Journal of Economics, Business, and Accountancy Ventura Vol. 18, No. 2, August – November 2015, pages 201 – 212

Customers' perceived value towards the service in Islamic banking: Confirmatory factor analysis

Suryani[1]

[1] *Islamic State College Malikus Saleh, Bukit Indah, Kampus Utama Cot Tengku Nie Reulut, Muara Batu, Aceh Utara, 24355, Nanggroe Aceh Darussalam, Indonesia*

A R T I C L E I N F O

Article history:
Received 11 May 2015
Revised 2 July 2015
Accepted 11 August 2015

JEL Classification:
M39

Key words:
Customer Perceived Value, Islamic Banking.

DOI:
10.14414/jebav.v18i2.448

A B S T R A C T

This study attempts to analyze the dimensionality of the concept of perceived value in Islamic banking sector, adapting to six dimensions of the GLOVAL scale and one additional dimension that is spiritual as measurement of perceived value to Islamic banking service sector. Design, methodology or approach is the total of 106 customers of financial entities surveyed, and confirmatory factor analysis was used to verify the reliability and validity of the scale of perceived value. It was found that perceived value is a multidimensional construct, composed of seven dimensions such as functional value of the establishment, functional value of the personnel, functional value of the service, functional value price, emotional value, social value, and spiritual value. The scale of overall perceived value in financial services was obtained, which was composed of seven dimensions and represented by 26 items that are significant for their measurement. It was also found that there are emotional and professionalism as dominant indicators in overall perceived value. It implies that a scale of measurement of the value is perceived by consumers in Islamic banking sector which incorporates valuations of customer value. The proposed model and study findings can greatly help researchers and practitioners understand the perceived value in Islamic Banking sector.

A B S T R A K

Penelitian ini menganalisis dimensi konsep nilai yang dirasakan di sektor perbankan syariah, beradaptasi dengan enam dimensi skala GLOVAL dan satu dimensi tambahan yaitu spiritual sebagai pengukuran nilai yang dirasakan untuk sektor jasa perbankan syariah. Desain, metodologi atau pendekatan mengambil 106 pelanggan entitas keuangan yang disurvei, dan analisis dengan faktor konfirmatori untuk memverifikasi reliabilitas dan validitas skala nilai yang dirasakan. Ditemukan bahwa nilai yang dirasakan adalah multidimensi, terdiri dari tujuh dimensi seperti nilai fungsional pendirian, nilai fungsional personil, nilai fungsional layanan, harga nilai fungsional, nilai emosional, nilai sosial, dan nilai spiritual. Skala nilai yang dirasakan keseluruhan pada jasa keuangan yang diperoleh terdiri atas tujuh dimensi dan diwakili oleh 26 item yang signifikan untuk pengukuran tersebut. Ditemukan juga bahwa emosi dan profesionalisme sebagai indikator dominan dalam nilai keseluruhan yang dirasakan. Hal ini berimplikasi bahwa skala pengukuran nilai yang dirasakan oleh konsumen di sektor perbankan syariah menggabungkan valuasi nilai pelanggan. Model yang diusulkan dan untuk mengkaji temuan bisa membantu para peneliti dan praktisi memahami nilai yang dirasakan di sektor perbankan syariah.

1. INTRODUCTION

Perceived value is derived from the benefits received by customers in relation to the total costs (including the price paid plus other costs associated with the purchase). In other words, McDougall and Levesque in Syamsiah (2009: 10) stated that value is the difference between the benefits received by the costs for the payment for it. Michaels Tenenhaus et al. (2002) use perceived value as a factor which directly affects customer satisfaction, and also indirectly affects the loyalty and consumer complaints. According to Kotler (2003) a customer perceived value is the difference between the customer's perspective evaluations of all benefits and all the costs of an offering and the

** Corresponding author, email address: [1] suryapijar@yahoo.com.*

perceived alternatives. Thus, before buying goods or services, one would normally weigh between positive and negative aspects. When it is positive more than negative, the possibility of buying will be greater. Perceived value is also used by the consumer to weigh the various aspects of the service compared with the cost offered services provider in the context of similar companies. In general, the perceived value is a relative measure of costs and financial aspects of a company's services in comparison with the existing competitors.

Islamic Bank is a financial institution that is operationally using the principles of *sharia*. The fundamental difference between Islamic bank and conventional bank is not familiar with the system of interest, and take it as *Riba*. Islamic Banking is part of Islamic economics, Islamic economics which is part of *mu'amalat* (the relationship between man and man). Therefore, Islamic Banking cannot be separated from al-Qur'an and *Sunnah* as a source of Islamic law. While the rapid growth, market share Islamic Banking until 2014 was still below 5%. This is contradictory with the majority of the Indonesian population who are Muslim. Yet, they tend to choose Conventional Banks with a variety of considerations.

This study tries to draft the customers' perceived value in Islamic Bank by way of replicating and reordering the measurement scale of the customers perceived value. This is done by adapting value measurement scale developed by Sanchez et al. (2006) in the tourism sector which is known as GLOVAL, which is then retested by Roig et al. (2006; 2009) in the banking sector.

The concept of perceived value in the marketing study has been widely studied but the existing literatures still have differences both in terms of definition and measurement models. Although it has been widely studied, the concept of perceived value is differently defined.. One of the most popular definitions is that the value is anything that contains the entire transaction gains (transactional benefits) deducting all transactional cost. Some issues related to the concept of perceived value are used for the basis of perceived this research that includes as the following; a) the concept of perceived value still has to differences in definitions and measurement that is based on research developing nowadays, b) the concept of perceived value in the context of Islamic Banking is still rarely investigated, c) The gap between the theoretical values and the facts on the ground is still on a very low in the market share of Islamic banking compared to the population of Indonesia that are predominantly Muslim.

For that reason, the research question is whether the variable latent construct comprises a functional value of the installation; functional value of personal contact; functional value of the service (quality), functional value price, social value, emotional value, and spiritual value in *Syariah* Banks' customers in Medan.

This study is limited only on the effort to create customer value measurement model for Islamic Banks' customers. It uses GLOVAL measurement model that was developed by Sancez (2006) and Moliner (2006), and retested by Roig et al. (2006) that measures the customer perceived value by 6 functional dimensions covering the existing values, the formation of individual values, service value, price value, emotional value, and social value, as well as the additional value of spiritual value.

This study can validate the measurement scale of perceived value in Islamic banks' services; and also o measure the value received by the customer based on empirical evidence.

2. THEORETICAL FRAMEWORK

There have been some studies on perceived value in the service sectors. For example, Roig et al. (2006) examined the measurement model of perceived value in the banking sector in Spain. Another one is by Adapta (2008) who tried to establish the concept of customer perceived value in internet banking in Australia. Besides that, Adam and Lamptey (2009) also examined the program perceived value in internet banking in Ghana. Samsyiah (2009) uses perceived value as factors that affect customer satisfaction of the Hospital in Semarang, Khan (2009) examines the value and satisfaction of consumers perceive internet banking customers of the banking sector in India.

Although it has been widely studied, the concept of perceived value is still differently defined. One of the most popular definitions is the value as the thing containing the entire transactional benefits deducting all transaction cost. The costs incurred or sacrifices provided include several factors such as price, reliability (test stand), product knowledge, time, convenience, and effort (Salegna and Goodwin 2005, in Senoaji 2009).

Again, the term of customer value is used in marketing literature is to describe or depict what the customer obtained from suppliers, and also what is gained from the customer's supplier. The last description is now widely known as customer lifetime value (CLV). However, there is not yet an agreement for a specific name for the previous concept. Woodall in Senoaji (2009) uses the term of

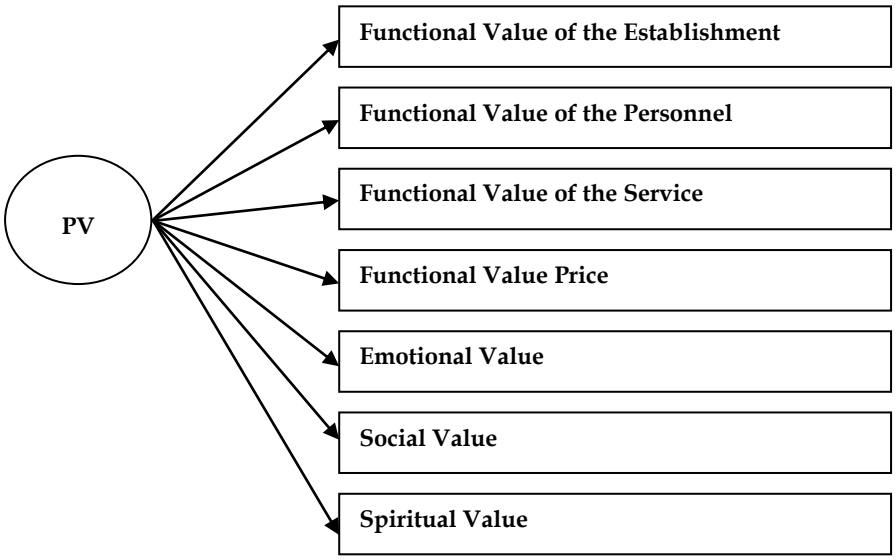

Figure 1
Framework of Perceived Value Measurement

Source: Measurement Model adapted from Roig et al. (2006) and one more additional value, from the researcher that is spiritual value.

value for the customer (VC) to describe the overall similarity of the relationship, to the value (value) on the demand side or demand-side.

According to Woodall in Senoaji (2009), the authors sometimes use other names in the same article, in particular to the short form of the often used term "value". Yet, in general, they often give more terms for customer value or "customer value" (for example, Anderson and Narus 1998; Woodruff 1997; Holbrook also 1994 and 1996), "perceived value" (for example, Liljander and strandvick 1992; Patterson and Spreng 1997), "value for the customer" (as an example, Reichheid 1996), "customer perceived value" (as an example, Grönroos 1997), "consumer value" (e.g. Holbrook 1999), and many more,

According to Lei Wu (2012), there are three (3) types of value (value) are as follows: (1) Functional (problem solving, quality, test stand); (2) Experience (novelty, sensation, diversity); and (3) Symbolic (social image), and there are four (4) types of costs incurred by the customer, namely: monetary, time, energy, and psychic.

In this occasion, Roig et al. (2006) summarize the different points of view with regard to the value perceived by the customers, and analyze the common points of the definition given in the literature. It is obvious that there are two important characteristics in customer value. First, it is inherent in the use of the product, which distinguishes it from personal or organizational values. Secondly, it is perceived by the customer, and cannot be determined objectively by the sellers. Only subscribers can to see if the product or service offers value. At a general level, the perceived value is defined as an assessment or assessment by a customer or the utility comparison between benefits obtained from the service, product or relationships, and perceived sacrifices or costs (Zeithaml 1988; Monroe 1990; Lovelock 1991; Gale 1994; Bigne et al. 2000; Teas and Agarwal 2000). Figure 1 is conceptualizes the study framework.

3. RESEARCH METHOD

The approach in this study is a quantitative approach that is a survey, by taking the sample from one population and using questionnaires as the main data collection. The type of data used in this study is primary data, the respondents' answers to the questions posed in the questionnaire. Location of research carried out in four Islamic Banks in Medan such as PT. BNI *Syariah* Branch Office of Medan, PT. BRI Syariah Branch Medan, PT. Bank *Syariah Mandiri* Branch Medan *Kampung Baru*, and PT. Bank *Muamalat* Indonesia at Branch *Majah* Medan.

The population includes the customers, especially active clients and individuals from 4 Banks, taken by using purposive sampling technique. The sample is determined by consideration and certain criteria that have been determined. The criteria are such as (1) Customer active Islamic bank; and (2) Customer individuals. The sample size in this study is to use the minimum sample size suggested in the use of SEM is as much as 100-200 or using a comparison of 5-10 times the number of observations for each indicator used (Hair 2006). Thus, the sample size is 26 (indicator) × 5 = 130 respondents taking convenience sampling technique.

Table 1
Description of the Data

Item No	Items of the Questions	Mean	Std. Deviation
1	The building is designed to support the comfort and privacy of transactions	5.99	0.811
2	The building looks neat and well-organized	6.06	0.791
3	The room looks spacious, modern and clean	5.98	0.780
4	The location is easy to find and accessible	5.85	1.076
5	Employees understand their job well	6.07	0.897
6	Employees have current knowledge on Islamic services	5.84	1.025
7	The information given by employees is very valuable for me	6.08	0.947
8	Employees control the entire Islamic Banking services	5.80	0.930
9	There is rarely error in service delivery	5.77	1.063
10	Quality of service is always enhanced by the bank	5.92	1.093
11	Quality of service provided is not inferior than conventional bank	6.18	0.944
12	The service received is in accordance with your expectations	6.14	0.867
13	Profit sharing provided for is interesting enough.	5.62	1.064
14	The services provided is the same as promised	5.86	1.028
15	Fees charged to me is quite reasonable	5.76	1.074
16	I sacrifice time in accordance with the results that I received in the service	5.65	1.113
17	I am delighted with the services provided	6.18	0.753
18	I feel comfortable with Islamic Banking services	6.15	0.802
19	The service staff provide me with a positive feeling	6.14	0.899
20	Services provided refers to the openness and the bank customers	6.00	0.894
21	I feel proud to use the services of Islamic Banking	6.06	0.994
22	I tell others about my experience using Islamic services	5.82	1.085
23	Many people know I use the services of shariah	5.76	1.056
24	I feel the services provided are in accordance with the values of Islam	5.56	1.317
25	Determination to be made as the result of an agreement on the basis of the profit or loss	5.44	1.339
26	I feel Islamic banking services can be accepted by all parties, including non-Muslim customers	5.56	1.280

Source: Filed data processed.

The analysis technique is the Confirmatory Factor Analysis (CFA), which according Joreskog and Sorborn (1993) can be used to test the undimensional, validity and reliability of the measurement model construct that cannot be measured directly. This measurement model is also called a descriptive model (Ferdinant 2002), measurement theory (Hair et al. 2006), or confirmatory factor model (Long 1983) which shows the operation of variables or constructs of the research into measurable indicators which are formulated in the form of equations and or certain path diagram (Kusnendi 2008: 98).

4. DATA ANALYSIS AND DISCUSSION

Description of Respondents

The respondents consist of gender, education, age, and duration of a customer in Islamic Banks.

1. Based on gender, of 106 data obtained, as many as four respondents did not fill in the data sexes. The remaining 102, is of 53 people who are male (50%), and female 49 (46.2%).
2. Based on the study, of 106 data obtained, with 16 respondents who did not fill in the data regarding the level of education. The remaining 90 people consists of 1 Diploma 1, 12 Diploma 3, 42 people educated Strata-1, 4-educated Strata-2, and 28 high school educated (high school, vocational school, STM), as well two junior high school education. In general, the majority of respondents' education level is Strata-1, totaled to 42 people or 39.6% of the overall sample.
3. Based on age, respondents are grouped into three: < of 25 years, 34 respondents, 26-35 years 38 respondents, and more than 36 years 30 people. A total of 4 people did not fill the description of the age.
4. Based on the duration of a customer, there are 36 customers of Islamic Banking for less than 1 year, 31 people have become customers of Bank *Syariah* between 1 to 3 years, and 28 people have become customers of more than 3 years. Of the total sample, there are 11 people who did not fill out data on the duration of a customer of Bank *Syariah*.

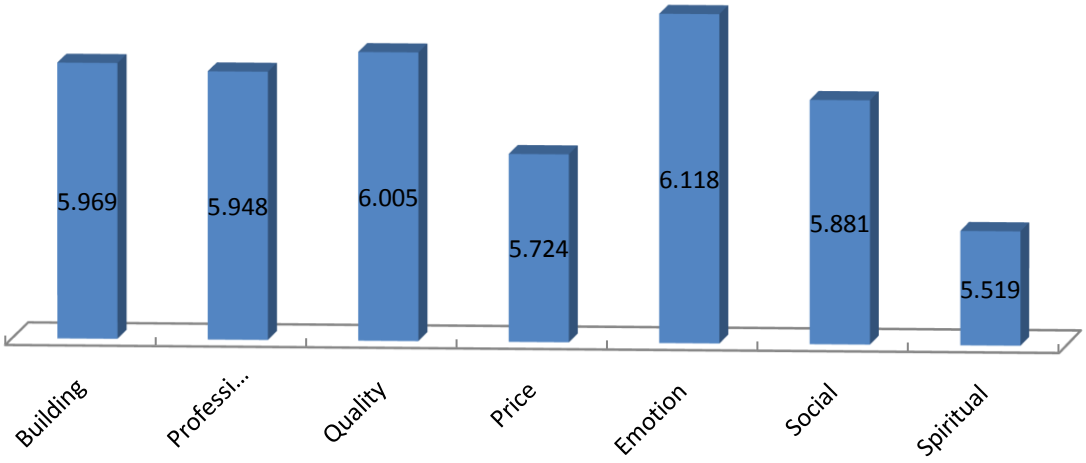

Figure 2
Average Score of Empirical Data per Dimensions

Table 2
Goodness of-Fit, for the Measurement Model of the Second Order CFA

GOFI	Vales	Standard Values for Good Fit	Conclusion
P value $\chi 2$	0.000	P value < 0.05	Not good fit
RMSEA	0. 071	RMSEA ≤ 0.08	Good fit
NFI	0.920	NFI ≥ 0.90	Good fit
NNFI	0.960	NNFI ≥ 0.90	Good fit
CFI	0.970	CFI ≥ 0.90	Good fit
IFI	0.970	IFI ≥ 0.90	Good fit
RFI	0.910	RFI ≥ 0.90	Good fit
GFI	0.750	GFI ≥ 0.90	Not good fit
AGFI	0.700	AGFI ≥ 0.90	Not good fit

Source: Field data processed.

Description of the Data

The variables are described based on the respondents' opinions about the statement given in the questionnaires. The description of the 26 items to questions is such as item 11 to an item that has the highest average score at 6.18 with a standard deviation of 0.944, while the lowest average scores are items to 25 with an average of 5.44 and the standard deviation of 1.339. Overall, the average score of empirical data is of 5.89 and the average standard deviation 1.00 (see Table 1 and Figure 2).

Through the sum of the average per dimension, information can be obtained, indicating the average score of the dominant emotional dimension that is the dimension of 6118, followed by the dimensions of quality (6005), building (5969), professionalism (5948), social (5881), price (5724), and spirituality (5519). This data shows that the descriptions of 7 dimensions are used, that is the dimension of emotion that gets the highest appreciation of the respondents, while the lowest rated by respondents is spiritual values.

Analysis of Variance (ANOVA)

The variance analysis or ANOVA is a multivariate analysis technique that serves to distinguish an average of more than two groups of data by comparing the variance. This analysis is in parametric statistical categories .It can be performed to analyze data coming from various types and research design. This variance analysis is widely used in studies that involve a lot of comparative testing is to test the dependent variable by comparing the independent sample groups were observed. Analysis of variance is now widely used in survey research and experimental research.

1. The difference in the perception of value received by age

Total sample analyzed is 102 (4 respondents did not fill in the data regarding age). Through a descriptive analysis of the average scores of empirical information is as follows:

a. Perception of functional value of the highest that are in the age group > 36 years and lowest in the age group < 25 years.
b. Perceptions about the professionalism, the age

group > 36 years of providing the highest rating of 6.025 and the lowest in the age group 26-35 years by 5.849.

c. Perceptions regarding the quality, age group < 25 years of providing the highest rating of 6118, and the lowest in the age group 26-35 years by 5.868
d. Perceptions about the price. Age group < 25 years is the highest rating of 5.809 and the lowest in the age group > 36 years by 5.633.
e. Perceptions about the value of the emotion, the age group > 36 years providing the highest rating of 6.200, and the lowest in the age group 26-35 years by 6.013.
f. Perceptions about social values, the 26-35 year age group is the highest rating of 5.939, and the lowest in the age group > 36 years by 5.845
g. Perception of spiritual values, the age group < 25 years, providing the highest rating of 5.706, and the lowest in the age group > 36 years by 5.467.

ANOVA output shows that the value of the entire testing sig > 0.05. It can be concluded that Ho could not be denied, or there is no significant difference between the perception of customer value both in terms of functional building, professionalism, quality, price, emotional, social and spiritual based on the age of the respondents.

2. The difference in perception of value received by education

Total sample is 90 (16 respondents did not fill in the data on education). Through a descriptive analysis of the average scores of empirical information obtained are as follows:

a. Perception functional value should be in the highest that is primary and secondary education by 6.583 and the lowest education group S1 of 5.923.
b. Perceptions regarding professionalism, primary and secondary education group are the highest rating of 6.417 and the lowest education group S2 by 5.625.
c. Perceptions about quality, primary and secondary school groups give the highest rating of 6.417, and the lowest education group S1 for 5.964.
d. Perceptions about the price. Diploma Group III is the highest rating of 6.229 and the lowest in the group of 5.000 elementary and junior high schools.
e. Perceptions about the value of emotional, educational group Diploma is the highest rating of 6.333, and the lowest in the group of primary and secondary education by 5.833.
f. Perceptions about social values, group of primary and secondary education is the highest rating of 6.333, and the lowest in the group S2 of 5.585
g. Perception of spiritual values, primary and secondary education group is the highest rating of 5.890, and the lowest educational group Diploma of 5.195.

Furthermore, through ANOVA output shows that the value of the entire testing sig > 0.05. It can be concluded that **Ho** could not be denied, or there is no significant difference between the perception of customer value both in terms of functional building, professionalism, quality, and price, emotional, social and spiritual education based on respondents.

3. The difference in the perception of value received by the length of a customer

Total sample is 95 (11 respondents did not fill in the data regarding the duration of a customer). Through a descriptive analysis of the average scores of empirical information obtained is as follows:

a. Perception functional value highest that is in the client group > 3 years by 6.152 and the lowest customer group 1-3 years by 5.944.
b. Perceptions regarding professionalism, customer groups > 3 years providing the highest rating of 6.045 and the lowest in the group 1-3 years of 5.774.
c. Perceptions about quality, customer group > 3 years providing the highest rating of 6.063, and the lowest education group 1-3 years by 5.887
d. Perceptions about the price. Customer group > 3 years give the highest rating of 5.938, and the lowest customer group < 1 year amounted to 5.563.
e. Perceptions about the emotional value, customers group > 3 years providing the highest rating of 6.357, and the lowest in the group 1-3 years of 6.024.
f. Perceptions about social values, group > 3 years provide the highest rating of 6.083, and the lowest customer group 1-3 years by 5.678
g. Perceptions of spiritual values, education < 1 year provide the highest rating of 5.639, and the lowest education group 1-3 years amounted to 5.229 customers.

Furthermore, through ANOVA output shows that the value of the entire testing sig > 0.05. It can be concluded that Ho could not be denied, or there is no significant difference between the perception of customer value both in terms of functional building, professionalism, quality, and price, emotional, social and spiritual based on the length of the respondent into customers.

Table 3
Calculation of Reliability Construct and Variance Extract

Indicators	Std. Loading	CR	VE
Building			
EST1	0.79	0.878	0.645
EST2	0.91		
EST3	0.77		
EST4	0.73		
Professionalism			
PROF1	0.74	0.875	0.638
PROF2	0.78		
PROF3	0.86		
PROF4	0.81		
Qualities			
QUAL1	0.61	0.828	0.551
QUAL2	0.66		
QUAL3	0.85		
QUAL4	0.82		
Price			
PRICE1	0.91	0.885	0.662
PRICE2	0.89		
PRICE3	0.77		
PRICE4	0.66		
Emotion			
EMO1	0.79	0.872	0.631
EMO2	0.87		
EMO3	0.72		
EMO4	0.79		
Social			
SOC1	0.84	0.818	0.601
SOC2	0.72		
SOC3	0.76		
Spiritual			
SPI1	0.89	0.933	0.824
SPI2	0.97		
SPI3	0.86		

Confirmatory Factor Analysis

Construct validity of test results is done using Confirmatory Factor Analysis techniques with the help of the program LISREL 8.70. Analysis of measurement model with confirmatory factor analysis consists of two second order CFA and CFA fist order. Further results of analysis are described as follows:

Second Order of Confirmatory Factor Analysis (CFA 2nd)

Variable of perceived value consists of seven dimensions remain latent (unobservable). Thus, testing the validity and reliability of the contract is done using the technique of second order confirmatory factor analysis to test the validity of the first-level dimension with the help of LISREL program. Five dimensions, among other factors values of the establishment (BUILDING), the value of contact personnel (professionalism / PROF), the value of the service purchased (quality / QUALITY), value price (PRICE), Emotional value (EMOTION), Social value (SOCIAL, and spiritual value (SPIRITUAL).

RMSEA indices such compatibility, NFI, NNFI, CFI, IFI, and RFI have a match (good fit). Yet, p-value of 0.000 shows a less good fit, GFI and AGFI also has a less good fit. The next step is testing the validity and reliability of the model. The validity of the measurement model on the first level shows that all the factors have a value of loading factor of more than 12.50 so that it can be stated that seven factors can explain the construct the perception of customers with good value. Next is putting through reliability calculations using formulas of Construct Reliability (CR) and Variance Extract

(VE) with the following formula (Wijanto 2008: 175):

$$Construct\ Reliability = \frac{(\Sigma std.loading\ )^2}{(\Sigma std.loading\ )^2+\Sigma e_j} \quad (1)$$

$$Variance\ Extract = \frac{\Sigma std.loading\ ^2}{\Sigma std.loading\ ^2+\Sigma e_j} \quad (2)$$

Composite reliability of each scale of perceived value shows a fairly good level of reliability with the lowest value of the construct reliability of 0.818 and 0.933. Meanwhile, through the analysis of variance extracted, the entire dimension variance extracted value is of > 0.50. Thus, it can be stated that the reliability of the variables on the second level measurement models have already qualified for the validity and reliability of statistical values that determine the reliability of the composite is 0.80, and all the loading factors are greater than 0.50 (see Table 3).

Latent Variable Score Incorporation (Latent Variable Score - LVS)

The score of latent variables is the combination of scores on each dimension on the second level of factor analysis (second order confirmatory). The process of merging the score using the facilities SIMPLIS in LISREL program where 26 observed variables will be set up in seven new unobserved variables in z-score value.

Based on Figure 3, it shows that the evaluation of the *goodness- of-fit* generates *chi-square* value of 28.97 and *p value* 0.0105 (< 0.50) and the RMSEA value of 0.101 (> 0.080) which shows a poor model of- fit. To improve the model of- fit, the modification should be done (modification indices) by adding error covariance on two indicators based on output LISREL that are QUALITY and EMOTION The next model fit improvement is shown in Figure 4.

Furthermore, the evaluation of the suitability model is shown in Table 4. From the goodness-of-fit statistic in Table 4, it can be seen that all indicators meet the criteria for a good fit that are NFI, NNFI, CFI, IFI, RFI, GFI, and AGFI > 0.90, RMSEA 0.63 (< 0.080), *p value* 0.139 (> 0.05), and the standard RMR 0.039 (< 0.05). Modification of the model is done by adding error covariance that causes a slight change in the loading factor of the standard models. However, all standard loading factors remain at good validity that is greater than 0.50.

Based on the standard loading factors, the reliability of the measurement model generates the value construct of reliability (CR) for 0.895 and extracted variance 0554. Because the value of CR > 0.70 and VE > 0.50, the reliability on the first level measurement model is good.

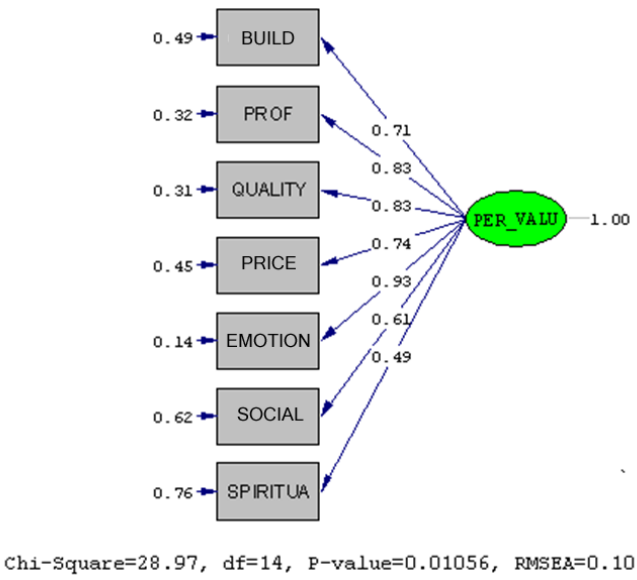

Figure 3
Measurement Model of the First Level (1st CFA)

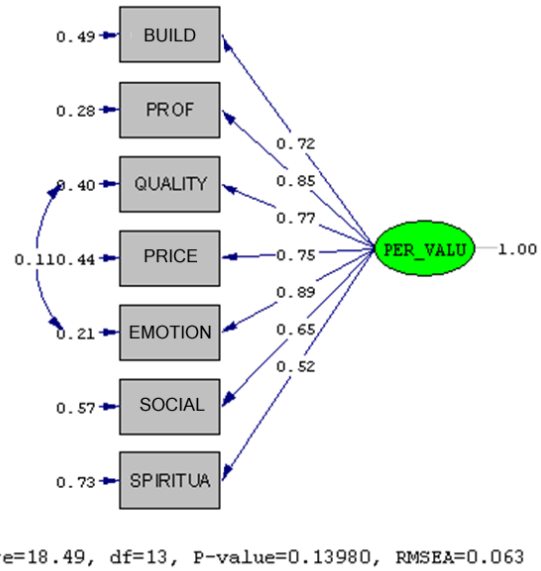

Figure 4
Level Measurement Model First (1st CFA) after Repair

Discussion

The concept of customer value has been studied intensively in the field of both companies for marketing goods and services. However, this study successfully validated seven-dimensional measurements of perceived value by the customers in banking sector, particularly Islamic Banking. The total number of 106 respondents from four Islamic Banks in Medan such as PT. BNI *Syariah*, Branch Office of Medan, PT. BRI *Syariah* Branch Medan, PT. Bank *Syariah Mandiri,* Branch Medan *Kampung Baru*, and PT. Bank *Muamalat* Indonesia Branch, *Majah* Medan.

Table 4
Compatibility Test of Measurement Model for First Order CFA (Goodness of Fit)

GOFI	Values	Standard values for Good Fit	Conclusion
p value $\chi 2$	0.139	P value < 0.05	Good fit
RMSEA	0. 063	RMSEA ≤ 0.08	Good fit
NFI	0.970	NFI ≥ 0.90	Good fit
NNFI	0.990	NNFI ≥ 0.90	Good fit
CFI	0.990	CFI ≥ 0.90	Good fit
IFI	0.990	IFI ≥ 0.90	Good fit
RFI	0.960	RFI ≥ 0.90	Good fit
Standard RMR	0.039	S RMR < 0.05	Good fit
GFI	0.750	GFI ≥ 0.90	Good fit
AGFI	0.700	AGFI ≥ 0.90	Good fit

Source: Field data, processed.

Data collection was conducted over five days working with the original plan 33 respondents per Bank to be collected. Of the 130 questionnaires distributed, only a total of 106 which can be used, or by 88.33% or a total of 14 questionnaires could not be used because of the incompleteness of filling out the questionnaire. Given the sample size is still not meet the criteria, i.e. 5 × number of indicators (Wijanto 2008: 199), or a total of 5 × 26 = 130, then on the simplification of the model using latent variable score (LVS) is performed leaving only seven (7) variables observed on the first level measurement model (1st Order CFA).

Through a descriptive analysis of respondents, the average score obtained empirically based on the highest dimension emotional dimension of 6118, while the smallest is the dimension of spiritual value of 5519. As for the description of the average per-dimensional data above show that of the 106 respondents who observed, the whole perception of the value received was good enough that the average score > 5. Perception emotional value of 6.118 gives the sense that the value received by the respondent from a scale of 1 up to 7 amounted to 87.399% (6.118/7 × 100) which is an empirical comparison of scores with the theoretical maximum score. These conditions reflect that emotionally, services that provide the highest Islamic Banking rated by the respondents. But, the dimensions of the lowest value are the spiritual dimension with an average score of 5519, or by 78.844% of the theoretical maximum score.

Through analysis of variance using one-way ANOVA, it was not found sufficient evidence that there are differences in the perception of good value based on age, education, or by the length of a customer being in the banks. The whole test by ANOVA shows that there is no difference in average in assessing functional building, professionalism, quality, and price, emotional, social and spiritual basis of age, education and duration of a customer. This condition reflects that the perception of the value perceived by the respondents is relatively homogeneous.

Subsequent analysis of factor analysis is used to validate the empirical score with techniques Confirmatory Factor Analysis (CFA). In the first phase of testing, it was done by using the second order CFA, test results of model fit to the conclusion that such indices RMSEA, NFI, NNFI, CFI, IFI, and RFI have a match (good fit). But, the *p-value* of 0.000 shows a less good match, GFI and AGFI also have a less good match. Test of the validity of the second level shows that the entire item questions have good validity to the charge factor of > 0.50. All are presented in Table 5.

Composite reliability of each scale of perceived value shows fairly good level of reliability with the lowest value of the construct reliability of 0.818 and 0.933. Meanwhile, through the analysis of variance extracted, the entire dimension variance extracted value is > 0.50. As it is presented in Table 5, Thus, it can be stated that the reliability of the variables on the second level measurement models have already been qualified for the validity and reliability of statistical values that determine the reliability of the composite that is 0.80, and all the loading factor which is greater than 0.50.

Through the comparison of the reliability dimension of factor of customer value, the measurement of two previous studies Roig et al. (2006) and Moliner (2009) shows that the six dimensions used by Roig et al. (2006) successfully confirmed through this research. The addition of the dimension of the spiritual value of scale beginning turned out to produce a composite reliability value of 0.933 and the highest than six (6) other dimensions. This indicates that the measurement model developed in

Table 5
Comparison of the Reliability Composite

Perceived Values	Roig et al. (2006)	Moliner (2009)	This study
Establishment	0.827	0.88	0.878
Professionalism	0.877	0.90	0.875
Quality	0.918	0.86	0.828
Price (monetary)	0.844	0.91	0.885
Non-monetary costs	-	0.74	-
Emotion	0.881		0.872
Social	0.805		0.818
Spiritual	-		0.933

this study managed to increase the customer value of the factors that spiritual values as they relate to the subject of research, namely Islamic Banking customers.

At the first level measurement model (1st order CFA), the modification of the model is done in order to obtain a good model fit for the indicators such as NFI, NNFI, CFI, IFI, RFI, GFI, and AGFI that is > 0.90, RMSEA 0.63 (< 0.080), p value 0.139 (>0.05), and standard RMR 0.039 (< 0.05). The modification of the model is done by adding error covariance that causes a slight change in the loading factor of the standard models. Composite reliability in level measurement model of the first level is of 0.895 so that it can be concluded that the 7 dimensions used to measure the perception of value have been well accepted by the customers.

The Customer value measurement model is the first one to adapt to the GLOVAL scale developed by Moliner (2005) and Sanchez (2005), retested by Roig et al. (2006) in the banking sectors. This study provides one more variable that is a spiritual dimension as the value to the six original dimension developed by Moliner (2005, 2009), Sanchez (2005), and Roig et al. (2006).

Based on the standard loading factor, it was found that the emotional dimension is an indicator that is best to explain the perception of emotional value to the loading factor of 0.89, followed by professionalism (0.85), quality (0.77), building the functional factor (0.72), social values (0.65) and the final spiritual values (0.52). These findings are also relevant to Roig et al. (2006) who also identified as indicators of emotion dominant values forming the overall customer value.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

This study identifies the factors of customer value in the context of Islamic Banking which allows us to confirm the role of perceived value in marketing research. The conclusion can be drawn as follows:

First, this study successfully validates the measurement model GLOVAL developed by Sanchez (2005), were retested by Roig et al. (2006) which measures perceive Customer Value based on 6 functional dimension include covering physical values, individual values, values of service, value price, emotional value and social value. One dimension is added that is spiritual value, also able to validate with a good level of reliability composites. The total item of the questions were developed and there are 26 items comprising the functional value of the building or physical (4 items), professionalism (4 items), quality (4 items), price (4 items), emotions (4 items), social value (3 item), and spiritual value (3 items).

Second, from the seven dimensions, the customer value is used, it is found that the emotional dimension is an indicator that is best able to explain the perception of emotional value to the loading factor of 0.89, followed by professionalism (0.85), quality (0.77), building the functional factor (0.72), social values (0.65) and the final spiritual value (0.52).

The theoretical implications of these findings are seven dimensions of successful validated in this study which can be used as a reference for the measurement model of customer value, especially in Islamic Banking customers. In addition, this study theoretically able to add another dimension, namely the spiritual values that are also proven as a shaper of customer value through factor analysis.

The practical implications of these findings are described as follows: first, it is important for the Bank to pay attention to aspects of customer value primarily on the emotional value. Emotional value itself is the value received by the customer through direct contact with the services provided.

Emotional value describes the feeling of being happy, calm, and positive from customers unable to trigger a positive effect on the perception of the overall value. In this context, the employees as the spearhead of services that are directly related to customers taking an important role so that efforts

to improve the quality of contact with customers must be able to be implemented through a special training which refers to both service quality standards ranging from greetings, full of patience in answering any complaints from customers, neat appearance and courteous, as well as aspects of the procedure where disclosure (transparency) in the services provided remain put forward.

The second factor is more professionalism that refers to the competence of employees who provide services. The management must ensure that employees are properly given the job front line has sufficient qualifications and competence of the regulations, knowledge of the product or service being offered. The third factor is the functional value of quality refers to the accuracy, speed, effectiveness of the services provided.

The main source of competitive advantage should be done to provide customer service with a higher perceived value than competitors, so as to achieve competitive advantage in the marketplace. When bidding, it is important to consider the specific characteristics of financial services, in particular regarding the complexity of the service (Devlin and Ennew 1997, in Roig et al. 2006). The concept of customer value has been widely tested and it affects customer retention (Edward and Sahadev 2009); customer intention / behavior intention (Wang 2012; Gera 2011; Gill et al. 2007); customer satisfaction and loyalty (Chang and Wang 2011), satisfaction and purchase behavior (Ryu et al. 2011); satisfaction, loyalty, and the desire for a replacement (Kristina Heinonen 2004), customer satisfaction (McDougall, Levesque 2000); satisfaction, loyalty, Word of Mouth (WOM) and reputation (Thomas Mayr, Andreas H. Zins 2012).

There are several limitations which should be considered when interpreting the findings in this study. First, convenience sampling approach is used to collect data from customers that come in four Islamic Bank city of Medan. Thus, generalizing the results need to be carefully done because not all Islamic Banking can be observed, associated with licensing. Future research might extend this study by comparing the relative importance of the seven dimensions of customer value based on each bank with multi-group approach.

Second, it covers the sample size and time constraints. Samples were used as 106 samples taken at random from the four Islamic Banks in Medan. The initial sample size is as much as 130 which are 5 × the number of indicators. The low qualities of the data as seen from the number of questionnaires that are not filled completely because the sample size becomes not meet the initial estimate. Agenda for future research to use sampling techniques to consider every bank client population making it more representative.

Third, customer value measurement model Islamic Bank is a pilot study so it is imperative to be retested to obtain consistency between the times of instrument developed.

REFERENCES

Adams, Abigail Naana Lamptey, Adnan Odartey, 2009, 'Customer Perceived Value in Internet Banking in Ghana', Thesis, Lulea Technology University, Sweden, and University of Education, Ghana.

Armstrong, & Kotler, 2003, *Dasar-dasar Pemasaran*. Jilid 1, Ninth Edition, Jakarta: Penerbit PT. Indeks Gramedia.

Chang, Hsin Hsin, Hsin-Wei Wang, 2011, 'The Moderating Effect of Customer Perceived Value on Online Shopping Behavior', *Online Information Review*, Vol. 35 Iss: 3, pp. 333 – 359.

Chung-Yu Wang, Li-Wei Wu, (2012) 'Customer Loyalty and The Role of Relationship Length', *Managing Service Quality*, Vol. 22 Iss: 1, pp. 58 – 74.

Edward, M, Sahadev, S 2011, 'Role of Switching Costs in The Service Quality, Perceived Value, Customer Satisfaction and Customer Retention Linkage', *Asia Pacific Journal of Marketing and Logistics*, Vol. 23 Iss: 3, pp. 327 – 345.

Gera, Rajat, 2011, 'Modeling the Service Antecedents of Favorable and Unfavorable Behavior Intentions in Life Insurance Services in India: An SEM Study', *International Journal of Quality and Service Sciences*, Vol. 3 Iss: 2, pp. 225 – 242.

Ghozali, I and Fuad, 2008, *Structural Equation Modeling: Teori, Konsep dan Aplikasi Dengan Program Lisrel 8.0, (Trans: Structural Equation Modeling: Theory, Concepts and Application using LISREL 8.0)*, Semarang: Badan Penerbit UNDIP.

Gill D, Byslma, Ouschan, 2007, 'Customer Perceived Value in a Cellar Door Visit: the Impact on Behavioral Intentions', *International Journal of Wine Business Research*, Vol. 19 Iss: 4, pp. 257 – 275.

Hair, et al. 2006, *Multivariate Data Analysis,* Sixth Edition, New Jersey: Pearson Education.

Heinonen, K 2004, 'Reconceptualizing Customer Perceived Value: the Value of Time and Place', *Managing Service Quality*, Vol. 14 Iss: 2/3, pp. 205 – 215.

Heinonen, K Strandvik, T Mickelsson, K-J Edvardsson, B Sundstrom, E & Anderson, P 2010,

'A Customer Dominant Logic of Service', *Journal of Service Management*, 21 (4) 531-548.

Heckl, D and Moormann, J 2007, 'Matching Customer Processes with Business Processes of Banks: The Example of Small and Medium-Sized Enterprises as Bank Customers', in Alonso, G, Dadam, P and Rosemann, M (Eds), *BPM 2007*, Springer-Verlag, Berlin, pp. 112-124.

Khan, Mahapatra, Sreekumar, 2009, 'Service Quality Evaluation on Internet Banking: An Empirical Study in India', *International Journal of Indian Culture and Business Management*, Vol. 2(1).

Kusnendi, 2008, *Model-Model Persamaan Struktural, Satu dan Multigroup Sample dengan Lisrel,* Bandung: Albeta.

Lam, R and Burton, S 2006, 'SME Banking Loyalty (And Disloyalty): A Qualitative Study in Hong Kong', *International Journal of Bank Marketing*, Vol. 24 No. 1, pp. 37-52.

Madill, JJ, Haines, GH Jr. and Riding, AL 2007, 'Managing Customer Relationships: Account Manager Turnover and Effective Account Management', *Industrial Marketing Management*, Vol. 36, pp. 241-248.

McDougall, Gordon HG, Levesque, T 2000, 'Customer Satisfaction With Services: Putting Perceived Value into the Equation', *Journal of Services Marketing*, Vol. 14 Iss: 5, pp. 392 – 410.

Moliner, Miguel A 2009, 'Loyalty, Perceived Value and Relationship Quality in Healthcare Services', *Journal of Service Management*, Vol. 20 Iss: 1, pp. 76 – 97.

Moliner, Miguel A Javier Sánchez, Rosa M Rodríguez, Luís Callarisa, 2007, 'Perceived Relationship Quality and Post-Purchase Perceived Value: An Integrative Framework', *European Journal of Marketing*, Vol. 41 Iss: 11/12, pp. 1392 – 1422.

Ramsden, M and Bennett, RJ 2005, 'The Benefits of External Support to SMEs: 'Hard' Versus 'Soft' Outcomes and Satisfaction Levels', *Journal of Small Business and Enterprise Development*, Vol. 12 No. 2, pp. 227-243.

Roig, Juan Carlos Fandos, Garcia, Javier Sanchez, Angel, Miguel, Tena, Moliner, Monzonis, Jaume Llorens, 2006, 'Customer Perceived Value in Banking Services', *International Journal of Bank Marketing,* Vol. 24 No. 5, pp. 266-283.

Ryu, Kisang, Lee, Kim, 2012, 'The Influence of the Quality of the Physical Environment, Food, and Service on Restaurant Image, Customer Perceived Value, Customer Satisfaction, and Behavioral Intentions', *International Journal of Contemporary Hospitality Management*, Vol. 24 Iss: 2, pp. 200 – 223.

Senoaji, Ario Bagus, 2008, Analisis Faktor-Faktor Yang Mempengaruhi Tingkat Kepuasan Nasabah (Studi Kasus pada PT. Bank Mandiri (Persero) Tbk di Kota Semarang, Thesis, Magister Manajemen, Universitas Diponegoro, Semarang.

Sriram Dorai, Sanjeev Varshney, 2012, 'A Multistage Behavioural and Temporal Analysis of CPV in RM', *Journal of Business & Industrial Marketing*, Vol. 27 Iss: 5, pp.403 – 411.

Syamsiah, Neneng, 2009, Analisis Faktor-Faktor Yang Mempengaruhi Nilai Yang Dirasakan Pelanggan Untuk Menciptakan Kepuasan Pelanggan Di RSUP Dokter Kariadi Semarang (Studi Kasus pada Paviliun Garuda RSUP Dr. Kariadi, Thesis, Magister Manajemen, Universitas Diponegoro, Semarang.

Tenenhaus, Michael, 2002, 'L'approche PLS', Revue de Statistique Appliquée', Vol. 47, No.2, pp. 5-40.

Thomas Mayr, Andreas H. Zins, 2012, 'Extensions on the conceptualization of customer perceived value: insights from the airline industry', *International Journal of Culture*, Tourism and Hospitality Research, Vol. 6 Iss: 4, pp.356 – 376.

Trasorras, Rene, 2009, 'Value, Satisfaction, Loyalty and Retention in Professional Services'. *Marketing Intelligence & Planning*, Vol. 27 No. 5, pp. 615-632.

Vegholm, Fatima, 2011, 'Relationship Marketing and the Management of Corporate Image in the Bank-SME Relationship', *Management Research Review*, Vol. 34 No. 3, pp. 325-336.

Wang, Hsiu-Yuan, 2012, 'Value as A Medical Tourism Driver', *Managing Service Quality*, Vol. 22 Iss: 5, pp. 465 – 491.

Wijanto, Setyo Hari, 2008, *Structural Equation Modeling dengan LISREL 8.8,* Yogyakarta: Graha Ilmu.