



## The Influence Of Religiosity, Profit Loss And Sharing And Corporate Image Toward Consumer Intentions Of Muamalat Bank Financing

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### **Abstract**

**Purpose:** This study aims to look at the influence of religiosity, profit and loss sharing and corporate image on consumer intentions of Muamalat bank financing in Madiun

**Design/methodology/approach:** this study used a quantitative approach with a sample of 220 Muslim respondents in Madiun. And data analysis used smart PLS.

**Findings:** The results of the analysis found that religiosity has a significant positive effect on consumer intentions, profit and loss sharing has a significant negative effect on customer intentions and corporate image does not affect consumers' intention of Muamalat bank financing in Madiun

**Practical implications:** From the results will be as a marketing strategy to increase customers financing Muamalat banks, and find out the factors - factors that influence consumer intentions by looking at community religiosity and giving a low perception of profit and loss sharing of Muamalat bank financing in Madiun.

**Originality/value:** The factor of religiosity can increase the consumer's intention of Muamalat bank financing in Madiun and the perception of profit and loss sharing can reduce the consumer's intention of Muamalat bank financing in Madiun

**1. Introduction**

Indonesia is a vast country with a majority population of Muslims. In various regions of Indonesia, many Islamic schools make the Indonesian people uphold the religious teachings that exist. The people of Indonesia in following the development of the world, in addition to religious education also pursue formal education, work, entrepreneurial to meet the needs of life and the increase of the economy of Indonesia. In the economic activities supported by using a financial institution among the financial institutions that exist is the bank.

Along with the development of time besides the conventional bank emerged also the sharia bank expected by the Muslims. Sharia banks are the concept of a bank based on Islamic law that prohibits riba. In Indonesia, the first Sharia bank was the Muamalat Bank established in 1991. The existence of the Bank Muamalat how much last year is not as good as the previous year. From the Muamalat Bank net profit report in the 2nd quarter of the comprehensive year are obtained data :

**Table 1:** 2nd Quarter net profit in the year

<b>No</b>	<b>Years</b>	<b>profit*</b>
1	2016	42,521
2	2017	45,282
3	2018	113,222
4	2019	21,239

**Source :** Muamalat's bank monthly report. \* in billions

From the table can be seen the profit of Muamalat Bank in the year 2019 decreases enormously compared with the year 2018 with a decrease of profit reached 81.2% it shows the problem faced by Muamalat Indonesia Bank.

Banking issues also faced by Muamalat Bank in Madiun noted a decrease in the number of customers who make financing. The decline in the number of customers indicates declined consumer intention in financing of Muamalat Bank in Madiun. The decline of consumer intention will affect directly or not for Muamalat Bank in madiun, because financing becomes a very important activity for the bank, with financing will be obtained profit and become supporting business continuity Bank. The decrease in financing intention of Muamalat Bank in Madiun will automatically reduce the bank's revenue The decrease in

the number of customers of Muamalat Bank in Madiun can be seen from the observation conducted by researchers with the leader of Muamalat Bank get the followed data

**Table 2:** Total Financing Customers of Muamalat Bank in Madiun

No	Years	number of customers
1	2014	1889
2	2015	1472
3	2016	1387
4	2017	1268
5	2018	975

**Source :** Observation Data with the leader of Muamalat Bank

From the results of data in table 2 can be seen as intention to financing Muamalat Bank in Madiun decreased from 2014 to 2018. In 2014 the number of customers financing 1,889 customers. The total number of customers who made the financing continued to decline until 2018 reached 975 customers. As a solution to the problem, Muamalat Bank in Madiun should increase the consumer's intention in financing. Therefore, it is necessary to research the intention of consumers in financing to know the factors that affect the consumer's intention in financing the Muamalat Bank.

Some studies that developed the TRA model are Amin et al. (2011) of several factors that can influence consumers' intentions to use sharia financing, about the influence of social attitudes, and prices. Furthermore, research of Jaffar and Musa (2014) the influence of subjective norms, attitudes, perceptions of control behavior, in which consumer attitudes are influenced by awareness and knowledge, religion, costs, business support, and reputation which influence Islamic financing. Some previous studies that have been carried out related to Islamic banking and marketing activities can create consumer intentions in Islamic banks by forming consumer attitudes and consumer perceptions of Islamic banking (Bashir et al. 2018; Amin 2013, Jalil and Rahman 2014; and Souiden and Rani 2015 )

Religion provides an important role in Islamic banks. The level of one's religiosity becomes an important motivation to encourage someone to use Islamic bank products. For Madiun Muslims the activity of attending the islamic education center, the sholawat majlis can increase one's faith and be religiosity. Some studies related to consumer intentions to use Islamic banks state that the effects of religiosity motives and attitudes can influence consumer intentions. some religiosity studies can influence customers' intentions to use

Islamic banks or Islamic financial products (Amin et al. 2011; Souiden and Rani 2015; Newaz et al. 2016)

Sharia banks use profit and loss sharing terms in determined the price of Islamic financial transactions because the concept of interest is forbidden in Islam (Olson and Zoubi, 2008). Profit and loss sharing as a factor that affects the intention of consumers of Muamalat Bank, because Muamalat Bank in principle provides the profit to the customers both in the process of saving and financing. In the financing of Muamalat Bank in Madiun, 70 percent of people took the mudharabah financing system which in this financing provide the concept for the outcome to the customers in the financing process.

The corporate image needs to be built by the company, this is because the image of friendship reflects the reputation of the company itself. Nguyen and Leblanc (2001) The corporates image becomes one of the factors affected consumer intention. The corporate's image makes the bank widely recognized by society. The corporate image can affect the public perception of its product. In this case, Muamalat Bank is known as the only sharia bank that is purely sharia because Muamalat Bank is not the same as other Islamic banks that are branches of conventional banks. Muamalat Bank was born established by Muslim scholars and the government as a solution for Islamic banking. Furthermore, the purpose of this research is:

1. To know the influence of Religiosity toward consumer intentions of Muamalat bank financing in Madiun
2. To know the influence of profit and loss sharing toward consumer intentions of Muamalat bank financing in Madiun
3. To know the influence of corporate image toward consumer intentions of Muamalat bank financing in Madiun

## **2. Literature Review and Hypothesis Development**

### **2.1 Consumer Intention**

The reasoned Action theory (TRA), developed by Fishbein & Ajzen (1975), has been used as a major theory in the study of attitudes and behaviors of individual behaviors. This theory has been proven to be good when investigating intentional behaviors from personal and social perspectives. The reasoned Action theory (TRA) has shown that consumer behavior is predicted by intention, which in turn is predicted by attitude. Attitudes are a tendency to

respond consistently to certain behaviors (Fishbein & Ajzen, 1975). According to the Syah (2011:152), intention is a great desire towards something. Who is made a person to do something? According to Kotler (2005:15) intentions is the customer's responsibility to make a purchase. In this case, a buying intention is a consumer's intention a feeling of being attracted to something by combining knowledge and comparison of objects so that the intention of consumers in financing in the bank is the desire of people to do capital lending in the bank. Consumer intention in financing in the Muamalat bank is a boost that arises because there is an intention in financing the Muamalat Bank.

## **2.2 Religiosity towards consumer Intention**

Religiosity is a person who is committed to the religion he has adopted (Johnson et al., 2001). A person who is obedient to religious teachings will have a high level of Religiosity. They will strive to carry out the commandments of religious doctrine that they believe and implement in their daily lives. Therefore, in the selection of the banks, high levels of Religiosity will increase the intention of people using sharia products. This is following the research of Wahab (2013) declared religion is the dominant factor that affects the intention to become the Bank's customers. Research (Newaz et al. 2016; Kaabachi, et al. 2016) states that Religiosity affects consumer intention. From the study of the theory above is made hypothesis:

H 1: There is a religiosity influence on consumers' intentions.

## **2.3 Profit and loss sharing towards consumer intention**

In the banking that cost in the transaction is commonly known as the interest system in conventional banks, while in the sharia bank is known profit and loss sharing. Antonio (2001:90) profit and loss sharing is the share of business results between the capital owners (bank) and consumers. The Bank acts as a capital owner while the lending consumer acts as a maintainer. The consumer must pay to the bank as proceeds a commission of the cost of the loan. followed the agreement that has been done.

Sharia system of Muamalat Bank provides an understanding of the interest that some people think the interest is riba. So that the existence of the sharia system affects the intention of consumers to use the product. Research (Kurniawati, 2012; Wahab, 2016; Imran and Hendrawan, 2017) for the results of the intention of Sharia bank consumers. From the study of the theory above is made hypothesis:

H 2: There is a Profit and loss sharing influence on consumer intention.

## **2.4 Corporate image towards consumer intention**

According to Kotler and Keller (2007:94) Corporate image is a consumer Overview of an organization. People have an impression related to the corporate they know. The company seeks to improve the image of corporate in the consumer. A good impression on the consumer can give a profitable impact on the company. In the banks created a positive brand, attitude can increase the consumer's intention to use banking services. Some research (Kaabachi et al. 2016; Molinillo et al. 2018; and Lee and Lee, 2018) stated that the company's image affects consumer intention . From the study of the theory above is made hypothesis:

H 3: There is an influence of corporate image on consumer intention.

## **3. Research Methods**

This study used a quantitative approach. The population of this research is the Islamic community that spreads in Madiun. Why this population election because it is to know the reason more specifically, especially the Islamic Society in Madiun towards the intention of used Muamalat bank financing. The study sampled a total of 220 respondents.

To measure the variable religiosity of researchers refers to Newaz et al. (2016), religious beliefs, practices, knowledge, experience, and the consequences. To measure the variables for the profit and loss sharing of the researchers refer to Meisur (2015) and Hasan (2003:48) profitable, fair and transparent. To measure the corporate image variables of the researchers refers Walters (1978) and Azizah (2012:24) the ability of institution, reputations and popular, to measure the variable intention of the researchers refer to Newaz (2016:147) and Ferdinand (2006:129) Transactional, explorative, preferential, the intention will come.

Data analysis used Partial Least Square helps researchers to predict the research and answer the hypothesis. Some of the analysis steps performed are the outer model, inner model, and hypothesis testing.

## **4. Research Results**

### **4.1 Evaluation of the Measurement Model (Outer Model)**

In research, an outer model evaluation is carried out to verify indicators of latent variables. Measurement of the outer model can be done by testing the validity and reliability of a

latent variable (Abdillah and Jogiyanto, 2011). The outer model measurement model can be seen by using several things, included:

**4.1.1 Convergent validity**

Convergent validity that the manifest variable of a latent variable should be correlated with height. To see Convergent validity can be measured based on the loading factor and Average Variance Extracted (AVE) values

**Tabel 3:** Loadings factor

	consumer intention	corporate image	profit and loss sharing	Religiosity
CI1	0.834005			
CI2	0.748796			
CI3	0.750563			
CI4	0.830595			
CI5	0.803733			
CI6	0.852861			
CI7	0.796456			
CI8	0.796698			
CPI1		0.770842		
CPI2		0.892006		
CPI3		0.898083		
CPI4		0.859990		
CPI5		0.895355		
CPI6		0.814968		
PLS1			0.825720	
PLS2			0.869013	
PLS3			0.854095	
PLS4			0.841400	
PLS5			0.853998	
PLS6			0.860195	
RLG1				0.861967
RLG10				0.871190
RLG2				0.808392
RLG3				0.865108
RLG4				0.885916
RLG5				0.890405
RLG6				0.862955
RLG7				0.892652
RLG8				0.828811
RLG9				0.875483

**Source :** Authors' calculations (2020)

Based on the analysis results shown in the table above, all questionnaire items from each variable have a loading factor value of more than 0.5 so that all indicators or questionnaire items from the research variables are said to be valid and significant. While the analysis of the results of the Average Variance Extracted (AVE) value of each latent variable obtained in table 4 below

**Table 4:** Average Variance Extracted (AVE)

<b>Variable</b>	<b>AVE</b>
profit and loss sharing	0.723946
corporate image	0.733640
Religiosity	0.747645
consumer intention	0.643990

**Source:** Authors' calculations (2020)

AVE value of the Profit and loss Sharing variable is 0.724, meaning that the average variance of the indicator or questionnaire items from PLS can be explained by the Profit and loss Sharing variable of 72.4%. The AVE value of the Corporate Image variable is 0.7336, meaning that the average variance of the indicator or questionnaire items from the CPI can be explained by the Corporate Image variable is 73.36%. AVE's value of consumer intentions is 0.644, meaning that the average variance of indicators or questionnaire items from CI can be explained by the variable of consumer intention is 64.4%. AVE value of religiosity is 0.7477, meaning that the average variance of indicators or questionnaire items from RLG can be explained by the variable religiosity is 74.77%.

#### **4.1.2 Discriminant Validity**

The next step in evaluating the measurement model is by evaluating the discriminant validity. To see the value of discriminant validity by looking at the value of cross-loading. In the analysis, if the indicator value is higher than the other construct, it shows high discriminant validity. The followed are the results of the cross-loading discriminant validity test.



**Table 5:** Cross Loadings

	consumer intention	corporate image	profit and loss sharing	Religiosity
CI1	0.834005	0.648267	0.494457	0.798458
CI2	0.748796	0.587894	0.409423	0.674928
CI3	0.750563	0.543982	0.442480	0.638381
CI4	0.830595	0.592275	0.383645	0.769729
CI5	0.803733	0.594276	0.422623	0.733640
CI6	0.852861	0.636929	0.447192	0.787926
CI7	0.796456	0.627278	0.416238	0.719399
CI8	0.796698	0.662075	0.480485	0.739943
CPI1	0.576936	0.770842	0.561362	0.669541
CPI2	0.688911	0.892006	0.542118	0.745194
CPI3	0.665655	0.898083	0.514667	0.730010
CPI4	0.661104	0.859990	0.482382	0.719654
CPI5	0.687010	0.895355	0.541847	0.751612
CPI6	0.633540	0.814968	0.493719	0.685765
PLS1	0.410121	0.494101	0.825720	0.511985
PLS2	0.495924	0.531911	0.869013	0.585696
PLS3	0.476058	0.539236	0.854095	0.565765
PLS4	0.478160	0.525797	0.841400	0.612581
PLS5	0.457178	0.510218	0.853998	0.555908
PLS6	0.452509	0.503750	0.860195	0.547936
RLG1	0.796976	0.738113	0.530263	0.861967
RLG10	0.742918	0.724615	0.588742	0.871190
RLG2	0.737415	0.708956	0.549882	0.808392
RLG3	0.810613	0.700941	0.583586	0.865108
RLG4	0.851894	0.724239	0.565705	0.885916
RLG5	0.845205	0.740483	0.599112	0.890405
RLG6	0.822301	0.712613	0.549577	0.862955
RLG7	0.836349	0.759846	0.618979	0.892652
RLG8	0.717276	0.712466	0.573248	0.828811
RLG9	0.734967	0.722556	0.580131	0.875483

**Source:** Authors' calculations (2020)

From the analysis results obtained the value of cross-loading of each indicator is greater than the value of other cross-loadings in the model. This shows the latent variables have good discriminant validity.

### 4.1.3 Reliability

Reliability Test is used to see the accuracy of a measuring instrument in making measurements. In PLS Reliability testing uses the Cronbach's alpha method and composite reliability

**Table 6 :** Composite Reliability and Cronbach's Alpha Validity Test Results

Variable	Cronbach's Alpha	Composite Reliability
consumer intention	0.920707	0.935247
corporate image	0.926641	0.942775
profit and loss sharing	0.923748	0.940230
Religiosity	0.962395	0.967321

**Source:** Authors' calculations (2020)

Based on the results of the analysis shown by the table above shows that the value of Cronbach's alpha and composite reliability of each latent variable has a value of more than 0.7. This shows that each indicator can be said to be reliable and has accuracy, consistency, and accuracy in measured its latent variables

## 4.2 Evaluation of Structural Model (Inner Model)

structural model evaluations are carried out to see the relationship between latent variables. To see the structural model analysis (inner model in research can be done by use coefficient of determination and prediction relevance.

### 4.2.1 Coefficient of Determination ( $R^2$ )

The coefficient of determination functions to measure how far the model's ability to explain the variation of the dependent variable is spread

**Table 7:** R-Square output results.

Variable endogen	R Square
consumer intention	0.846130

**Source:** Authors' calculations (2020)

Based on the table above, it can be seen that the exogenous variables contained in this research model have a strong prediction accuracy of consumer intentions because the value of ( $R^2$ ) (0.846130) > 0.67 (Chin, 1998). The value of ( $R^2$ ) is 84.6130% which means that the variation of the value of the variable consumer intention that can be explained by

the exogenous variable is 84.6130% while the rest can be explained by other variables not contained in the model

#### 4.2.2 Prediction Relevance ( $Q^2$ )

Prediction Relevance Test is conducted to see the predictive ability of the research model. Prediction Relevance values greater than 0 indicate good exogenous latent variables so that can be as explanatory variables for endogenous variables if this value equals 0 indicates exogenous latent variables are less able to predict their endogenous variables (Hair et al, 2014).

$$Q^2 = 1 - (1 - R_1^2)$$

$$Q^2 = 1 - (1 - 0.846^2)$$

$$Q^2 = 0.716$$

$Q^2$  value obtained is 0.716 (large because  $0.716 > 0$ ), this value indicates that the exogenous latent variable has a good predictive ability of the model, in other words, the exogenous latent variable is good (appropriate) as a latent variable that can explain the endogenous variables in the model.

#### 4.3 Testing the Statistical Hypothesis on Structural Models

After evaluated the outer model and inner model, for getting the results of the statistical hypothesis test on the structural model (partial test) obtained a final model path diagram followed figure 1

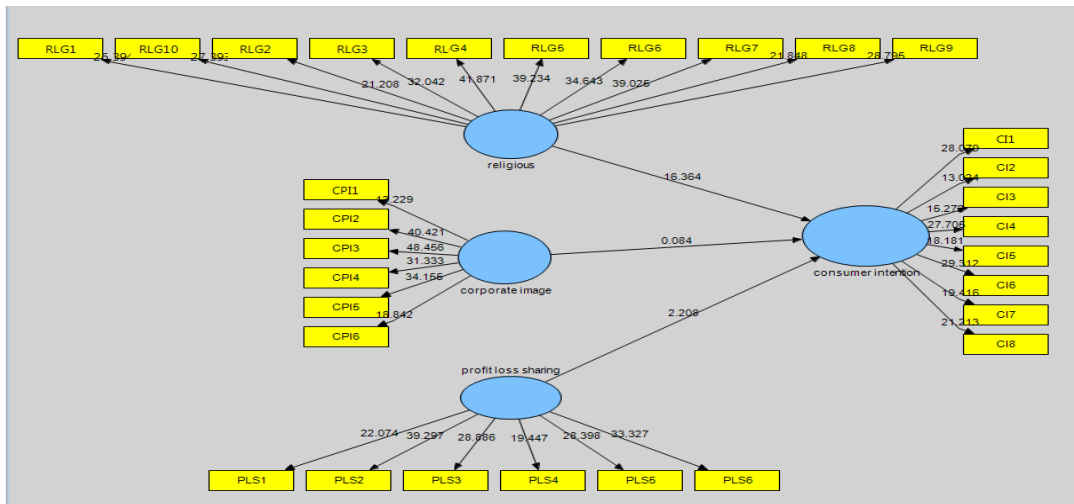


Figure 1. Final Model Path Diagram After Bootstrapping

Path coefficients and t-statistic values used to test statistical hypotheses in the structural model are obtained through the bootstrapping process. The results of processing for estimating the structural model parameters can be seen in the followed table:

**Table 8:** Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STERR )
corporate image -> consumer intention	0.005563	0.008459	0.066536	0.083612
profit and loss sharing -> consumer intention	-0.114181	-0.110470	0.051714	2.207934
religiosity -> consumer intention	0.987014	0.986662	0.060314	16.364487

**Source:** Authors' calculations (2020)

Statistical hypothesis testing was performed using a significance level of  $\alpha = 5\%$  and t-table value = 1.96 was obtained. Based on the analysis results shown in the table above, an interpretation of the structural model hypothesis test results is obtained as follows:

**H<sub>1</sub>:** The religiosity variable has a significant influence on consumer intentions. From the analysis results obtained path coefficient value of 0.987 and t-statistic value of 16.36. Because the value of t\_statistic 16.36 > t\_table 1.96 so that the decision **H<sub>0</sub>**, is rejected, meaning that religiosity has a significant effect on consumer intentions.

**H<sub>2</sub>:** profit and loss Sharing variable has a significant influence on consumer intentions. However, the path coefficient obtained is negative at -0.114 and the t-statistic value is 2.208. Because the value of t\_statistic 2.208 > t\_table 1.96 so that the decision Reject **H<sub>0</sub>** meaning that the Profit and loss Sharing significantly influences consumer intentions. Negative values have the meaning that if the perception of profit and loss sharing to be paid increases then it can decrease the intention of consumers and vice versa if the perception of profit and loss sharing to be paid decreases it will increase consumer intention.

**H<sub>3</sub>:** Corporate Image Variable does not significantly influence consumer intention. From the analysis results obtained path coefficient value of 0.005 and the t-statistic value is 0.083. Because the value of t\_statistic is 0.083 < t\_table 1.96 so that the decision is accepted **H<sub>0</sub>** meaning that the Corporate Image does not significantly influence consumer intentions.

## **5. Discussion**

The results of the hypothesis test that have been done show that the religiosity variable has a significant effect on the consumer intention of Muamalat Bank financing in Madiun. Obtained a statistical value of  $16,364 > 1.96$  which means that religiosity can have a significant influence in increasing consumer intention. And the influence of the religiosity variable on consumer intention is positive, indicating that the better the consumer's religiosity will increase the consumer's intention of Muamalat Bank financing in Madiun. this is following the hypothesis that religiosity affects the consumer intention of Muamalat Bank financing in Madiun.

Religiosity is the dominant factor in influence consumers' intention to use Islamic banking. Religiosity is formed from within a person and becomes one's character. Lajuni et al. (2017) when someone feels fear of the punishment of God, then that person will increasingly create a good perception of himself towards Islamic banking. Humans will try to obey the religion and beliefs adopted, trying to implement them in everyday life. Besides, the more he believes and obeys Islamic law, the more someone will support the existence of Islamic banking products. Hanudin et al. (2011) found the role of religion to have a strong relationship with consumers' intention to use Islamic finance. People who have high religiosity try to live a life with an orientation to the afterlife. This means that they not only carry out activities in the world but also believe in life after death. So as best as possible try to run a life following the teachings of existing religion. Echchabi and Olaniyi (2012) chose the Islamic bank for religious motivation from consumers. The higher one's religiosity, the higher the motivation of consumers to use Islamic banking. In the Islamic view, an Islamic bank is a bank that is following the teachings of religion because the Islamic banking system eliminates the element of usury in which there is a clear prohibition in religious teachings. This is in line with research Kaakeh et al. (2018) Religiosity motivational factors can influence consumer intentions to use Islamic banking. Furthermore, Rehman and Shabbir (2010) religiosity provides a real role in the use of new products. The existence of trends and cultural return to religious teachings and even the many disasters that occur indirectly make a person aware of death and the hereafter to be able to foster an attitude of religiosity and orientation to sharia products. Research Newaz et al. 2016; Kaabachi, et al. 2016 states that religiosity has an impact on consumer intentions. One's religious

commitment reflects one's obedience to religious teachings. In the context of Islam, religion is a way of life that integrally builds one's behavior. Thus, one's level of religiosity determines the way he behaves according to religious rules. The existence of a Madiun Muslim community which is a devout Islamic community is indicated by the number of Islamic boarding schools that develop in Madiun, this makes a potential market share for Muamalat Bank. Companies can approach the community and establish good relationships. Establish cooperation with institutions and various activities in the community.

Hypothesis test results that have been done show that the profit and loss sharing variable has a significant effect on consumer intentions of Muamalat Bank financing in Madiun. This is seen by the statistical value of  $2.209 > 1.96$  which means that the profit and loss sharing can have a significant influence on increasing consumer intention. From the results of the analysis, the effect of profit and loss sharing variables on consumer intention is negative, this shows that if consumers' perceptions of profit and loss sharing are to be reduced it will increase consumer intention of Muamalat Bank financing in Madiun. But on the contrary, if the perception of consumer profit and loss sharing increases it will reduce the influence on consumer intention of Muamalat Bank financing in Madiun.

Profit and loss sharing is the cost or price agreed upon previously by the consumer and the bank. An agreement is made to determine the amount of costs that must be paid by consumers to the bank for lending. Rahman (2005) price as the main prediction of Islamic banks for the intention to use banking products. Like banks in general in the transaction process can not be separated from the costs that must be paid. In conventional banks, the costs to be paid are called interest, while in Islamic banks are profit and loss sharing agreed in advance. Yu (2012) Luarn and Lin (2005) state that costs can influence consumer intention. people will object to the high costs determined because costs are a burden that must be borne by consumers in a banking transaction. This explains that the greater the financial costs felt by consumers, the less likely a person's intention to choose Islamic banking products. Besides, several factors influence the intention to use banks because of the high competition between Islamic banks and conventional banks (Al-Ajmi et al., 2009). Because banking products have almost the same bank strategy to offer lower costs. This finding provides useful insights for bankers, especially the Muamalat Bank in Madiun to develop an appropriate pricing strategy for financing products. Amin et al. (2013) the

importance of consumer perceptions of financial costs in conducted sharia banking transactions. Banks must be able to give a perception to consumers that the costs determined by the bank are reasonable and not burdensome for consumers. several studies have found that perceived financial costs have an inverse relationship with consumer intentions. Ali et al. (2015) price / cost has a negative effect on intention. Another study states that costs and benefits may not be the most important influence on consumer intention but financing at Muamalat Bank costs can have a significant negative effect on consumer intentions in financing this followed Lajuni et al research. (2017) product costs have a negative effect on the customer's intention. Sometimes people in financing still think rationally, meaning that people think how much the cost must be paid to the bank for capital loans that have been made. Because based on people trying to get the smallest cost possible.

Hypothesis test results that have been done show that the corporate image has no effect on consumer intentions of Muamalat Bank financing in Madiun. This is seen with the t value of  $0.083 < 1.96$  which means that the company's image does not have a significant influence on increasing consumer intention, this is not in following the hypothesis that the company's image influences consumer intention of Muamalat Bank financing in Madiun.

According to Ismail et al. (2014), within a company, there is a strong relationship between corporate reputation and Islamic finance in Malaysia. however, this is not following Muamalat Madiun Bank. the image of the bank that was built was unable to influence the consumer's intention in financing. The image of a Muamalat bank built with Islamic sharia and supported by the Indonesian Ulema Council (MUI) and Muslim entrepreneurs do not have a significant influence on consumers' intentions in financing. The existence of the performance of Muamalat Bank in the last few years has seen a decline in performance results, and the intention of consumers to conduct transactions with Muamalat Bank. Had occurred several issues on social media that Muamalat Bank will go bankrupt, this has led to decreased consumer intention of Muamalat bank financing. So that no matter how good the company's image is made, but with real news that is received by the public it is difficult to increase consumer intention of Muamalat bank financing. Building a corporate image takes a long time. More business is needed by the company and doing on consumers to restore consumer confidence in Muamalat Bank. This is in accordance with the research of

Sayani, H., & Miniaoui, H. (2013) which states that the reputation of the company's image has no effect on consumer intentions. banking companies have very tight competition because it is almost same to the products offered. So that in financing products consumers will consider more costs and services. Muamalat Bank must make a strategy to increase consumer intention by increasing consumer confidence in Muamalat Bank. Muamalat Bank must be closer to the public more open and transparent and more familiar with banking products. The advantages offered compared to other banks.

## **6. Conclusion**

Consumer's intention is very influential in the purchase decision process. Factors that influence consumer intention of Muamalat bank financing are very important to be known by the leader of Muamalat Bank in Madiun to determine what strategies should be taken in attracting potential customers. From the research it was found that religiosity can have a positive influence on consumer intentions, the profit and loss sharing give a significant negative effect on consumer intentions while the corporate image has no effect on consumer intentions. To increase the number of customers financing Muamalat banks can target the market to people who have a high level of religiosity, and provide a perception to the consumer that the Mumalat Bank does not provide a high level of profit and loss sharing in financing. and building a corporate image by creating consumer trust.

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