

ABSTRACT

This research discusses about factors that affect Muslim customer's preferences in the area of Bandung for using the Islamic banking service. In order to find out those factors, the research is using seven variables that will be tested about its connectedness with customer preferences. Those consisted of religion, service quality, benefit, promotion, location, affected opinion (WOM), and bank reputation.

By using the Rank Spearman correlation test, the results showed that the variables used in the research, there are five variables that's most affect Muslim customers in the area of Bandung use the Islamic banking service, those are religion, location, bank reputation, benefit, and service quality. In other words, both variables, the promotion and affected opinion (WOM) are not proven as the factors that affect the customer preferences.

Based on the variables that affect customer preferences, some recommended program for Islamic banking were made to attract new customer. The recommendation program that prioritized by the reseacher is to held some socialization activities to the public community (especially offices) and provide service excellence to customer while still in accordance with sharia principles. Giving priority to these programs is based on the most influential variables, namely religion and bank reputation. Implementation of these programs will provide positive impact on other variables, such as service quality, promotion, benefit, affected opinion (WOM) , and ultimately will increase the number of Islamic banks customers.

Key words : customer preferences, Islamic Banking, Muslim customer.