurchase for a product or service on a regular basis. When customers can be influenced through the five senses enable them to feel comfortable, they will have good feeling for the company. The customers' sense of comfort will involve the company in their mindset influencing the preference. Companies' positive influences creates customer loyalty to when they have to choose.

Customer satisfaction entails a customer's perception of an organization, including its offerings in terms of quality, value, and meeting expectations. It encompasses the entirety of a customer's thoughts, assessments, and emotional responses to a product or service. Therefore, it's reasonable to acknowledge that contentment varies. For marketers, customer satisfaction poses an intriguing dynamic as there are no standardized expectations established for each product or service provided (Sofiya et al., 2023). Consumer contentment serves as the foundation for shaping opinions regarding the experience gained from purchasing apparel online. It aids consumers in evaluating whether a product offers high quality, fair pricing, and suitability for future purchases. Depending on their level of satisfaction with the product or service's performance, it may also prompt them to recommend it to others in the future, thus influencing their next purchasing decision (Ab Hamid et al., 2021).

Consumer perception refers to the understanding or awareness that a consumer holds regarding a company's product or service. It is shaped by the consumer's interpretation of the information available about the product (Utamy & Widhiastuti, 2020). Several factors, including brand association, usage, purchasing behavior, and customer satisfaction, can influence consumer perception. It is essential for companies to delve deeper into these factors to cultivate a positive brand image that can impact consumer perception (Singh et al., 2021).

Brand associations play a crucial role in altering consumer perceptions of specific products. These associations are linked to the consumer's opinions about a product's quality, whether positive or negative (Emari et al., 2012) in (Singh et al., 2021). Elements such as price, promotion, product quality, company personnel, and distribution channels are pivotal areas for companies to focus on to ensure that brand associations remain favorable.

The Islamic banking industry has become the subject of increasing attention in the context of the global economy. In recent years, the growth and development of this industry has shown an encouraging trend, not only in countries with a majority Muslim population, but also in countries with significant Muslim minorities. Indonesia as one of the countries with the largest Muslim population in the world has also experienced significant development in this sector.

Bank Syariah Indonesia (BSI), as one of the key players in the Islamic banking industry in Indonesia, has experienced significant growth. However, in an effort to continue to grow and strengthen its position in the market, BSI needs to understand deeply the factors that influence the interest of the public, especially non-Muslims, to use Islamic banking services. One of the key factors to consider is location, product, and promotion (Khairunnisa & Indana, 2023).

The success of an Islamic bank also depends heavily on the products it offers. Islamic banking products that are innovative and in accordance with the needs of the community can be a major driver to attract customers, including non-Muslim customers. In research by (Alam & Jureid, 2021) it was found that the diversity of Islamic banking products offered has a positive impact on public interest, especially non-Muslims, to use Islamic banking services. Effective promotion is also a key factor in influencing public perception of Islamic banking services. Through proper promotion, Islamic banks can increase public awareness about the products and services offered and build a positive image of Islamic banking as a whole. According to research by Wijaya (2017), creative and informative promotions can influence public interest in using Islamic banking services (Hadiyati & Fathurozi, 2018).

LITERATURE REVIEW

Location

The selection of location serves a strategic purpose as it plays a vital role in determining the attainment of business objectives. Location is essentially a physical site that holds strategic significance in facilitating the realization of business goals. It signifies the establishment point of a company and where its operations are conducted. Hence, the location becomes the pivotal site where a specific type of business or industry will operate (Reshita, 2015). According to Rosy Sukaryono (Sukaryono, 2016), various factors influence the choice of business location, including socioeconomic environment of the community, proximity to the market or target consumers, availability of labor force, and proximity to raw materials and suppliers.

Location as the context in which a company establishes its headquarters and carries out its activities. In this context, there are three types of interactions that impact location.

Consumers visiting service providers (companies)

In such scenarios, the location becomes crucial, and companies should opt for sites close to consumers to ensure accessibility and strategic positioning.

Service providers (companies) reaching out to consumers

Here, location holds less significance, but the quality of service delivery remains paramount.

Indirect interaction between service providers and consumers:

This implies that service providers and consumers communicate through mediums like phone, computer, or mail. In such cases, the physical location becomes less important as long as effective communication channels are maintained (Sholihin & Aulia, 2022).

Promotion

Existing conventional banks in the Indonesian banking sector pose a challenge for Islamic banking entities. To thrive, Islamic banks need to adopt a more proactive approach in promoting their services to both Muslim and non-Muslim prospective clients. Moreover, it is imperative for them to devise strategies tailored specifically to expand their market share among non-Muslim customers. The competitive landscape within the banking industry necessitates every financial institution to explore optimal service strategies to attract and retain customers, irrespective of their religious affiliations. Studies conducted by Lovenia (2012) suggested that promotional efforts exert a positive and noteworthy impact on the inclination of non-Muslim individuals to engage with Islamic banks. Conversely, research by Widagdo (2011) concluded that promotional activities do not significantly influence the decision-making process of non-Muslim communities (Hapsari & Beik, 2014).

Product

Sharia banking products are general products that apply to all groups, both Muslims and non-Muslims. All who are born of Islam are good and bring salvation. Because Islam applies when it contains what is called maqashid sharia. Islamic banks offer product innovations that are very much for all groups including non-Muslims. In general, Islamic banking offerings can be categorized into three main types: products for distributing funds, products for raising funds, and services provided by banks to their clientele (Alam & Jureid, 2021).

RESEARCH METHOD

The present study is classified as quantitative descriptive research, which seeks to show a range of statistical conclusions derived from survey data. The study was carried out via an internet platform, specifically Google Forms. The data gathering process employed a non-probability sampling approach, where in each member of the population had an equal opportunity of being chosen. The research instrument employed in this study was a questionnaire.

Testing the validity and reliability is necessary to ensure that the research results are accurate and reliable. To ensure that the questionnaire is suitable for use as a research tool, its validity and reliability are tested using the Likert scale. A measuring tool that produces valid data is called a valid instrument. To evaluate validity, the score of each question item is compared to the total score. Question items are considered valid if they have a positive correlation value.

RESULTS

Considering the country's status as the home to the largest Muslim population globally, the Islamic finance sector holds significant promise for the years ahead. Achieving this potential entails fostering collaboration among policymakers and enhancing public awareness of halal transactions adhering to Sharia principles and aligning with its economic principles. The Indonesian government perceives the increasing prevalence of Sharia-compliant products and services in recent years as a crucial driver for advancing Sharia economics within the country. In light of this positive outlook, the government strategically decided to establish Bank Syariah Indonesia (BSI) as a new entity, consolidating three prominent state-owned Sharia banks: PT Bank Syariah Mandiri Tbk, PT Bank BNI Syariah Tbk, and PT Bank BRI Syariah Tbk.

The government's dedication to fostering sharia-based services that can effectively respond to Indonesia's rapid economic growth is exemplified by the merger of three state-owned sharia banks, officially initiated by President Joko Widodo on February 1, 2021. The individual expresses optimism on the government's dedication to stimulating economic growth through the implementation of the Business Support Initiative (BSI), anticipating its potential to invigorate the nation's economy. The BSI serves as a manifestation of a novel, all-encompassing, and evidently advantageous embodiment of sharia that caters to diverse strata of society. Following the completion of the merger, Bank Syariah Indonesia is poised to assume the position as the foremost sharia-compliant financial institution in Indonesia. BSI, with a total asset value of Rp239.56 trillion, boasts an extensive network of over 1,000 branches and a workforce of 20,000 individuals. Consequently, BSI is projected to secure the seventh position in Indonesia in terms of total assets.

Participant Demographics

The survey encompassed a total of 123 non-Muslim groups in Jayapura, with data collected on the respondents' gender, age, and employment.

Participants categorized by their respective occupations

The categorization of individuals in Jayapura City according on their occupation includes civil servants, private workers, and students.

Table 1. Distribution of respondents by occupation

Occupation	Number	%
Students	111	90
Private	6	5
PNS	6	5

Total	123	100
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Source : Primary Data processed, 2023

Based on the provided data, it can be observed that in Jayapura City, there is a total of 111 individuals, which accounts for 90% of the population, who are identified as students. Additionally, there are 6 individuals, constituting 5% of the population, who are categorized as private individuals, while another 6 individuals, also representing 5% of the population, are classified as civil servants.

Participants categorized by Gender

The present study provides an overview of the gender distribution among Civil Servants, Private Workers, and Students in Jayapura City.

Table 2. Gender of the Participants

Gender	Number	%
Male	44	36
Female	79	64
Total	123	100

Source : Primary Data processed, 2023

Based on the data shown in the table, it can be observed that the male student population in Jayapura City comprises 44 individuals, accounting for 36% of the total, while the female student population consists of 79 individuals, representing 64% of the total.

Age Distribution of Respondents

The provided data presents the age distribution of individuals categorized as Civil Servants, Private Workers, and Students residing in Jayapura City.

Table 3. Respondents by Age

Age	Jumlah	%
17-29 Years	118	96
30-40 Years	3	2,4
>40 Years	2	1,6
Total	123	100

Source : Primary Data processed, 2023

According to the provided data, it can be observed that the majority of individuals who fall under the category of Jayapura City Students, Private Companies, and Civil Servants working as Students are between the ages of 17-29 years, accounting for 118 individuals or 96% of the total. In contrast, those aged 30-40 years constitute a smaller proportion, with only 3 people or 2.4%. Furthermore, individuals above the age of 40 years make up a minority, comprising 2 people or 1.6% of the total.

Variable Description

Location

The location variable has six question items. The items encompass the comments of the participants about the strategic location of Bank Syariah Indonesia, which is in close proximity to the government center, other offices, retail malls, and clients. The thoughts of the respondents on the variable of location are depicted in the subsequent table:

Tabel 4. Location replies from respondents

No.	Questions	SS		S		N		TS		STS	
1.	X1.1	16	13%	57	46,3%	46	37,4%	4	3,3%	0	0%
2.	X1.2	13	10,6%	56	45,5%	44	35,8%	10	8,1%	0	0%
3.	X1.3	11	8,9%	54	43,9%	51	41,5%	6	4,9%	1	0,8%
4.	X1.4	19	15,4%	64	52%	33	26,8%	5	4,1%	2	1,6%
5.	X1.5	11	8,9%	54	43,9%	51	41,5%	6	4,9%	1	0,8%
6.	X1.6	13	10,6%	56	45,5%	44	35,8%	10	8,1%	2	0%

In relation to the inquiry pertaining to the whereabouts of Bank Syariah Indonesia, a significant portion of respondents, including 64 individuals or 52% of the total, expressed consensus that the site is conveniently accessible. This observation indicates that the place has a strategic advantage due to its being beside a road, making it easily accessible.

Product

A product refers to any item or service that is exchanged in a market to fulfill an individual's desires or requirements. This encompasses a wide range of offerings, including tangible products, intangible services, experiential encounters, organized events, individuals, locations, properties, organizations, information, and concepts. The following table presents an overview of the evaluation of halal labeling:

Tabel 5. Respondents' Responses to Products

No.	Question	SS		S		N		TS		STS	
1.	X2.1	11	8,9%	37	30,1%	65	52,8%	7	5,7%	3	2,4%
2.	X2.2	12	9,8%	47	38,2%	59	48%	3	2,4%	2	1,6%
3.	X2.3	14	11,4%	56	45,5%	47	38,2%	5	4,1%	1	0,8%
4.	X2.4	12	9,8%	47	38,2%	59	48%	3	2,4%	2	1,6%
5.	X2.5	12	9,8%	47	38,2%	59	48%	3	2,4%	2	1,6%
6.	X2.6	14	11,4%	56	45,5%	47	38,2%	5	4,1%	1	0,8%

According to the data collected on Islamic banking products, a majority of the respondents, namely 65 individuals or 52.8% of the total respondents, provided a neutral answer to question item X2.1. This finding suggests that the convenience associated with using the product may serve as a contributing factor for those who do not identify as Muslim to become patrons of Bank Syariah Indonesia.

Promotion

Promotion is a strategic approach used to enhance the sales of goods or services by means of publicity or reductions in price. The use of these strategies may be seen across several platforms, including social media, digital communication, and conventional media channels like newspapers and pamphlets, as shown in the following table:

Table 6. Respondents' responses to promotions

No.	Question	SS		S		N		TS		STS	
1.	X3.1	10	8,1%	55	44,7%	51	41,5%	6	4,9%	1	0,8%
2.	X3.2	10	8,1%	45	36,6%	56	45,5%	11	8,9%	1	0,8%
3.	X3.3	12	9,8%	35	28,5%	59	48%	16	13%	1	0,8%
4.	X3.4	10	8,1%	55	44,7%	51	41,5%	6	4,9%	1	0,8%
5.	X3.5	10	8,1%	45	36,6%	56	45,5%	11	8,9%	1	0,8%
6.	X3.6	10	8,1%	45	36,6%	56	45,5%	11	8,9%	1	0,8%

Based on the responses to inquiries regarding the promotional efforts of Bank Syariah Indonesia, it is evident that the prevailing sentiment expressed by the respondents was neutrality. Out of the total 59 respondents, accounting for 48 percent of all responses, the majority focused their attention on question item X3.3. Bank Syariah Indonesia employs print media, specifically the distribution of brochures, as a means of conducting its promotional activities. Due to this rationale, consumers exhibit a heightened inclination towards allocating their financial resources in Bank Syariah Indonesia. Indonesian sharia banks use internet and print media channels to enhance public awareness about Islamic banking institutions.

Findings from Data Analysis

Assessment of Validity

In order to ascertain the validity, the value of r count is compared to the critical value of r table, using predetermined measurement criteria. A question item is deemed legitimate if the count r exceeds the table r . However, in the event that this is not the case, the item is deemed to be invalid. The test results are shown below.

Validity Test Result

Tabel 8. Validity Test Result

Location	r calculate	r table	Description
X1.1	0,593	0,176	Valid
X1.2	0,631	0,176	Valid
X1.3	0,593	0,176	Valid
X1.4	0,802	0,176	Valid
X1.5	0,498	0,176	Valid
X1.6	0,841	0,176	Valid
Product	r calculate	r table	Description
X2.1	0,489	0,176	Valid
X2.2	0,582	0,176	Valid
X2.3	0,857	0,176	Valid
X2.4	0,665	0,176	Valid
X2.5	0,527	0,176	Valid

X2.6	0,473	0,176	Valid
Promotion	r calculate	r table	Description
X3.1	0,380	0,176	Valid
X3.2	0,501	0,176	Valid
X3.3	0,767	0,176	Valid
X3.4	0,703	0,176	Valid
X3.5	0,765	0,176	Valid
X3.6	0,677	0,176	Valid

The provided table displays the calculated correlation coefficients (r) for various variables. Each variable is labeled with a unique identifier and is accompanied by its corresponding correlation coefficient and a description indicating the validity of the correlation. The first set of variables pertains to the location, with identifiers X1.1 through X1.6. The correlation coefficients for these variables range from 0.498 to 0.841, all of which are considered valid. The second set of variables relates to the product, labeled X2.1 through X2.6. The correlation coefficients for these variables range from 0.473 to 0.857, all of which are also considered valid. The third set of variables represents the promotion, with identifiers X3.1 through X3.6. The correlation coefficients for these variables range from 0.380 to 0.767, all of which are considered valid. Lastly, the fourth set of variables pertains to interest, labeled Y1.1 through Y1.6. The correlation coefficients for these variables range from 0.572 to 0.783, all of which are considered valid.

Reliability

The use of the variance inflation factor (VIF) value for each variable enables the identification of potential multicollinearity inside the regression model. A regression model is considered to be devoid of multicollinearity issues when the tolerance value exceeds 0.1 and the VIF value remains below 10. The findings of the study conducted to assess multicollinearity are shown in the following table.

Table 9. Reliability Test Result

Variabel	Cronbach's Alpha	Keterangan
Location	0,744	Reliabel
Product	0,654	Reliabel
Promotion	0,698	Reliabel

Source: Primary Data processed, 2023

The variables used in the calculation of Cronbach's alpha. The description of the location is 0.744. The reliability of the data is 0.654. The promotion of reliable products has a coefficient of 0.698. The reliability of the data is 0.770. The source of the data used in this study is processed data from the year 2023, which is considered to be reliable.

According to the chart, a research instrument may be considered credible and trustworthy if its value exceeds 0.61.

Multicollinearity Test

The use of the variance inflation factor (VIF) value for each variable enables the identification of potential multicollinearity inside a regression model. In the event that the tolerance value exceeds 0.1 and the VIF value falls below 10, it may be inferred that the regression model is not subject to issues of multicollinearity. The following table presents the findings of the study conducted to assess multicollinearity.

The table presents the results of a multicollinearity test, specifically focusing on 10 variables.

Table 10. 10 Multicollinearity Test Result

Variable	Tolerance	Vif	Conclusion
Location	0,560	1,787	Non Multikolinieritas
Product	0,574	1,742	Non Multikolinieritas
Promotion	0,946	1,057	Non Multikolinieritas

Source : Primary Data processed, 2023

The concept of variable tolerance refers to the ability of a system or organism to withstand or adapt to changes in its environment. It is in conclusion, the location of 0.560 1.787 is of significance. The concept of non-multicollinearity refers to the absence of a high correlation between predictor variables in a statistical model. In this context, the products of 0.574 and 1.742 is of interest. The concept of non-multicollinearity is relevant in the context of promotion, with a coefficient of 0.946 and a standard error of 1.057. The concept of non-multicollinearity refers to the absence of strong linear relationships among the predictor variables in a statistical model.

Multiple Regression Analysis

The outcomes of data analysis with SPSS exhibit the multiple regression findings as shown below: The equation can be represented as $Y = -2.211 + 0.312X_1 + 0.490X_2 + 0.201X_3$. Based on the multiple regression model used in this study, the following interpretation may be derived:

The constant value (a) of -2.211 signifies that when the independent variables, namely location (X1), product (X2), and promotion (X3), remain constant or are set to zero, the INTEREST SAVING will be reduced by -2.211 points. The regression coefficient associated with the location variable (X1), which is 0.312, suggests that a one-unit improvement in financial literacy is expected to correspond to a 0.312-unit rise in interest in saving. The regression coefficient associated with the product variable (X2) is 0.490, suggesting that a one-unit increase in financial literacy is associated with a 0.490-point rise in interest in saving. The regression coefficient associated with the promotion variable (X3) is 0.201, suggesting that a one-unit improvement in financial literacy will correspond to a 0.201-unit rise in interest in saving.

Hypothesis Test (T test)

The t-test is used to assess the statistical significance of the impact of each independent variable on the dependent variable. The results of the t test are shown in the table provided below:

Table 11. Hypothesis Test (T tes) Result

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistic	
	B	Std.Error	Beta			Tolerance	VIF

1 (constant)	-2.211	1.387		- 1.594	.114		
X1	.312	.061	.347	5.114	.000	.560	1.787
X2	.490	.068	.484	7.223	.000	.574	1.742
X3	.201	0.047	.221	4.243	.000	.946	1.057

The topic of interest is the estimation of unstandardized coefficients in a statistical model. The standardized coefficients, also known as beta coefficients, are a statistical measure used in regression analysis to assess the relative importance of independent variables. The significance of the collinearity statistic is denoted by T, while the standard error is represented by B. The concept of beta tolerance refers to the ability of an organism or system to withstand and adapt to changes or variations in its environment. The Variance Inflation Factor (VIF) values for the variables in the model are as follows: the constant has a VIF of -2.211, X1 has a VIF of 0.312, X2 has a VIF of 0.490, and X3 has a VIF of 0.201. These values indicate the level of multicollinearity present in the model. Based on the results of the partial test in Table 11, the hypothesis can be interpreted as follows: The hypothesis may be assessed by examining the results of the partial test as shown in Table 11.

According to the calculations, the t-value for the location variable (X1) is 5.114, which surpasses the crucial t-value of 1.980, as seen in the table. In addition, the obtained significance value is 0.000, which suggests statistical significance at a significance level of 0.05. Hence, the hypothesis suggesting that the geographic location has a positive and statistically significant impact on the propensity of non-Muslim people to participate as clients at Bank Syariah Indonesia is considered to be supported.

In relation to the product variable, the computed t-value is 7.223, which exceeds the critical t-value of 1.980 as shown in the table. Additionally, the obtained p-value is 0.000, which is less than the predetermined significance level of 0.05. Therefore, we accept the hypothesis that the product has a positive and statistically significant impact on the interest of individuals who are not of the Muslim faith to become clients at Bank Syariah Indonesia.

As for the variable promotion, t count is 4.243, which is greater than t table, and its significant value is 0.000, which is less than alpha 0.05. Therefore, it is acknowledged that the promotion has a positive and statistically significant impact on the interest of non-Muslims to become Bank Syariah Indonesia customers.

Hypothesis Test (F Test)

Table 12. Hypothesis Test (F tes) Result

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	560.435	3	186.812	89.844	.000 ^b
Residual	247.435	119	2.079		
Total	807.870	122			

Source : Primary Data processed, 2023

The resulting F value from the calculations is 89.844, which exceeds the critical F value from the table. Additionally, the significant value is 0.000, indicating that it is less than the predetermined significance level of 0.05. Hence, the hypothesis positing that the combined impact of location, goods, and promotions significantly influences the inclination of non-Muslim individuals to save at Bank Syariah Indonesia has been substantiated, hence warranting acceptance of the hypothesis.

DISCUSSION

The impact of geographical location on the preferences and inclinations of non-Muslim groups

The findings indicated that the variable of location had a statistically significant and favorable impact on the level of interest shown by non-Muslim groups. This is apparent based on the location significance value, which is calculated to be 0.000, a number lower than the predetermined significance limit of 0.05. Furthermore, the computed t-value of 5.114 suggests that the calculated t-value is greater than the critical t-value of 1.980. The regression coefficient for location, which is 0.312, suggests that for every unit rise in the value of location, there will be a subsequent increase in public interest of 0.490. Consequently, H_0 acknowledged that the geographical factor had a favorable and noteworthy impact on the inclination of non-Muslim populations to avail themselves of the services provided by Bank Syariah Indonesia. This observation indicates that the geographical placement of Bank Syariah Indonesia has a favorable influence on the inclination of non-Muslim groups to engage with its services (Duralia, 2022).

The impact of geographical location on the preferences and inclinations of non-Muslim groups is a topic that encompasses various socio-cultural, economic, and historical factors. Geographical location plays a significant role in shaping the behaviors, choices, and cultural identities of non-Muslim communities around the world. One of the most apparent influences of geographical location is seen in the dietary preferences of non-Muslim groups. For example, in regions where seafood is abundant due to proximity to oceans or rivers, non-Muslim communities may have a cuisine heavily centered around fish and other aquatic foods. Similarly, in agricultural regions with fertile soil, non-Muslim groups may have diets rich in locally grown fruits, vegetables, and grains (Krishna et al., 2019).

Moreover, geographical location can also impact the religious practices and traditions of non-Muslim groups. In areas where there is a dominant religious or cultural influence, non-Muslim communities may adopt certain customs or rituals unique to that region. For instance, in predominantly Christian regions, non-Muslim groups may celebrate Christian holidays or incorporate Christian symbols into their cultural practices. Economic opportunities and constraints influenced by geographical location also shape the preferences and inclinations of non-Muslim groups. Communities located in urban centers may have access to a wider range of goods and services, influencing their consumption patterns and lifestyle choices. Conversely, communities in remote or rural areas may rely more heavily on traditional practices and locally sourced resources (Sholihin & Aulia, 2022).

Furthermore, historical factors intertwined with geographical location contribute to the cultural identities of non-Muslim groups. Migration patterns, colonial legacies, and interactions with neighboring communities have all left lasting impressions on the cultural landscape of various regions. Non-Muslim groups may inherit and preserve certain traditions or customs that are unique to their geographical location and historical context. In conclusion, the impact of geographical location on the preferences and inclinations of non-Muslim groups is multifaceted and complex. It encompasses a wide range of factors, including dietary habits, religious practices, economic opportunities, and historical legacies. Understanding these influences can provide valuable insights into the rich diversity of cultures and communities across different regions of the world (Nurhayati et al., 2021).

Impact of the Product on the Interest of the Non-Muslim Community

The findings indicated that the variable of location had a statistically significant and favorable effect on the level of interest shown by non-Muslim groups. The location significance of 0.000, which falls below the predetermined significance limit of 0.05, suggests that there is a statistically significant difference. Furthermore, it is evident from the t-count of 7,223 that it surpasses the critical t-value of 1,980. The regression coefficient for location, which is 0.490, indicates that a one-unit rise in the location variable is associated with a corresponding increase of 0.490 in people's interest. Consequently, it is well acknowledged that the geographical location has a substantial and favorable role in shaping the inclination of non-Muslim individuals to avail themselves of the services offered by Bank Syariah Indonesia. This demonstrates that the product confers advantages to those who do not adhere to the Islamic faith (Setyoviyon & Sin, 2020).

The impact of a product on the interest of the non-Muslim community is a significant aspect of market dynamics and cultural sensitivity. Understanding how products resonate with non-Muslim consumers involves considerations beyond just their functional attributes; it requires awareness of cultural norms, religious beliefs, and societal values. One crucial aspect to consider is whether the product aligns with the dietary restrictions and preferences of the non-Muslim community. For example, food products that are halal-certified may appeal to a broader audience, including non-Muslims who seek assurance of ethical and hygienic food practices. Similarly, in regions where vegetarianism or veganism is prevalent among non-Muslims, products that cater to these dietary preferences may garner greater interest and acceptance (Ab Hamid et al., 2021).

Furthermore, the cultural and religious connotations associated with a product can significantly influence its reception among non-Muslim consumers. Products that are perceived as respectful and inclusive of diverse cultural backgrounds are likely to be more positively received. Conversely, products that inadvertently offend religious sensitivities or perpetuate stereotypes may face backlash and resistance from non-Muslim communities. Another important consideration is the marketing and branding of the product. Companies need to tailor their marketing strategies to resonate with the values and aspirations of the non-Muslim community. This may involve featuring diverse representations in advertising campaigns, incorporating culturally relevant messaging, and fostering inclusivity in product packaging and promotions (Jumaev et al., 2012).

Moreover, the social impact of a product can also influence its appeal to the non-Muslim community. Products that promote sustainability, social responsibility, and ethical production practices may attract consumers who prioritize these values, regardless of their religious affiliation (Saeed & Khan, 2021). By addressing broader societal concerns, companies can cultivate goodwill and loyalty among non-Muslim consumers. In conclusion, the impact of a product on the interest of the non-Muslim community is multifaceted and influenced by various factors, including cultural relevance, dietary considerations, marketing strategies, and social impact. By understanding and addressing the unique needs and preferences of non-Muslim consumers, businesses can enhance their market appeal and foster greater inclusivity and diversity in their product offerings (Panorama & Lemiyana, 2018).

Impact of promotional activities on the interests of non-Muslim individuals

Based on the findings of the research, it can be inferred that the variable of promotion has a statistically significant and beneficial impact on the level of interest shown by non-Muslim groups. The p-value associated with the location is 0.000, which is much lower than the predetermined significance threshold of 0.05. Furthermore, the computed t-value obtained is 4.243, indicating that the critical t-value from the table is 1.980. The location regression coefficient of 0.201 suggests that there is a positive relationship

between the rise in location value and the subsequent increase in public interest, with every one unit increase in location value corresponding to a 0.201 increase in public interest. Hence, it may be deemed permissible for Ha, specifically in terms of the impact of geographical position, to have a discernible and noteworthy effect on the inclination of non-Muslim groups into using the services offered by Bank Syariah Indonesia to some extent. This finding demonstrates that the use of promotional strategies has a beneficial effect on generating interest among non-Muslim groups. In order to mitigate instances of fraudulent behavior and deception in the execution of promotional activities, it is imperative that sharia-compliant promotions adhere to the principles of truthfulness, justice, and honesty when presented to the public. It is important to ensure that all pertinent information pertaining to products is conveyed in a manner that is characterized by openness and transparency (Kardoyo et al., 2020).

The impact of promotional activities on the interests of non-Muslim individuals has been studied in various contexts, such as Islamic banking and halal tourism. A study of market-friendly approaches to Islamic banking found that promotional activities, such as advertising and public relations, had a positive and significant influence on the interest of non-Muslim customers. This study used purposive sampling of 120 respondents and analyzed the data using Structural Equation Modeling. In the context of halal tourism, a conceptual article discusses the challenges and opportunities of halal tourism marketing in non-Muslim majority countries. This article highlights the importance of understanding the cultural and religious needs of Muslim travelers and ensuring that the services provided meet their expectations (Alwi et al., 2021).

Another study focused on the influence of Muslims on marketer behavior in non-Muslim majority countries, particularly in New Zealand. The study used Social Identity theory to explain the behaviors and attitudes of vulnerable Muslims and found that marketers promote anti-discrimination efforts against Muslims by expanding their product and service offerings, being inclusive, avoiding stereotypes in marketing communication styles, and shifting their processes and systems to meet the cultural needs of these groups. In conclusion, the study suggests that promotional activities can have a positive impact on the interests of non-Muslim individuals in various sectors, such as Islamic banking and halal tourism. By understanding the cultural and religious needs of the target audience and adopting inclusive marketing practices, marketers can effectively promote their products and services to non-Muslim groups (Semaun et al., 2023).

CONCLUSION

This study aims to examine the impact of location, product offerings, promotional activities on the inclination of non-Muslim individuals to patronize Banks Syariah Papua. The study is different from other previous studies because the population in this study is a non-Muslim community in Papua. Based on the results of our research it can be explained that the geographical location of Bank Syariah Indonesia has a notable and constructive impact on the inclination of non-Muslim individuals to engage with its services. This implies that the strategic positioning of Bank Syariah Indonesia can effectively appeal to non-Muslim clientele, thereby encouraging their utilization of the bank's services. Factors such as proximity to government centers, retail centers, convenient accessibility, availability of parking facilities, and placement in densely populated areas are influential in attracting non-Muslim individuals to use the services offered by Bank Syariah Indonesia (Mahesazzumar & Rahmi, 2022).

The use of products has been shown to have a notable and constructive influence on the inclination of those who do not identify as Muslim to engage with Islamic banking services. This implies that the offerings of Bank Syariah Indonesia include inherent qualities that appeal to those who do not identify as Muslim, hence motivating their use. Furthermore, Bank Syariah Indonesia offers a wide range of service items, therefore offering the general public a multitude of options (Sobana & Anjani, 2021).

The promotion of Bank Syariah Indonesia has a notable and favorable impact on the engagement of non-Muslim individuals in using its services. This implies that Bank Syariah Indonesia's promotional efforts extend beyond traditional media channels and include social networks, print media, and other platforms. The dissemination of knowledge pertaining to Islamic banks has permeated the grassroots community, extending beyond the realms of business circles and higher echelons (Candrakuncaraningsih, 2022).

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