

ABSTRACT

MEANING CONSTRUCTION OF CONVENTIONAL BANK AND ISLAMIC (SHARIA) BANK BY MOSLEM CUSTOMERS (PHENOMENOLOGY STUDY)

This dissertation aims to understand the meaning of Conventional Bank, Islamic (Sharia) Bank, Riba (usury) and Bank Interest, perceived by Moslem Customers. The idea is based on an observation that while the majority of Indonesians are Moslems, most of them choose Conventional Banks, and neglected the scholarly opinion (Fatwa) introduced by their religious leaders, who had opinionated that bank interest are considered haram (forbidden by Islam)

This research applied a qualitative approach, using phenomenology perspective, aimed to reveal the meaning behind the act of Moslem customers in choosing a bank. This approach is supported with an in-depth interviews. All informants (research participants) are customers or the past customers of Conventional Bank and Islamic (Sharia) Bank, they were chosen on representative basis, located in Bandung and Jakarta.

This research finds that the Islamic (Sharia) Bank was perceived positively by the great number of Islamic informants, as it brings Islamic values into practice. However, even though supporting the Islamic (Sharia) Bank, some informants questioned the bank's capacity to operate the Islamic (Sharia) principles. On the other hand, the Islamic (Sharia) Bank informants perceived the Conventional Bank in a negative way, as it incorporated interests in its system, known as Riba (usury). Some respondents however, also perceived the Conventional Bank in a positive way, and did not consider that bank interest is similar to Riba (usury).

This research has also identified inconsistent informants, as even though they perceived interests as Riba (usury), but their economic motivation prohibited them from leaving the Conventional Bank. The respondents main reasons to become the bank customers are primarily caused by the flexibilities and benefits provided by the bank, and later on by religious reasons. The informants motivation to become the customer of the bank are mainly caused by their past experiences, which lead to how they perceive the banks' value, especially related to economic and religious benefits.

Keywords: *Islamic (Sharia) Bank, Conventional Bank, Bank Interest, Riba (usury), Perception, Value, Motivation.*

