

Comparative Analysis of Marketing Effectiveness of Islamic Bank Products through Social Media and Conventional Media

Afraa Shahidah Bilhaq¹, Lusi², Tania Muhibban³

¹²³ STIS AL WAFA, Bogor

*Email: afrasyahidah0@gmail.com

ARTICLE INFO

Article history:

Received December 12, 2023

Accepted December 28, 2023

Available online January 10, 2024

Keyword:

Marketing, Product, Social Media, Conventional Media.

ABSTRACT

This study aims to analyze the effectiveness of marketing Islamic bank products through social media and conventional media and compare the two. The marketing process of Islamic banks involves complex strategies to influence prospective customers, including aspects of sharia and product security. Social media, with its greater reach, relatively low cost, and quick feedback, is becoming an effective tool for reaching the target audience. On the other hand, conventional media has the advantage of delivering complex messages and giving a professional impression. Some factors, such as target audience characteristics, marketing objectives, and cost, should be considered in select marketing media. Therefore, a deep understanding of the effectiveness of using social and conventional media in marketing Islamic bank products is the key to optimizing marketing strategies and increasing the success of Islamic banks in an increasingly competitive market. The result of this study is that social media, with its greater reach, relatively low cost, and fast feedback, becomes an effective tool in reaching the target audience, especially by utilizing sophisticated targeting features. However, conventional media also has advantages in achieving a greater target audience, conveying more complex message, and giving a more professional impression.



Copyright © 2024 The Author(s). This is an open access article is distributed under the terms of the Creative Commons Attribution (CC-BY) 4.0 international license (<http://creativecommons.org/licenses/by/4.0/>).

How to cite: Tania, L., Lusi, & Tania Muhibban. Comparative Analysis of Marketing Effectiveness of Islamic Bank Products through Social Media and Conventional Media. *INTERNATIONAL JOURNAL HUMANITIES PERSPECTIVES*. Retrieved from <https://ejournal.papanda.org/index.php/ijhp/article/view/633>

1. Introduction

Marketing plays a very important role in determining the success of a business, including in the banking industry. In this context, Islamic banking is also no exception in marketing the products and services they provide. In recent years, there has been a shift in the use of conventional banking products to Islamic banking products which are increasingly in demand by the public. This is because people see that Islamic banking products can be an alternative that is more in line with their values in supporting economic activities, both for individuals and business entities. (Rafelia, 2023)

Islamic banks exist as a solution amid public anxiety against conventional banks. (Yusuf, 2017) However, the claim of Islamic banks that the products they market are in accordance with

sharia principles also needs to be a special study, including in the marketing process of Islamic bank products themselves. The decision of customers to switch to Islamic banks is not only influenced by sharia aspects, but also by the effectiveness of marketing Islamic bank products themselves. (Ahmad, 2020)

The marketing process at Islamic banks involves various strategic aspects that aim to influence potential customers or target markets in using financial products offered by Islamic banks. Islamic banks need to develop effective marketing strategies to increase public awareness and interest in their products and services. (Ascarya, 2018) One important aspect of Islamic bank marketing is to convey the message that their products are in accordance with sharia principles, which include impartiality towards riba (interest), speculation, and unethical business practices.

In addition, Islamic banks also need to communicate the advantages of their products in terms of security, fairness, and economic benefits offered to customers. The role of technology and social media is also an important factor in expanding the marketing reach of Islamic banks. By utilizing social media and digital technology, Islamic banks can reach the target market more effectively and efficiently.

The use of social media as a means of marketing Islamic bank products is an interesting topic to be researched. The effectiveness of the use of social media in marketing Islamic banking products can be an important subject of study in understanding the extent to which social media can contribute to achieving marketing objectives. (Refilia, 2023)

Social media platforms like Instagram, TikTok, Facebook, and other platforms do have a huge number of users and are popular among the people today. The main advantage of social media is its ability to reach a wide target audience.

With advanced targeting features, Islamic banks can direct their marketing messages to relevant and potential segments.

In addition, social media also has a relatively cheap cost advantage compared to conventional media. Islamic banks can leverage social media platforms with more limited marketing budgets, reducing the expensive advertising costs typically associated with conventional media. This allows Islamic banks to optimize the use of their budgets in marketing their products. (Fauzan, 2021)

Another advantage of social media is its ability to provide feedback quickly. Potential customers can provide feedback and comments directly, either through comments, private messages, or direct messages. This provides an opportunity for Islamic banks to interact directly with prospective customers, provide answers to their questions, and make necessary adjustments in marketing strategies. (Aryanti, 2022)

On the other hand, there are several advantages of conventional media in marketing activities. Conventional media also has advantages in reaching a wide target audience, providing more complex messages, and giving a more professional impression. Television, radio, and print media advertisements can provide a strong and credible image for Islamic banks. (Ahmad, 2023)

To gain a more comprehensive understanding of the effectiveness of the use of social media in marketing Islamic bank products, it is important to involve previous research that has been conducted by related researchers. In this study, it can be explored how Islamic banks utilize social media, what strategies they use, and the extent of results that have been achieved.

The purpose of this study is to determine the effectiveness of marketing Islamic bank products through social media and conventional media, as well as to compare the effectiveness of the two media.

2. Method

This type of research is qualitative research with a literature study approach or library research. Qualitative research is research that produces descriptive data in the form of field notes, interview transcripts, photos, and other documents. Literature study is research conducted by collecting data from existing literature, such as books, articles, journals, and other documents (Syamsul & Kuswaja, 2023); Cresswell, 2014)

The data to be used in this study are literature related to the effectiveness of product marketing through social media and conventional media, as well as customer perceptions of Islamic banks. Literature related to the effectiveness of product marketing through social media and conventional media can be obtained from various sources, such as scientific journals, books, and articles on the internet. Literature related to the perception of Islamic bank customers can be obtained from the results of surveys, interviews, or case studies. (Miles, 2020)

3. Result and Discussion

There are several reasons and factors that drive many people and businesses to prioritize the marketing aspect through media as opposed to the field sales approach. Some of these factors are also applied by Islamic banks in their marketing strategies, among the reasons and factors for the use of social media and conventional media in marketing that are often carried out by Islamic banks are as follows:

1. The main reason is to reach the target audience. Social media has a wide reach and can be accessed by people from various circles and backgrounds. This provides a great opportunity for Islamic banks to reach a wider audience. However, conventional media is also still relevant in reaching the target audience, depending on the media channel used. (Azhar, 2020)
2. The use of social media and conventional media can help Islamic banks in conveying interesting and informative messages to the target audience. Social media has the advantage of delivering interactive and dynamic messages, while conventional media has the advantage of delivering more complex and professional messages. (Refilia, 2023)
3. In addition, both social media and conventional media can be used to build relationships with customers. Social media allows Islamic banks to interact directly with customers in real-time, while conventional media allows Islamic banks to build relationships with customers more formally.

In addition to these reasons, there are several factors to consider in choosing the right marketing media.

1. The characteristics of the target audience become an important factor. If the target audience is people who actively use social media, then social media is the right choice. However, if the target audience is more traditional, then conventional media becomes more relevant.
2. Marketing objectives also need to be considered. If the goal of marketing is to increase brand awareness, then social media is the right choice. However, if the goal of marketing is to increase sales, then conventional media becomes more relevant. (Ahmad, 2023)
3. The cost factor is also an important consideration in choosing marketing media. Social media has relatively more affordable costs compared to conventional media, allowing Islamic banks to optimize their marketing budgets. Thus, Islamic banks can achieve maximum results with good cost efficiency.
4. In addition, social media provides advantages in the form of fast feedback. Potential customers can provide feedback and comments directly, giving Islamic banks the opportunity to interact dynamically, provide answers to questions, and make necessary adjustments in marketing strategies.

From the explanation of the reasons and factors for the use of social and conventional media, several advantages can be seen in its use in marketing activities. This explanation also provides an overview of the benefits of marketing through social and conventional media for Islamic banks.

The wide reach in social media can be explained by several important points because social media can be accessed by people from various circles and backgrounds. The availability of electronic devices such as smartphones and computers facilitates access, so that not only certain circles can use it. This creates an opportunity to reach audiences from all walks of life. (Goddess, 2022)

Data from Hootsuite and We Are Social in 2023 provides interesting information about social media penetration in Indonesia. According to the data, social media users in Indonesia reached 220.6 million people, which is equivalent to 71.8% of the country's total population. The number of users reaching more than two hundred million shows that social media has permeated significantly among the people of Indonesia. This phenomenon indicates that social media has become a very effective and popular communication channel in Indonesia, opening up great opportunities for business people, including Islamic banks, to reach a wide audience through this platform.

The rapid year-on-year growth, as seen in the data on social media user growth from 2015 to 2023, reflects the strong and growing adoption by Indonesians of social media platforms. By covering a wide range of ages, backgrounds, and geographic locations, social media is an inclusive channel for communication and interaction. The accessibility of electronic devices, such as smartphones and computers, also makes it easier for people from various walks of life to access and use social media. (We Are Social, 2023)

The data provides strong confirmation that social media can be an effective means for Islamic banks in reaching their target audience. By understanding the demographics of social media users, Islamic banks can design more appropriate and relevant marketing strategies to convey their messages to the desired segments of the population. (Ahmad, 2023) With high penetration and growing growth, social media in Indonesia has become an integral part of people's daily lives, providing a great opportunity to expand their reach and raise awareness of the products and services offered by Islamic banks. (Ascarya, 2018)

Social Media Reach Table:

Table 3.1 Growth of Social Media Users over Time

Year	Number of Users
2015	53.7 million
2016	66.7 million
2017	82.7 million
2018	102.1 million
2019	125.2 million
2020	151.9 million
2021	182.2 million
2022	206.0 million
2023	222.6 million

Source : Hootsuite and We Are Social, "Digital 2023: Indonesia"

Table 3.2 Social Media User Demographics

Age	Percentage
18-24	57,40%
25-34	26,10%
35-44	10,50%
45-54	4,50%
55-64	1,20%
65+	0,30%

Source : Hootsuite and We Are Social, "Digital 2023: Indonesia"

Table 3.3 Geomapping of Social Media Users

Province	Number of Users
West Java	37.3 million
East Java	30.7 million
Jakarta	25.5 million
Central Java	24.1 million

Source : Hootsuite and We Are Social, "Digital 2023: Indonesia"

Such social media reach tables can provide visualizations that strengthen the argument. They can include growth in social media users over time, user demographics, or geographic mapping, showing the extent to which social media reaches and influences different segments of the population.

Additional points that support the effectiveness of social media in marketing include aspects of relatively low cost and quick feedback. The advantage of low costs gives business actors, including Islamic banks, the opportunity to make optimal use of it, reducing the burden of advertising costs that are usually associated with conventional media. Social media's ability to provide feedback quickly is also a valuable asset, enabling Islamic banks to respond dynamically to consumer needs and increase customer satisfaction. (Refilia, 2023)

Furthermore, the advantages of social media over conventional media, such as effectiveness in reaching specific target audiences, high levels of interactivity, and flexibility, create a strong foundation for Islamic banks to utilize it in marketing their products. With the ability to target specific audiences, interact directly with them, and flexibility in presenting content, social media provides an effective tool for building relationships with potential customers and increasing brand awareness. (Azhar, 2020)

However, it is necessary to be aware that social media also has shortcomings that need to be managed wisely. The potential spread of inaccurate information and intense competition in the social media environment suggest that Islamic banks need to manage these platforms carefully. With discretion in responding to these challenges, Islamic banks can minimize risk and maximally leverage the benefits of social media in their marketing strategies.

Table 3.4 comparison of the effectiveness of the use of social media and conventional media

Characteristic	Social Media	Conventional Media
Excess	Reach a wide target audience	Can provide more complex messages
	Relatively low cost	Can provide quick feedback
Deficiency	Fierce competition	Uncontrolled content
	Relatively expensive cost	Effective for specific target audiences
Marketing Strategy	Utilize features on social media, such as stories, live, engaging content and reels	Create creative and engaging content
	Using mass media, such as television, radio, and newspapers	Create attractive and informative ads

4. Conclusion

From the researcher's presentation, it can be concluded that profit has a crucial role in determining the success of a business, including in the banking industry, especially Islamic banks which experience increased interest from the public. The marketing process at Islamic banks involves complex strategies to influence potential customers in using the financial products offered. Social and conventional media are the two main choices in these marketing efforts. Social media, with its wide reach, relatively low cost, and fast feedback, is becoming an effective tool in reaching the target audience, especially by utilizing advanced targeting features. However, conventional media also has advantages in reaching a wide target audience, conveying more complex messages, and giving a more professional impression. Therefore, the selection of marketing media needs to be adjusted to the characteristics of the target audience, marketing objectives, and cost factors.

References

Ahmad Azhar, "The Role of Social Media in Marketing: Why and How Should Bank Islamic Utilize it Effectively?" (Master's thesis, 2020).

Ahmad, A., & Marella, K. V. (2023). Marketing Effectiveness of Islamic Bank Products Through Social Media and Conventional Media. *Journal of Islamic Economics*, 14(2), 248-263.

Ahmad. 2020. Strategic Management. CV. Nas Media

Al-Qardawi, Y. (2017). *Fiqh muamalah* (13th ed.). Darul Falah.

Ariyanti, R., & Syriac, R. (2022). Marketing strategy of Islamic Bank products through social media. *Journal of Management and Accounting*, 16(2), 107-120,

Ascarya, A. (2018). *Islamic banks: Theory, practice, and regulation* (2nd ed.). Gold.

Creswell, J. W. (2014). Research design: Qualitative, quantitative, and mixed methods approaches. SAGE Publications.

Fauzan, I., & Hidayat, R. (2021). The effectiveness of marketing Islamic bank products through social media. *Journal of Islamic Accounting and Finance Research*, 6(2), 134-142.

Goddess, S., Fasa, M.I & Suharto. 2022. Sharia Bank Marketing Strategy with Digital Marketing. *Journal of Islamic Economics and Islamic Banking* Vol. 02 No. 2

Hootsuite & We Are Social. (2023). Digital 2023: Indonesia. Hootsuite & We Are Social.

Indonesian Bankers Association. (2023). Indonesian banking statistics. Indonesian Bankers Association.

Indriyani and Rizal Fahlevi, "Marketing Effectiveness of Sharia Banks Using Instagram Social Media in Indonesia" (Institute for Research and Community Service, Universitas Islam "45" Bekasi, Paradigma, Vol. 17, No. 1, 2020)

Khoerulloh, A. K., & Puneri, A. (2023). IMPACT OF COVID-19 ON SHARIA BANK PROFITS: A CASE STUDY AT BANK MUAMALAT. *Airlangga International Journal of Islamic Economics and Finance*, 6(02), 97-105. <https://doi.org/10.20473/aijief.v6i02.50724>

Marketing of Sharia Bank Products Through Social Media and Conventional Media, (2022), *Journal of Sharia Economics*, vol. 16, no. 3

Miles, M. B., Huberman, A. M., & Saldana, J. (2020). Qualitative data analysis: A methods sourcebook. Sage Publications.

Refilia, D.N., Suharto, S., & Pahlawi, N. (2023). Utilization of Social Media in Marketing Bank Syariah Indonesia Products. *Journal of Business Management*, 4(1).

Syamsul, E. M., & Kuswaya, A. (2023). Expert Wakaf, Wakif Family Social Security in The Achievement of Sustainable Development Goals. *Journal of International Conference Proceedings*, 6(3), 35-49.