

ABSTRACT

THE EFFECT AMOUNT OF AUTOMATED TELLER MACHINE, DIFFERENCE IN INTEREST RATE AND PROFIT SHARING, AS WELL MARKET SHARE ON THIRD PARTY FUNDS ISLAMIC COMMERCIAL BANKS IN INDONESIA PERIOD 2015.1 - 2018.12

This study to know and analyze the effect amount of Automated Teller Machines (ATMs), difference in interest rate and profit sharing, as well market share on third party funds Islamic commercial banks in Indonesia. The data used are monthly data for the period 2015-2018. The analysis tools are using the Error Correction Model (ECM) which used to determine the effect between variables in the short term and long term. The data used are secondary data in the form of time series with 48 observations, where the data comes from the Sharia Banking Statistics and Indonesian Banking Statistics Reports for the period 2015-2018.

The result of this study is simultaneously, variable amount of Automated Teller Machines (ATMs), difference in interest rate and profit sharing, as well market share affect significantly to the third party funds Islamic commercial banks in Indonesia Period 2015.1-2018.12. Whereas, partially during the study period, the variable amount of Automatic Teller Machines (ATMs) has no effect on third party funds of Islamic commercial banks in the short term or long term. Variable interest rate difference and profit sharing in the short term have no effect but in the long run negatively affect on third party funds of islamic commercial banks. Market share variables in the short and long term have a positive effect on third party funds of Islamic commercial banks in Indonesia. Thus, the results of this study are beneficial for practitioners and institutions to create policies to encourage the development of Islamic commercial banks, especially in terms of access, benefits and maintaining public confidence.

Keywords : amount of Automated Teller Machines (ATMs); difference in interest rate and profit sharing; market share; third party funds; Error Correction Model (ECM).