Factor Influencing Customer Attitude towards Use Interest-Free Financial Products and Services of Commercial Banks in Ethiopia

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Abstract: Islamic banking has become one of the global financial industries' fastest-growing segments. This study analysis of Customer Attitudes towards the Use of Interest-Free Financial Products and Services of Commercial Banks in Ethiopia (The Case of Jigjiga City). 398 sample respondents were chosen from commercial banks in Ethiopia utilizing multistage staged sampling processes. Both of the original sources were used to gather the study's data. Interviews and structured questionnaires were used to gather primary data. The results of multiple regressions revealed that relative advantage and compatibility have a significant positive impact on the attitude toward interest-free banking products and services in commercial banks in Ethiopia. The data were used for descriptive analysis (frequency, percentile, mean, and standard deviation) as well as econometric analysis (correlation and multiple regressions). Similarly, complexity has no obvious influence on attitude, whereas perceived trust and customers awareness have a negative influence on attitude.

Keywords: Commercial Banks In Ethiopia, Interest Free Banking, Jigjiga City.

1. INTRODUCTION

Introduction of financial products related to Islamic banking over the world will respond developing require Prominent showcase of the rejection of profit-based negotiations instrument (Elgadi, 2016). Islamic banking has become one of the fastest growing sectors of the global financial industry. Which presents fresh chances for the financial sector to address untapped markets for consumers and businesses? The non-bank financial institution sector is quite small when compared to its conventional counterparts, and Islamic banks dominate the Islamic financial industry Due to the fact that non-bank financial organizations provide the majority of the funding for infrastructure financing (Ahmed H. , 2017).

Islamic finance is built on five pillars that serve as important indicators of the legality (sharia compliance) of all financial activities conducted under the Islamic finance umbrella. These fundamental pillars include prohibitions on riba (interest), gharars (speculation) in financial contracts, meisers (gambling), trading haram (prohibited property or activities), and the use of investments and damages, the sharing principle and the requirement that all financial transactions be based on real assets (Allali, 2018).

Banking system according to the concept of profit and loss distribution by all stakeholders is known as interest free banking. Islamic banking will be founded on Shirakah's widely acknowledged principles (partnership). In other words, the entire banking system will be based on a partnership in which the holders, depositors, investors, and borrowers will all take part. This will be done by putting the Mudarabah external principle—where labor and capital cooperate as a partner for work—into practice. (Mustapha, 2014).

The advantage of a Sharia board is to have a devout master conclusion assessing a products' compliance with Sharia. Besides, in case of debate with respect to the Sharia compliance of IFB item, the backing of a administering from Sharia researchers gives validity and authenticity to these items. In any case, researchers may be connected to a particular school of thought, which may or may not be acknowledged in certain districts in Ethiopia (Sefian, 2015).

Guidelines on banking investment restrictions are one of the main issues of the legal framework for Islamic banks. According to SBB/60/2015, Article 4(4) of the Directive states that "a bank may hold up to 10% of a share in a single non-banking company, other than insurance", and Article 4(6) provides that. Equity investments in all non-banking activities cannot exceed 10% of net assets." It is not clear whether this provision applies to Islamic banks.(Zainab, 2014) As most Islamic banking products are based on equity investment, Islamic banking products such as Musharaka and Mudaraba cannot be used under this law to the extent possible. In particular, "This section creates problems for the issuance of Musharaka or Mudarabah partnership agreements, where at the time of the agreement a bank may hold up to 100% of the company or transaction." (Sefian, 2015). According to (Sisay, 2017) Challenges for interest-free banking include lack of Sharia advisory services, lack of consumer awareness, lack of customer trust and lack of service availability at all branches. Recently study (Abdulhade, 2020) Challenges and opportunities for the expansion of Islamic finance in Ethiopia: the current state of trade finance in Ethiopia, the operation of Islamic banks and the lack of public awareness of the types of products and services provided by each bank. A newly established Islamic bank may find it difficult to raise the necessary capital or may take a long time to fully secure the required capital. Newly established Islamic banks are small and cannot compete with other established banks due to lack of public awareness about their capital and interest-free services, how they are conducted and how they operate and the type of Islamic banks at the branch level and counter. The products and services offered by each bank, customer misconceptions about Islamic banks, limited to Muslim communities and lack of Sharia-based consumer information.. In addition (Demissie, 2019) we investigated the factors influencing the implementation of interest-free financial services in Ethiopia, namely the mediating role of customer acquisition. The results of this study showed that awareness; comparability, complexity, controllability, perceived risk; religious beliefs

and customer participation are important factors for participation in interest-free banking services.

Research objectives

The main purpose of this study is to factor influencing Customer Attitude towards Use Interest-free financial products and services of Commercial Banks in Ethiopia (The Case of Jigjiga City More specifically, this study aims to achieve the following objectives.

1. Which determine factors of awareness that influence attitude towards the use of interest-free banking products and services
2. Whose find out how relative advantage influences attitudes toward the use Interest-free banking products and services
3. To examine factor influence compatibility with attitudes toward the use of interest-free banking products and services.
4. To determine factor those influence complexity of attitudes toward the use Interest-free banking products and services.

Literature Review
Concepts and Definition of Islamic Banking

Islamic banking is anticipated to proceed to develop quicker than ordinary managing an account for the predictable future given its moo base, moo level of infiltration, considerable advertise potential, and the solid request in numerous Islamic nations for Shariah-compliant (Oosthuizen1, 2014). Islamic banking framework is based on Islamic law (Shariah), it works in agreement with the standards, rules and directions of Shariah. It makes financial exercises basic and diminishes costs of exchanges (Lateef, Shukor, & Tajudin, 2017).The investments beneath Islamic monetary educate included with genuine resources rather than budgetary resources (Aqilah Zainordin, 2016).

Islamic bank give Commercial break administrations that Conform with the Law devout directives of Islam. Old give administrations to their heads clients free intrigued. Giving and receiving intrigued It is disallowed in all exchanges beneath the Islamic budgetary standards (Kettle, 2011).Define Islamic banking as keeping money framework that works entirely on the premise of Shariah (Bello, 2014). Islamic window is an Islamic set-up, working Shariah-based keeping money framework beneath the umbrella of a routine keeping money framework as a Benefit Misfortune Sharing (PLS) framework (Omar, 2016). Fully-fledged interest-free A bank has a completely independent operating structure and is not part of an existing financial institution. These full-fledged banks form their own business strategies and policies. Islamic counters bring the issue of full-fledged non-IF supervision due to the potential for pooling of funds and regulated arbitrage. (IMF, 2018).

The most highlight of Islamic banking is the intrigued free managing an account angle and the benefit and misfortune worldview. Assist, whereas Islamic managing an account advances hazard sharing between the financial specialist and the business person, ordinary managing an account holds that the investor or loan specialist includes a ensure of a foreordained rate of interest or return (Abdullahi, 2016). Islamic banks androgenize the

common taken a toll of depositor assurance through a casual and non-binding self-insurance conspire covering venture account holders as unsecured leasers (speculators) without (re)payment ensures (Etibar Jafarov, 2019). Islamic finance has come to systemic significance for the most part in nations with settled trade rate administrations and not completely created money related markets (Team, 2014).

Empirical Literature Review
The Study (Tabash, 2017) Exploring the main issues affecting Islamic banking in India with the help of a descriptive lever of progress. The conclusions were that the lack of a legal administrative system, the need for Islamic banking experts, the need for Islamic banking research, non-compliance with standards, the need for cooperation, and the need for cooperation and coordination among Islamic banks were the most common,. Challenge of Islamic Bank of India. The study (Bello, 2014) found that the difficulties of interest free banking in Nigeria are: improper organization system, insufficient legitimate system, need of value teach, destitute supervisory system, dissimilarity in bookkeeping standard, need of auxiliary budgetary markets ,need of short-term budgetary disobedient and educate devout and social contrasts, need of developments in monetary items, need of benefit sharing back, Sharia related issues, insufficient labor with the essential information, need of mindfulness and competition.

The Study (Azouzi, 2014) examined the prospects of Islamic protections administrations in Tunisia in light of the Jasmine transformation, and they found that the Tunisian clients are willing to switch to Islamic protections administrations, primarily due to the compatibility to their social and devout values as well as to their money related needs and past encounters.
Interest Free Banking (IFB) started in 2013 and is a relatively new phenomenon in Ethiopian banking, especially among researchers. In this sense, the empirical studies carried out in this field are very limited. Research conducted so far includes "Interest Free Financing in Ethiopia: Prospects and Challenges". This conclusion shows that the monopoly of banking activities, restrictions on banking investments, the tax system, the lack of control mechanisms and the lack of reference to Islamic financial standards to be followed are some of the problems anticipated in the legislative framework. Complete interest-free banking experience in Ethiopia. There is also a negative perception of Islamic finance in Ethiopia, mainly due to a common misconception. Interest-free banking is a relatively new phenomenon in the Ethiopian banking sector .(Bushera, 2020) .

A study was also conducted on three Ethiopian banks, and the manpower problem, lack of awareness, lack of clear information, inadequate societal belief, and unavailability of resource requirements were identified as some of the IFB's post-implementation challenges. However, those challenges still exist and were not given due attention, and There is no legal framework for a completely interest-free bank, even if you authorize the unique service. on the other side (Gatachew, 2018) We also investigated the challenges and opportunities of interest-free banking for commercial banks in northern Ethiopia. It concluded that lack of Shariah Advisory Board, lack of customer awareness and lack of services at all branches are challenges for interest free banks.(Akmel, 2015) .

Conceptual Framework
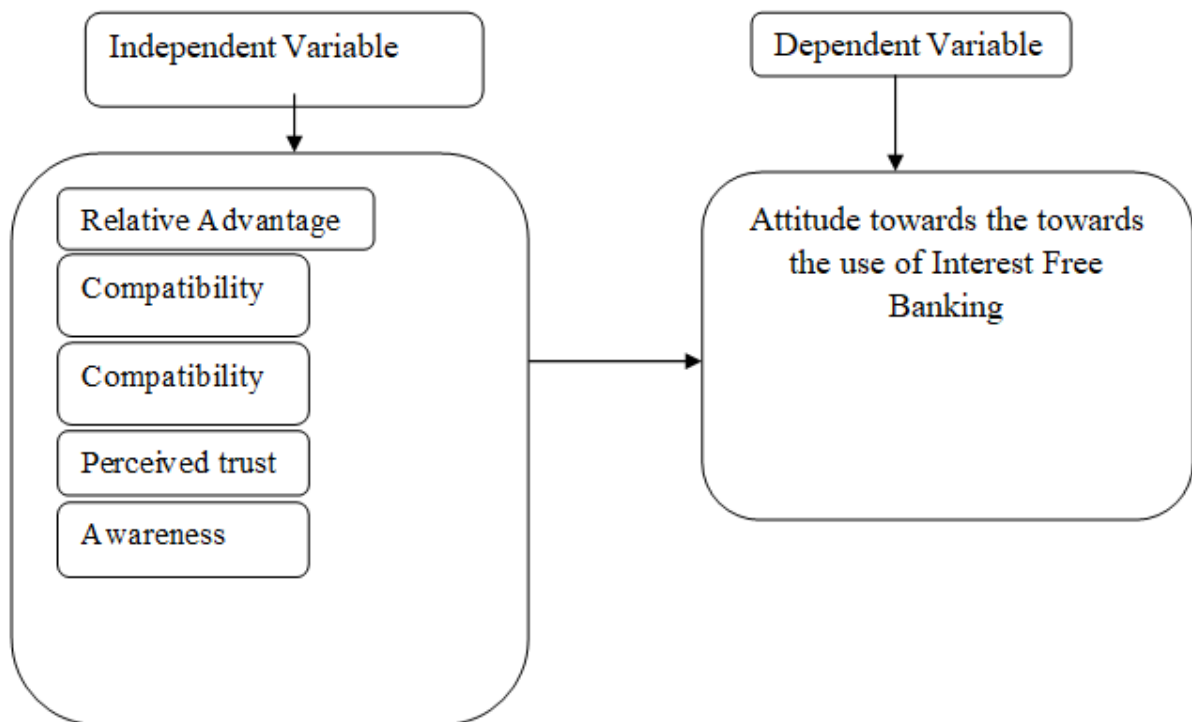
2. RESEARCH METHODOLOGY

Description of the Study Area
Residents of Jigjiga City, which is mainly inhabited by Interest Free Banking Customers, made up the study community. Jigjiga, located in eastern Ethiopia and the region capital of Somalia, is 619.8 kms away from Addis Ababa.

Research Design
For this study, the researchers used a cross-sectional study design that included both quantitative and qualitative research approaches. A goal a researcher wants to achieve or a research question they want to ask: The answer lies in deciding what research strategy to use.(Croswell, 2007).

Target population, sample size and sampling techniques
The population studied consists of Jigjiga commercial bank customers. In other words, there are 3 private commercial banks and 1 public commercial bank in Jigjiga city. These are selected commercial banks (Oromia International Bank, Ethiopian Commercial Bank, United Bank and Cooperative Bank of Oromia). Thus, the total number of 5 banks is 75,350 customers and 12 selected managers and employees. A sample of 398 customers from each commercial bank in Ethiopia was considered using convenience sampling technique.

Data collection method
This data collection method consists of three parts. The first part measured demographic information about the respondent, and the second part measured the predictors as factors on a 5-point scale. Jigjiga offers interest-free banking products and services and promotes the third interview. A questionnaire is a data collection tool that facilitates the coding and analysis of collected data. Data were collected from primary sources through questionnaires and interviews. Questionnaires have the advantage of being able to obtain data more efficiently in terms of researchers' time, energy and cost, and are one of the most suitable survey data collection tools. The researchers collected primary data through questionnaires and interviews. Questionnaires containing structured data of IFB customers, structured interviews with bank managers and unstructured interviews with employees were collected.

The questionnaire distributed to the source was written in English and Somali. The last part of the questionnaire was measured on a Likert scale. According to (bhattacherjee, 2012)), the traditional measure of data measures in social surveys is the most common level of assessment. At this level, there is a communication situation in which respondents express simple words with which they agree or disagree on a 5-point scale from "hard to accept" to "strongly agree". Therefore, the researcher collects data using the Likert scale method of audience agreement or disagreement on a five-item report. The researchers collected primary data through questionnaires and interviews. The surveys include structured surveys of IFB customers, structured interviews with bank managers and unstructured interviews with employees.

Method of Data Analysis
To achieve the first specific objective, we will rely on technical analysis. Primary data were collected from IFB customers through structured questionnaires, structured interviews of bank managers and unstructured interviews of employees. Data were analyzed using econometrics such as respondent demographics, variable means, Pearson correlation analysis, and multiple regression analysis. Qualitative data collected during the interview were collected through written notes during the interview.

3. RESULTS AND DISCUSSION

To interpret the raw data factor influencing Customer Attitude towards Use Interest-free financial products and services of Commercial Banks in Ethiopia (The case of the city of Jigjiga). Descriptive analysis and SPSS V.25 were used. Frequencies and percentages for the demographic part, mean values and standard deviations for dependent variables, independent variables, and multiple linear correlation and regression analyzes were used.

Table 1 demographic variable population

Background	Distribution	frequency	Percent
Sex	Male	294	73.9
	female	104	26.1

Age	20 and under	34	8.5
	21-30 years	157	39.4
	31-40 years old	167	42.0
	41-50 years old	31	7.8
	50 years and over	9	2.3
Religion	Muslim	398	100.0
Window associated with?	Interest free banking window	398	100.0
educational background	Elementary School	29	7.3
	secondary school	229	57.5
	diploma	59	14.8
	BA/B.Sc.	58	14.6
	Master's degree or higher	7	1.8
	Other	16	4.0
Occupation	Government Sector	61	15.3
	Private Sector	56	14.1
	Self-Employee	261	65.6
	NGO	16	4.0
	others	4	1.0

Among these 398 respondents, there are 34(8.5%) of them are 20 years and below. the respondents157 (39.4%) are between 21-30 years of 167(42.0%) respondents. 31–40 years; 31 (7.8%) of the respondents aged 41–50 years; and 9 (2.3%) of the respondents aged 50 years and above. From this data, we can conclude, as in the case of Jigjiga, that the future customers of interest-free banking products and services in Ethiopia are the younger generation between the ages of 21 and 40. Of the respondents, 294 (73.9%) were male and the remaining 104 (26.1%) were female. Regarding professional occupations, 61 (15.3%) are employed in the public sector. Of the respondents, 56 (14.1%) were in the private sector, 261 (65.6%) were self-employed, 16 (4.0%) were NGOs, and 4 (1.0%) were other companies. The frequency by educational background was elementary/middle/high school/university/master's degree or higher and others were 7.3%, 229 (57.5%) and 59

(14.8%). 58 (14.6%) and 7 patients, 1.8%, respectively. Descriptive statistical analysis helps to know the overall mean and standard deviation of each variable used in the study.

Table 2 Descriptive statistics

Descriptive statistics					
	N	Min	Max	Average	Std. Deviation
ATT	398	10	25	20.61	2.639
RELAD	398	8	24	16.76	3.564
PTR	398	4	18	8.24	2.340
COMP	398	8	20	18.35	1.766
CLEX	398	5	24	8.89	3.248
AWS	398	4	20	9.18	2.879
Valid N (list wise)	398				

Pearson Correlation Analysis
Correlation is a measure of the linear relationship between two variables ((Books, 2008). Pearson's correlation coefficient was used to examine the relationship between plant factors and dependent variables. Correlation coefficients include ratings from -1 to 1. Values closer to the overall rating of 1 indicate a very positive relationship between the correlated factors, and values closer to each other are closer to the rating while there is no direct relationship. -1 indicates a continuous negative relationship between the factors.

Table 3 Correlation matrix between relationships and predictors

Correlation		ATT	RELAD	PTR	COMP	CLEX	AWS
ATT	Pearson Correlation	1	.194**	-.175**	.277**	-.103*	-.281**
	Sig. (2-tailed)		.000	.000	.000	.040	.000
	N	398	398	398	398	398	398
RELAD	Pearson Correlation	.194**	1	.075	-.089	.014	.101*
	Sig. (2-tailed)	.000		.133	.075	.781	.045
	N	398	398	398	398	398	398
PTR	Pearson Correlation	-.175**	.075	1	.056	-.183**	.212**

	Sig. (2-tailed)	.000	.133		.269	.000	.000
	N	398	398	398	398	398	398
COMP	Pearson Correlation	.277**	-.089	.056	1	-.191**	-.107*
	Sig. (2-tailed)	.000	.075	.269		.000	.032
	N	398	398	398	398	398	398
CLEX	Pearson Correlation	-.103*	.014	-.183**	-.191**	1	.318**
	Sig. (2-tailed)	.040	.781	.000	.000		.000
	N	398	398	398	398	398	398
AWS	Pearson Correlation	-.281**	.101*	.212**	-.107*	.318**	1
	Sig. (2-tailed)	.000	.045	.000	.032	.000	
	N	398	398	398	398	398	398
**. Correlation is significant at the 0.01 level (2-tailed).							
*. Correlation is significant at the 0.05 level (2-tailed).							

As a result of analyzing the correlation values between other variables and customer attitudes, it can be seen that there is a positive correlation and a negative correlation between the independent variable and the dependent variable. Consumer relative advantage is positively correlated with perceived trust, sophistication, and recognition, and negatively correlated with compatibility. Perceived customer trust was positively correlated with comparative advantage, compatibility, and customer knowledge and negatively correlated with complexity.

Customer compatibility is positively correlated with perceived trust and negatively correlated with complexity, relative advantage, and customer perception. Customer sophistication was positively correlated with customer perception and comparative advantage and negatively correlated with compatibility and perceived trust.

Customer perception was positively correlated with perceived trust, relative advantage, and complexity, and negatively correlated with compatibility. From the correlation matrix above, the relationship of all predictor variables is the result with the highest correlation with customer relationship (r = 0.277**), so this variable can affect the customer's attitude of using interest-free banking services. goods and services.

Multiple Linear regression analysis
A regression model was used to test the effect of the independent variable on the dependent variable. The coefficient of determination R2 is the ratio between the variance of the dependent variable and the mean explained by the independent variable (Hair R. A., 1998) MLR) For the variables presented in the table, there are robustness tests for all variables and variance expansion coefficients (VIF) ((Kleinbaum, 2002).The results of these analyzes are presented as all predictors with a VIF less than 10 and a tolerance level less than 0.1. This means that there is no problem of multicollinearity in this study.

Table 4 Model Summary independent variables on Attitude

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.474[a]	.224	.214	2.339
a. Predictors: (Constant), AWS, RELAD, COMP, PTR, CLEX				

The R-squared value of 22.4% of the variation in the dependent variable (Attitude) is explained by the independent variables: relative benefit, perception, perceived reliability, compatibility and complexity. The remaining 77.6% is determined by unknown factors. An R-squared value of 0.224 indicates the degree to which the variation in the dependent variable is explained by the variable.

Table *5* ANOVA independent variables on Attitude

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	620.120	5	124.024	22.668	.000[b]
	Residual	2144.734	392	5.471		
	Total	2764.854	397			
a. Dependent Variable: ATT						
b. Predictors: (Constant), AWS, RELAD, COMP, PTR, CLEX						

The table above shows the general meaning of the patterns. Analysis of variance (ANOVA) shows that the percentages described by the independent variable are statistically significant. The table shows that there is a statistically significant relationship between the independent variables (relative benefit, awareness, perceived trust, compatibility and complexity) at the 5% significance level.

Table 6 Regression model result among Attitude and its predictors

Coefficients[a]								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	13.250	1.567		8.455	.000		
	RELAD	.190	.033	.256	5.696	.000	.980	1.021
	PTR	-.181	.053	-.161	-3.392	.001	.882	1.134
	COMP	.422	.068	.282	6.195	.000	.953	1.050
	CLEX	-.005	.040	-.006	-.124	.902	.815	1.228
	AWS	-.220	.045	-.240	-4.875	.000	.816	1.225

a. Dependent Variable: ATT

The results shows that the Attitude is based on Relative Advantage (β=0.190 T value = 5.696, p-value =.000 < 0.05), perceived trust, (β= -.1181 T value = -3.392, p-value =.001 < 0.05) and Compatibility (β=0.422 T value = 6.195, p-value =.000 < 0.05) Complexity (β=-.-.005 T value = -.124, p-value =.902>0.05), Awareness. (β= -.220 T value = -4.875, p-value =.000 < 0.05).

The beta value of 0.190 can imply that if Relative Advantage (RELAD) increases by 1 percent it will increase Attitude by 19 percent, the other variables remain constant. The Beta value 0.-181 can imply that if perceived trust (PTR) decreases by 1 percent it will decrease Attitude by 18.1 percent, when other variables constant. The Beta value 0.422 this imply that if Compatibility (COM) increases by 1 percent it will increase Attitude by 42.2 percent, when other variables constant. The Beta value 0.-005 this imply that if Complexity (CLEX) decreases by 1 percent it will decrease Attitude by 0.5 percent, when other variables constant. The Beta values 0.-220 this imply that if Awareness (AWS) decreases by 1 percent it will decrease Attitude by 22 percent, when other variables constant. Regression equation is below written

ATT=13.250+0.190RELAD-0.181PTR +0.422COMP-0.005CLEX -0.220 AWS

4. DISCUSSION

As a result, this was concluded that Beta values and p-value in the table signify the effects of each other. Findings from the study, where Beta values are the coefficients of regression and t-value are used to decide on the significance. Expectedly, t-value with greater value of regression coefficients is found higher. Following the rule, t-value greater than two (T>2) and p-value < 0.05) is considered significant and is used for making decisions on the hypotheses. The mean of the variables of attitude was 20.61, which indicates that interest-free banking is advantageous, its introduction is a good idea, as using IFB products will make me better off financially, and I believe that interest-free banking has improved my business problem-solving skills.

Relative advantage
Relative advantage (β=0.157 T-value = 5.696, p-value = 0.000 < 0.05) was found to have a positive effect on intention to use interest-free financial products and services. Therefore, hypothesis 1 was supported. This result corresponds to the results of (Aziz, 2012), (Teo, 2000).). Interest-free banking products and services have created a positive attitude among customers. The customer are not enough knowledge about the benefit of IFB a product and advantageous. Their mean variable of relative advantage was 16.76, which shows that the advantages of using IFB products outweigh the costs.

Hypothesis 1: Relative advantage has a positive effect on attitudes towards the use of interest-free financial products and services.

Perceived trust
Perceived trust of customers" in banks positively affects their attitude towards interest-free products and services. A significant negative impact on the use of banking products and

services. The mean value of the perceived trust variable was 8.24, which indicates that customers are unclear and distrustful of the bank for IFB transactions. Consumers don't think they rely on Sharia. In interviews with bank presidents, the amount of IFB is not well distributed in regular bank cash and sometimes in cash at customer service counters.

Hypothesis 2: Customers' attitudes toward Interest-free banking products and services are negatively and significantly influenced by perceived trust.

Compatibility

Compatibility has a positive influence on attitude towards intention to Interest-free banking products and services significant at (β=0.262 T value = 6.195, p-value =.000 < 0.05).Hence, the null hypothesis is accepted. this is e accordance with the findings of (Aziz, 2012) (Azouzi, 2014) (Teo, 2000). Customers benefited from interest-free banking services. attitudes towards using interest-free banking products and services. Lifestyles as well as their dependencies on social values, religious values, and interest-free banking products are compatible with the current situation. The mean value of variables of compatibility was 18.35; their response shows that interest-free banks have good compatibility.

Hypothesis 3: Compatibility has a positive influence on attitude toward use of interest-free banking products and services.

Complexity

Complexity (β= -.049 T-value = -.124, p-value = .902>0.05) has a negative effect on the intention to use interest-free financial products and services. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. This is consistent with the results of (Aziz, 2012), (Azouzi, 2014), (Teo, 2000) mean value of the complexity variable is 8.89, indicating that there is relatively little knowledge and experience to understand interest-free financial products and services and that it is easy to understand and use. Most respondents say the product is easy to understand and access. This shows that respondents who want to use an interest-free banking service do not find it difficult to use, and this complexity is not very important.

Hypothesis 4: Complexity has a negative influence on attitude towards the use of interest-free banking products and services.

Awareness

Awareness (β= -.175 T-value = -4.875, p-value = .000 < 0.05) had a significant positive (+) effect on the intention to use interest-free financial products and services. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. Similarly. to find (Hassan A. S., 2016). The mean value of the customer awareness variable was 9.18, indicating that current interest-free banking products do not meet the bank's customer service needs. It is difficult to distinguish products and services from ordinary ones. Customers do not know the main types of interest-free banking products. And I don't think IFB is offered to both Muslims and non-Muslims. According to service interviews with managers, for example, in this region, where the majority of the population is Muslim, there are many problems in facilitating customers in this region, where there are only IFB counters or sometimes there are no private service counters, especially in this area in that banks offer There are more customer needs than the service we offer. They want to take advantage of interest-free installment products and services, but the branches and counters offering these services are not enough to meet the needs of their customers. The type of IFB product limited to

Murabaha Financing is very simple and low risk by simply buying and selling products to customers at a certain rate of profit. In addition, other financial products such as Musharaka require banks to partner with their customers, which is not supported by the country's legal framework. With a focus on construction finance, Istisna is not supported by the national legal framework and Ijara sees this as an interest.

Hypothesis 5: "Customers' Awareness" a negative influence on attitudes towards use of interest-free banking products and services.

Descriptive analysis results: 73.9% of respondents are male. The remaining 104 (26.1%) were women. As a result of the econometric analysis, comparative advantage and compatibility had a significant positive (+) effect on the intention to use interest-free financial products and services at a 5% significance level, and it was found that customer trust, sophistication and recognition play a important role. It negatively affects customer attitudes towards their intention to use interest-free products and services. The multiple linear regression modeling coefficient of the R-squared value was estimated to be 0.224, which means that 22.4% of the variation in the dependent variable is explained by the independent variable included in the model. Comparative advantage, recognition and compatibility have a positive effect on intention to use interest-free financial products and services, which is significant.

5. CONCLUSION AND RECOMMENDATIONS

Banks are unaware of the types of interest-free financial products and services available to Muslims and non-Muslims, very little understanding of Islamic banking, low trust in their customers and a small customer base. win the hearts of consumers Since most respondents believe that IFB's activities are similar to traditional banking systems and that this customer perception has a negative impact on the company's activities, the media's influence on customers is not separated from general business. It is not attractive. Growth by removing prospects from the bank. The products and services offered by the bank are better and are in line with the customer's values and lifestyle. Comparative advantage and compatibility have a significant positive effect on customer attitude towards non-interest financial products and services of commercial banks at support price, while complexity has no effect and customer perception of trust has a negative effect. Limitations of the study: The study was conducted in a commercial bank that provided interest free banking products and services in a limited area of the city. lack of review of specialized literature; and the time limit. The rest is limited to non-interest tellers of these commercial banks. Interest-free banking products and services are not only for the Muslim population, but are loved and used by both Muslim and non-Muslim customers, as we have experienced in other countries. Banks must sensitize customers about IFB services that can be used by people of all religions without violating Sharia principles. Islamic Financial Banks (IFBs) should focus and continue their awareness programs such as religious institutions, publishers, various contexts, families, use of religious figures and media modification used in marketing and advertising strategies. IFBs must follow Islamic principles by using special counter services for IFBs to distinguish IFB activities from traditional banking activities. Banks should increase the availability of IFB products by increasing interest-free banking channels whenever it is convenient for their customers and

avail products/services at more branches. Banks need to establish the strategies they need to attract customers and meet the needs of existing customers. Interest-free banking products and services should be considered in the context of an investigation to determine whether the account holder intends to use them. Future studies should consider replicating this study in other settings, business units, cultures, cities, regions, and other variables. This study used only account holders to investigate interest-free banking intention. Prospectors should consider other account holders.

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