CHAPTER I

Introduction

1.1. Background

An Islamic (*shariah*) banking pioneering practice was started in the early 1980s, as a process to look at an alternative banking system that is colored by transparent, just, balanced, and ethical principles. As a test, society along with academicians tried to apply a concept about shariah banking on a small scale, like establishing Bait Al-Tamwil Salman at the Bandung Technology Institute and Ridho Gusti Cooperative in Jakarta. The presence of a non-bank financing company agency which tries to apply a concept for this result is increasingly surprising that Indonesian society needs the presence of an alternative shariah financial institution to complete service by the current conventional financial institutions.

Observing the increasing development of Indonesian society's aspirations to have a shariah financial institution, the religious pioneers who are connected with the Indonesia Islam Council (MUI) then furthered the society's aspirations by doing an intensification of shariah financial concepts, including the shariah banking system.

Over the course of time, experience proves that the shariah banking system has become one of the solutions to help support the national economy from the 1998 monetary and economic crisis. The shariah banking system has been proven to be

able to become a support for the stability of the national financial system when undergoing fluctuations. This ability increasingly affirms the position of the shariah banking system as one of the national economic supports that deserves to be counted on.

In the end, the shariah banking system that wants to be materialized by Bank Indonesia is shariah banking that is modern, universal, and open to all Indonesians without exception. With a shariah banking special positioning as “beyond banking”, that is banking that provides more various financial services and products along with is supported by a more various financial scheme, is convinced that in the future there will be more interest from Indonesian society to use shariah banks. This will significantly increase the role of shariah banks in supporting the stability of a national financial system, together with integrated with conventional banks in a dual banking system of Indonesia banking architecture.

This is proven with an increasing number of banks which apply a dual banking system where banks which already apply a conventional banking system form shariah banking units. Moreover, now there are several foreign banks which operate in Indonesia that open a shariah service office as a competitive strategy in an open market. The presence of shariah banks, whether those which operate as stand-alone or as operational units from conventional banks, is an effort to fulfill societal needs which are increasingly various. Society can choose and determine whether it will use a conventional banking service or shariah banking service.

To solidify the shariah banking position in the Indonesian economy, it needs much support, not only from the government but also from the society. With the increasing number of banks which apply a shariah principle, whether it be shariah general banks or shariah business units, there is a big challenge for them to be able to provide the best service for customers. Providing the best service to customers will create a positive perception, until customers will decide which bank they will choose to manage their money.

As a consequence, the shariah banking realm is demanded to show its competitive ability in serving society according to the advantages and superiority it promises. Within it operational system, shariah banking at its basis possesses a comparative advantage that cannot be competed by a conventional system, that is in using an Islam moral standard in its business activities where a just foundation and advantages for all members are able to influence the creation of a balance that is very advantageous for the bank and account holders.

Shariah banks must be perceptive and strive to fulfill the needs of account holders through primo service in order that they will be able to be competitive. This is because at its foundation customer perception is one of the important keys to create company positioning. Challenges that are faced are certainly not light for Bank Shariah Mandiri (BSM) as one of the shariah general banks. Before they try to fulfill account holder needs, BSM must first work hard to understand and provide clear information about the products they are offering, which in the end account holders will decide to use and buy the service they are providing.

Based on the explanation of the problem above, the researcher is very interested to conduct research about the influences that arise from customer perception about bank positioning. Therefore, this research will be entitled "The Influence of Customer Perception to Company Positioning at Bank Syariah Mandiri, South Meruya Branch, West Jakarta".

1.2. Problem Identification and Limitations

BSM as a banking service company really understands about the necessity to maintain a positive customer perception. As a service company, BSM must be able to fulfill customer needs along with protect customer perception in order that it does not lose customers. To do that, BSM needs to arrange strategies to maintain its positive customer perception. To maintain focus from this research in order that this research is according to expectations, the researcher limits this research only to factors which influence customer perception and then explore the influence of customer perception towards company positioning of BSM.

1.3. Research Problem Formulation

Based on the background above, the problem formulation in this research is about the factors which influence customer perception at BSM South Meruya Branch. Besides that, the researcher will also try to find out the factors which influence company positioning at BSM. Another aspect that will be researched is about the

influence of customer perception towards company positioning of BSM South Meruya Branch.

1.4. Research Goals

The goals of this research are to discover:

1. The factors which influence customer perception.
2. The factors which influence company positioning.
3. The correlation between customer perceptions toward company positioning.