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Analyzing Consumer Decisions in Utilizing Gold Pawn Services through the Service Marketing Mix Approach

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ABSTRACT

This study aims to analyze the influence of the service marketing mix on consumer decisions to use Islamic gold pawn services at Bank Syariah Indonesia (BSI) KCP Medan Adam Malik. The marketing mix includes seven variables: product, price, place, promotion, people, process, and physical evidence. A quantitative descriptive approach was employed, using purposive sampling to collect data from 30 respondents who had used the gold pawn services at the selected branch. Data were gathered through a structured questionnaire and analyzed using multiple linear regression. The results showed that the marketing mix variables simultaneously have a significant effect on customer decisions. However, only two variables place and people were found to have a significant partial effect. The place variable emerged as the most influential factor, indicating the importance of strategic location and branch accessibility in customer decision-making. The findings underscore the need for targeted marketing strategies focused on service delivery and branch presence to increase customer engagement in Islamic pawn financing. This study contributes to the growing body of literature on Islamic financial services marketing and offers practical insights for enhancing consumer trust and participation in Sharia-compliant financial products.

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INTRODUCTION

In the modern era, the evolution of social and economic structures has resulted in increasingly complex consumption needs. As time progresses, the ability of individuals to meet material demands, such as clothing, food, and other essentials, has become both more important and more challenging. The mismatch between rising consumption needs and stagnant or limited income presents significant economic tension for many households. One consequence is the growing reliance on external financial support, including borrowing from relatives and, more notably, financial institutions. Among the various financial products offered to address such needs, Islamic pawn financing, specifically gold-backed pawn or rahn emas, has emerged as an important solution for middle- and lower-income communities in Indonesia and other Muslim-majority countries.

Islamic gold pawn financing, commonly referred to as Gadai Emas Syariah, allows customers to pledge gold, either in the form of jewelry or bullion, as collateral to obtain short-term financing in accordance with Sharia principles. This practice is based on the concept of rahn, wherein the gold serves as a guarantee for the repayment of debt, while the bank may apply an ijarah (lease) contract to earn income by charging a safekeeping fee for the gold. This product is not only significant from an operational standpoint but also represents a religiously compliant financing alternative that aligns with the principles outlined by the Indonesian Ulema Council's Fatwa No. 26/DSN-MUI/III/2002 on gold pawning (Marliyah et al., 2024). The fatwa stipulates that storage and maintenance costs are to be borne by the lender (rahin), and fees are calculated based on management costs paid upfront and safekeeping fees paid at maturity.

In line with this framework, Bank Syariah Indonesia (BSI) has launched Gadai Emas services across several branches, including the Medan Adam Malik Sub-Branch Office (KCP), which began operating this service in 2021. The accessibility of this service is notable, only requiring an ID card, a BSI bank account, and the physical gold to be used as collateral. To understand the cost structure of this financing, BSI provides a detailed table of storage and administrative fees, as shown below:

Table 1. *Gold Storage Fees at BSI KCP Medan Adam Malik*

No	Estimated Gold Value	Storage Fee (per Month)
1	Rp. 500,000 to Rp. 20,000,000	1.81%
2	Rp. 20,000,000 to Rp. 100,000,000	1.51%
3	Rp. 100,000,000 to Rp. 250,000,000	1.11%

Source: Bank Syariah Indonesia, 2024

BSI Medan Adam Malik ensures that pledged items are stored securely using industry-standard fireproof and bulletproof vaults, with controlled access limited to authorized staff members. This security infrastructure adds confidence among customers and complies with the operational standards expected of Islamic financial services (Khan et al., 2023).

In addition to storage fees, customers are charged a one-time administrative fee at the beginning of the transaction. The structure of these fees is detailed below:

Table 2. *Administrative Fees for Gold Pawn Financing*

No	Estimated Gold Value	Administrative Fee
1	Rp. 500,000 to Rp. 20,000,000	Rp. 25,000
2	Rp. 20,000,000 to Rp. 100,000,000	Rp. 80,000
3	Rp. 100,000,000 to Rp. 250,000,000	Rp. 200,000

Source: Bank Syariah Indonesia, 2024

During the contract signing process, the bank clearly outlines the terms and conditions, including expected profit margins for the bank, administrative and storage fees, gold weight classifications, installment terms, and repayment timelines. The clarity and transparency of these explanations are essential for fostering customer trust and satisfaction (Kidron, 2021).

Despite the availability and structured benefits of this product, the number of users of the Gadai Emas Syariah service remains relatively low, which can be attributed to a lack of public awareness and understanding. This is evident in the data presented below:

Table 3. *Number of Outstanding Loans and Customers at BSI KCP Medan Adam Malik*

No	Year	Outstanding (in Billion IDR)	Number of Accounts (NOA)
1	2021	0.02	1
2	2022	1.26	105
3	2023	2.67	194

Source: Bank Syariah Indonesia, 2024

Although there has been a marked increase in both outstanding loan volume and number of customers since 2021, the 2023 data still shows that BSI KCP Medan

Adam Malik has the lowest performance in terms of Fee-Based Income (FBI) for gold pawn financing across the Medan City Area:

Table 4. *Fee-Based Income from Gold Pawn Services at BSI Area Medan Kota*

No	Outlet Name	31-Dec-2023	31-Mar-2024	16-Apr-2024
1	KCP Medan Padang Bulan	2,002.47	529.72	619.36
2	KC Medan A Yani	1,634.38	488.46	589.21
3	KCP Medan Iskandar Muda 1	1,662.97	387.95	528.91
4	KCP Medan Sukaramai	1,423.29	373.48	431.45
5	KCP Medan Aksara	1,277.92	359.73	424.74
6	KC Lubuk Pakam	1,234.47	350.11	373.66
7	KCP Medan Pulo Brayan	1,034.80	273.63	321.48
8	KC Medan S Parman	490.89	251.74	307.55
9	KCP Medan Muchtar Basri	1,168.05	250.42	294.69
10	KCP Medan Kampung Baru	771.46	226.84	272.47
11	KCP Medan Simpang Limun	721.07	209.84	246.22
12	KCP Medan Krakatau	497.69	167.33	198.56
13	KCP Medan Adam Malik	312.67	122.70	148.56
TOTAL Medan Kota Area		14,252.12	3,938.94	4,641.96

Source: Bank Syariah Indonesia, 2024

This reality reflects the pressing need for enhanced promotional and educational efforts to increase customer engagement with Gadai Emas services. In response to this issue, the bank must employ a comprehensive marketing strategy rooted in the service marketing mix (7Ps) model, which includes product, price, promotion, place, people, process, and physical evidence (Hossain et al., 2020). These elements should not be viewed in isolation, but as an interconnected system designed to shape customer decisions.

According to Gao et al. (2020), the marketing mix comprises controllable elements that organizations can adjust to meet customer needs. Wichmann et al. (2021) describes the marketing mix as a set of marketing tools used to pursue marketing objectives in the target market. In service marketing, relying solely on the traditional 4Ps, product, price, promotion, and place, is insufficient. Due to the

intangible nature of services, people, process, and physical evidence are added to better capture service characteristics and enhance customer satisfaction.

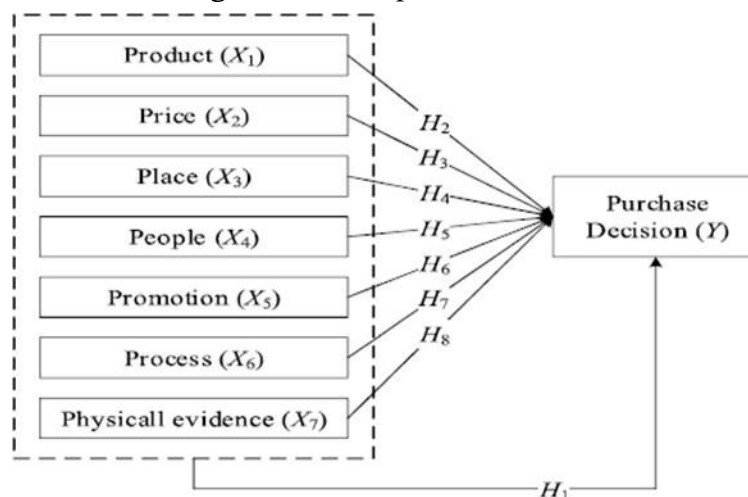
A product must provide real value to consumers, be competitive, and have a distinctive appeal. Indicators of product quality include suitability for the market, usefulness, competitiveness, recognition, flexible payment terms, and attractiveness (Wang et al., 2019). Pricing must be rational and competitive, including fixed and floating interest rates, promotional discounts, absence of appraisal fees, and affordable contract fees. The place or location must offer accessible branch offices, ATM networks, information access, and clean facilities.

Promotion strategies are necessary to inform and attract consumers through engaging advertisements and informative brochures. The process encompasses gold appraisal, financing assessment, loan approval, renewal, and repayment. Indicators include responsive service, efficient payment processing, and prompt handling of renewals and redemptions.

People or human elements refer to marketers and front-line employees whose product understanding, ethics, and demeanor impact customer satisfaction. Indicators include friendliness, responsiveness, product knowledge, and honesty. Physical evidence, as emphasized by Philip Kotler, consists of tangible cues that signal service quality, including strategic office location, comfortable service rooms, and clear informational posters.

The consumer decision to use Islamic gold pawn services is shaped by their evaluation of these seven dimensions. A strong product offer, fair pricing, effective communication, accessible service locations, knowledgeable and ethical personnel, efficient processes, and visible physical cues all contribute to positive customer experiences and decisions.

Figure 1. Conceptual Framework



Based on this framework, the hypotheses tested in this study are: H1: Product, Price, Promotion, Place, People, Process, and Physical Evidence simultaneously influence the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H2: Product significantly influences the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H3: Price significantly influences the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H4: Promotion significantly influences the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H5: Place significantly influences the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H6: People significantly influence the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H7: Process significantly influences the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik. H8: Physical Evidence significantly influences the decision to use the Islamic gold pawn service at BSI KCP Medan Adam Malik.

Given the significance of Gadai Emas as a tool for financial inclusion and empowerment, particularly among individuals who may lack access to traditional credit, it is critical to analyze the marketing strategy implemented by BSI KCP Medan Adam Malik. By doing so, this research aims to examine how the 7Ps of service marketing influence customer decisions regarding the use of Gadai Emas services and to identify which variables exert the greatest impact.

In light of the discussion above, this study is titled: "An Analysis of Consumer Decisions in Using Islamic Gold Pawn Services Through the Service Marketing Mix Approach." This research contributes to both academic understanding and practical recommendations for improving Islamic financial product marketing in Indonesia.

METHODS

This research adopts a quantitative descriptive approach, which is appropriate for identifying patterns, relationships, and statistical associations between variables in a structured and objective manner (De Pilli et al., 2024). The primary objective of this study is to examine the influence of the Service Marketing Mix, consisting of seven dimensions: product, price, promotion, place, people, process, and physical evidence, on consumer decisions to utilize Islamic gold pawn services provided by Bank Syariah Indonesia (BSI) at its Medan Adam Malik sub-branch. In this context, the dependent variable is the consumer's decision to use the gold pawn service, while the independent variables comprise the seven elements of the service marketing mix. This study assesses both partial (individual) and simultaneous (joint) effects of these variables on consumer decision-making, thereby providing a more nuanced understanding of the service usage behavior among BSI's customers (Wen et al., 2020).

The rationale for selecting BSI KCP Medan Adam Malik as the specific research location is based on its comparatively low Fee-Based Income (FBI) performance in gold pawn services, especially when benchmarked against other sub-branches within the BSI Medan City Area. According to internal performance reports from 2023 and early 2024, this branch recorded the lowest figures in revenue generation and customer participation, despite the general rise in gold pawn transactions across other BSI outlets (Bank Syariah Indonesia, 2024). This underperformance signals a potential gap in marketing effectiveness or consumer engagement, warranting further investigation into the determinants of customer decision-making. Thus, BSI KCP Medan Adam Malik serves as a relevant and strategic case study site to explore how marketing strategies may impact service adoption within Islamic financial institutions.

The data collection period took place over one month, beginning in early May 2024 and concluding at the end of the same month. This time frame was chosen to ensure the recency and validity of consumer responses and to capture behavioral patterns reflective of current market conditions. All activities, including the development, distribution, and return of questionnaires, were completed within this schedule.

The target population for this research includes all existing or recent users of the Gadai Emas Syariah service at BSI KCP Medan Adam Malik. Due to the specific nature of the research objective, the study employed a purposive sampling technique, which is categorized under non-probability sampling methods. This technique allows researchers to deliberately select individuals who meet predetermined inclusion criteria, in this case: customers who had conducted at least one gold pawn transaction in the past 12 months. This method is especially suitable for studies that aim to understand specific customer behaviors or decision-making processes within a defined setting. As explained by Ames et al. (2019) purposive sampling is advantageous when the goal is to obtain insightful and experience-based data from participants who possess direct and relevant knowledge of the subject matter.

The total number of valid respondents in this study was 30 individuals. While this may be considered modest in quantitative research, it is consistent with the exploratory scope of the study and sufficient to conduct preliminary statistical analyses. Additionally, the focus on a single branch ensures that the data remain context-specific and actionable for local management purposes (Malaurent & Avison, 2016).

The research instrument used for data collection was a structured questionnaire, which was constructed to evaluate all seven dimensions of the marketing mix and the dependent variable, namely consumer decision-making. Each

dimension was represented by multiple indicators, and responses were measured using a five-point Likert scale, ranging from "Strongly Disagree" to "Strongly Agree". This format was chosen for its ability to capture the intensity of respondent attitudes and perceptions in a scalable and analyzable manner (Samant et al., 2017). Prior to full distribution, the questionnaire was reviewed and validated by academic experts in the fields of marketing, Islamic economics, and financial services to ensure the content's construct validity, clarity, and consistency with the research objectives (Fernández-Gómez et al., 2020).

The questionnaire distribution was carried out electronically using Google Forms, allowing for flexible access and efficient real-time data collection. Respondents were recruited through direct outreach by bank staff and targeted digital communication channels such as WhatsApp or email. Clear instructions and ethical disclosures were included in the form to inform participants about the purpose of the study, ensure voluntary participation, and guarantee the confidentiality and anonymity of their responses.

Upon completion of the data collection phase, the responses were coded and entered into statistical software for processing. Data analysis involved the use of both descriptive and inferential statistics. Descriptive statistics were used to summarize the demographic profile and general trends in the responses, while inferential techniques, particularly multiple linear regression, were employed to test the hypotheses regarding the influence of each marketing mix element on the consumer decision variable. This approach enables the identification of which variables exert a statistically significant impact on the decision to use gold pawn services and helps prioritize strategic marketing improvements (Otto et al., 2020).

Overall, the methodology adopted in this research provides a structured framework for examining how marketing factors shape consumer behavior within the Islamic finance industry, specifically within the context of pawn-based microfinancing solutions. It also offers practical insights for improving service delivery, customer engagement, and marketing effectiveness at the branch level.

RESULT

This section presents a comprehensive overview of the findings from the statistical analysis conducted to assess the relationship between the dimensions of the service marketing mix and the customer decision to use gold pawn services at Bank Syariah Indonesia (BSI) KCP Medan Adam Malik. The analysis was carried out using multiple linear regression, which enables the estimation of the influence of multiple independent variables on a single dependent variable. The key components of this analysis include the model summary, ANOVA (Analysis of Variance), and

coefficient tables, which collectively provide insight into both the overall and individual contributions of each marketing mix variable to consumer behavior.

Table 5. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.885	0.784	0.718	0.32668

The model summary indicates a correlation coefficient (R) of 0.885, signifying a very strong and positive linear relationship between the seven service marketing mix variables product, price, place, promotion, people, process, and physical evidence and the consumer decision to use the gold pawn service at BSI KCP Medan Adam Malik. This high R value suggests that changes or improvements in the marketing mix are strongly associated with variations in consumer decisions, underscoring the relevance of these variables in influencing customer behavior. In practical terms, it implies that the more effectively the bank manages and delivers its marketing mix strategy, the more likely it is to positively influence the decision-making process of its customers.

Furthermore, the R Square value of 0.784 implies that approximately 78.4% of the variation in the dependent variable consumer decision is explained by the independent variables represented by the service marketing mix. This level of explanatory power is considered substantial in behavioral and marketing research, indicating that the selected model captures the majority of influential factors within the scope of the study. It reflects that customer choices in using gold pawn services are highly influenced by marketing-related elements provided by the bank, such as the attractiveness of the product offerings, the pricing mechanism, the accessibility of service locations, and the responsiveness of customer service representatives.

However, it is also critical to acknowledge the remaining 21.6% of the variance, which is not accounted for by the model. This residual variance suggests the presence of other influential factors outside the traditional 7Ps framework. These could include intangible elements such as brand trust, religious or cultural alignment with Islamic financial principles, personal recommendations from family and friends, or even broader economic conditions such as inflation, income stability, and consumer confidence. For example, Ozdemir et al. (2020) emphasize that religiosity and perceived ethical alignment often play a critical role in shaping consumer preferences in Islamic banking contexts, and such factors are not directly captured within the standard service marketing mix.

Therefore, while the model offers a robust explanation of customer decision-making from a marketing perspective, future research may benefit from integrating

complementary variables that reflect socio-cultural, psychological, or institutional influences to gain a more holistic understanding of consumer behavior in Islamic financial services.

The Adjusted R Square value of 0.718 corrects for the number of predictors in the model, making it a more accurate measure for small sample sizes, such as the one used in this study (n = 30). The standard error of the estimate, at 0.32668, provides an estimate of the average distance that the observed values fall from the regression line. This relatively low value suggests a good fit of the model to the data (Gu & Cheung, 2023).

Table 6. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	8.900	7	1.271	11.914	0.000
Residual	2.455	23	0.107		
Total	11.355	30			

The results of the ANOVA test demonstrate that the model is statistically significant, with an F-value of 11.914 and a p-value (Sig.) of 0.000, which is well below the common significance threshold of 0.05. This means that, taken together, the seven independent variables in the model, representing the elements of the 7P service marketing mix, have a simultaneous effect on the decision of customers to use gold pawn services. Accordingly, Hypothesis 1 (H1) is accepted, indicating that the marketing mix plays a significant role in shaping consumer behavior in the context of Islamic financial services (Amin et al., 2017).

Table 7. Multiple Linear Regression Coefficients

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
(Constant)	1.528		1.865	0.075
Product (X1)	0.139	0.384	1.560	0.132
Price (X2)	0.029	0.083	0.228	0.822
Place (X3)	0.563	1.081	4.364	0.000
Promotion (X4)	-0.149	-0.206	-0.701	0.491
Process (X5)	0.149	0.125	0.735	0.470
People (X6)	-0.194	-0.383	-1.817	0.082

Physical Evidence (X7)	-0.158	-0.314	-1.226	0.233
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The coefficient table provides detailed insights into the individual contributions of each marketing mix variable to consumer decision-making. While some variables have stronger statistical effects than others, only one, Place (Tempat), is found to be statistically significant at the 5% level ($p = 0.000$).

1. The Product (X1) variable shows a positive standardized beta of 0.384, but the p-value of 0.132 (> 0.05) indicates no significant partial effect. Thus, Hypothesis 2 (H2) is rejected.
2. Price (X2) also has a minimal effect, with a p-value of 0.822 and a very low beta of 0.083, leading to the rejection of Hypothesis 3 (H3).
3. Place (X3) has the strongest effect among all variables, with a very high standardized beta of 1.081 and a p-value of 0.000. This supports Hypothesis 4 (H4), confirming that accessibility, location, and branch environment are crucial determinants of customer behavior (Yin et al., 2023).
4. Promotion (X4) yields a negative beta and an insignificant p-value (0.491), hence Hypothesis 5 (H5) is rejected.
5. Process (X5) is also statistically insignificant with a p-value of 0.470, leading to the rejection of Hypothesis 6 (H6).
6. People (X6) has a borderline p-value of 0.082, suggesting a potential marginal influence that may become significant with a larger sample size. Hypothesis 7 (H7) is tentatively accepted.
7. Physical Evidence (X7) also does not show a significant effect ($p = 0.233$), resulting in the rejection of Hypothesis 8 (H8).

The constant (intercept) of 1.528 suggests that even in the absence of all seven predictors, there is a baseline tendency for customers to use gold pawn services, possibly due to factors such as religious motivation or urgent financial needs (Aseery, 2023).

DISCUSSION

The findings of this study offer important insights into how various components of the service marketing mix influence customer decisions in the context of Islamic gold pawn services. The results from the F-test reveal that all seven dimensions, product, price, place, promotion, people, process, and physical evidence,

have a significant simultaneous effect on consumer decisions. This supports Hypothesis 1 (H1) and underscores the idea that service quality is best understood as a multifaceted construct in the context of Islamic financial services. These findings are in line with Fida et al. (2020), who observed that the marketing mix as a whole significantly affected consumer behavior in the use of online transportation services, confirming that the 7P model remains relevant across industries and platforms.

When analyzed individually, however, the effect of each variable on customer decisions varies, providing deeper insights into consumer behavior.

The Product (X1) variable showed a positive coefficient but did not reach statistical significance ($p = 0.132 > 0.05$), leading to the rejection of Hypothesis 2 (H2). This result is consistent with Chandra (2019), who found that the product dimension did not have a significant partial effect in the context of online transportation services. However, it contrasts with findings from Amin et al. (2017), who demonstrated that the product variable significantly influenced consumer decision-making in the context of mortgage loan selection. The inconsistency in these results may be attributed to differences in product complexity and customization. In mortgage lending, for example, various product options and benefits may significantly influence consumer preference, while in gold pawning, the product is relatively standard and uniform. Therefore, it is plausible that in this specific context, product differentiation is limited and less influential on decision-making. Customers may perceive gold pawn services across providers as offering similar benefits, thereby reducing the weight of product features in the decision-making process (Long et al., 2016).

Price (X2) also failed to show a significant impact ($p = 0.822$), leading to the rejection of Hypothesis 3 (H3). While this finding aligns with Wen et al. (2020), who found that price did not influence mortgage loan decisions, it contrasts with Long et al. (2016), who showed that pricing strategies significantly influenced consumer preferences in the hotel industry. The lack of price sensitivity in the gold pawn service may reflect a different consumer mindset. Customers may prioritize ease of transaction, trust, or urgency over minor pricing differences, especially in situations of financial need. Additionally, Islamic pawn pricing structures are generally governed by religious compliance (Shariah law), which standardizes certain cost elements and diminishes competitive variation, thereby lessening its influence in customer decision-making (Uluyol, 2024).

Among the seven variables, Place (X3) stood out as the only variable with a statistically significant partial effect ($p = 0.000 < 0.05$). This supports Hypothesis 4 (H4). The strong influence of location and accessibility indicates that consumers highly value convenience when choosing gold pawn services. This finding is

corroborated by Basciftci et al. (2019), who noted that physical location played a critical role in consumer decisions related to hospitality services. On the other hand, Tzur-Ilan (2023) did not find a similar effect in housing loan choices, suggesting that place becomes a more relevant factor for services involving frequent or urgent visits, such as pawn transactions. The importance of place in this study suggests that customers may prefer outlets that are near their residence or workplace, easily reachable via public transportation, or located in well-known commercial areas that inspire a sense of trust and safety (Küçükaydin & Aras, 2020).

Promotion (X_4) did not significantly influence decisions ($p = 0.491$), thus rejecting Hypothesis 5 (H_5). This result supports the findings of Lim and Ok (2022), who found that promotional efforts were effective in increasing hotel bookings. The ineffectiveness of promotional activities in this case might stem from a lack of awareness, poor communication strategies, or irrelevant promotional content. It is also possible that the promotional materials distributed by the bank were not persuasive enough to change consumer behavior or lacked personalization. Furthermore, consumers may rely more heavily on word-of-mouth recommendations and previous personal experiences rather than advertisements when making financial decisions, particularly in culturally sensitive contexts such as Islamic banking (Rahman et al., 2023).

Process (X_5) also did not significantly affect customer decisions ($p = 0.470$), leading to rejection of Hypothesis 6 (H_6). This finding aligns with Lim and Ok (2022), who found that process had a positive effect in the online transportation sector. The minimal influence of process may suggest that gold pawn procedures are already streamlined and perceived as standardized, which means consumers do not differentiate between providers based on operational procedures. Alternatively, consumers may be unaware of the process complexities unless they encounter difficulties, leading to process quality being taken for granted unless it is exceptionally bad or good (Xu et al., 2020).

The People (X_6) variable yielded a p-value of 0.082, which, although not below the 0.05 threshold, suggests a marginal or borderline influence on consumer decisions. Given its near-significant result, Hypothesis 7 (H_7) is tentatively accepted. This finding echoes Lim and Ok (2022), who reported a positive influence of service personnel on consumer decisions, but contradicts Albayati et al. (2020), who found that the people dimension did not significantly influence school selection. In the gold pawning context, customer service officers and front-liners play a crucial role in building trust, especially given the sensitive nature of financial transactions. Personal rapport, empathy, competence, and religious sensitivity might enhance the perceived credibility and satisfaction of the service experience, which in turn could subtly influence consumer loyalty and usage frequency (Matute et al., 2018).

Lastly, Physical Evidence (X7) did not show a significant effect ($p = 0.233$), leading to the rejection of Hypothesis 8 (H8). While Cheung et al. (2020), found a significant impact of physical evidence in mortgage services, in this study, elements such as the physical environment, cleanliness, and signage may have been perceived as less critical in comparison to convenience and access. This might be attributed to the utilitarian nature of gold pawn transactions, where physical ambiance plays a secondary role. Customers may value functional elements such as quick service, transparent procedures, and safety over aesthetics or branding, especially in urgent situations (Nguyen et al., 2018).

In conclusion, among all seven variables, only place showed a statistically significant partial effect, indicating that accessibility and branch location are major determinants in the decision to use gold pawn services at BSI KCP Medan Adam Malik. This finding provides a strong recommendation for financial service providers, especially Islamic banks, to carefully consider geographic placement and regional access in order to increase usage and customer satisfaction. Additionally, while other factors such as people and product did not reach significance in this study, their practical importance should not be dismissed and may warrant further investigation in future studies involving larger and more diverse samples (Hallencreutz & Parmler, 2019).

CONCLUSION

The conclusion section should provide a concise summary of the main findings of the study. It should highlight the key outcomes and their significance, emphasising how the research contributes to the existing body of knowledge. The conclusion should also reflect on the broader implications of the findings and suggest potential directions for future research. Any limitations encountered during the study should be acknowledged, and recommendations for further investigation or practical application may also be included.

The findings of this study indicate that among the seven variables included in the service marketing mix, product, price, place, promotion, people, process, and physical evidence, only two variables, namely people (human resources) and place (location), demonstrated a statistically significant influence on customer decisions to use gold pawn services at Bank Syariah Indonesia (BSI) KCP Medan Adam Malik. The remaining five variables, product, price, promotion, process, and physical evidence, were not found to have a significant effect. These results provide valuable insight into the relative importance of different marketing mix elements in shaping consumer behavior within the context of Islamic financial services. They also emphasize the need for financial institutions to adopt a more targeted and evidence-based

marketing strategy, particularly in branches with lower performance metrics such as the one analyzed in this study.

One of the significant variables identified is people, which in this context refers to the human resources, specifically, the frontline marketing staff or customer service representatives who interact directly with clients. In the service industry, especially in financial services that require a high level of trust, the quality of interpersonal interactions between staff and customers can have a substantial impact on consumer decision-making. High-performing organizations often adopt human capital strategies that focus on developing *intellectual capital*, cultivating a *learning organization* culture, and implementing executive education programs that enhance service professionalism and customer empathy. These strategies not only equip marketing personnel with the necessary technical knowledge but also empower them to communicate effectively, respond promptly to customer inquiries, and build rapport that fosters long-term client loyalty. As such, the significant influence of human resources on customer decisions supports the notion that personal interaction is a vital touchpoint in the customer experience journey, especially in trust-based services like gold pawning.

The second variable found to have a significant influence is place, referring to the accessibility and strategic location of the bank branch. The physical location of a service provider plays a pivotal role in determining consumer convenience and perceived value. A branch that is located in a central, easily accessible area with adequate facilities such as parking space, public transportation access, and a clean, organized environment contributes positively to the overall service experience. Consumers often evaluate the practicality of using a service not only based on the product offering but also on how easy and comfortable it is to access that service. Who noted that place has a notable influence on service usage decisions in the hospitality sector, a conclusion that appears to hold true for financial services as well. For BSI KCP Medan Adam Malik, enhancing branch accessibility and improving the physical layout of its premises may be strategic steps toward attracting and retaining more customers, especially those who prioritize ease and efficiency in conducting financial transactions.

The significant effects of these two variables suggest that consumers value interpersonal trust and physical accessibility above other marketing mix elements in the context of Islamic gold pawn services. This may be attributed to the sensitive and urgent nature of gold pawning, where customers seek fast, trustworthy, and straightforward solutions to meet financial needs. In contrast, other elements such as product, price, and promotion may not hold the same immediate relevance or differentiation power in this niche financial segment. For example, since gold pawn products are relatively standardized across Islamic banks, the differences perceived

by customers may be marginal unless accompanied by strong human interaction or convenient access.

From a managerial perspective, these findings have important implications. BSI should consider reallocating resources and strategic focus toward enhancing human capital capabilities and optimizing branch location or layout. Initiatives such as intensive training for customer-facing staff, continuous product knowledge development, and reinforcement of ethical service standards could substantially improve service delivery. Additionally, assessing the demographic and geographic distribution of existing and potential customers can help the bank identify optimal locations or adjustments in branch operations that would increase reach and convenience.

Simultaneously, the insignificant impact of other variables suggests that more research is needed to explore whether these elements are truly less influential or whether their current implementation within the branch context is suboptimal. For instance, the lack of a significant effect of promotion may indicate that the promotional strategies used are not adequately engaging or relevant to the target audience. Likewise, product features or pricing schemes might require innovation or customization to better align with customer preferences and market trends. Therefore, while the focus should remain on people and place, BSI must also continue to monitor and improve other aspects of the marketing mix in an integrated and customer-centered manner.

In summary, the study highlights that human interaction and location convenience are the most decisive factors in influencing consumer decisions to use Islamic gold pawn services at the BSI KCP Medan Adam Malik branch. These findings call for a strategic realignment of marketing efforts to prioritize service excellence through competent human resources and enhanced branch accessibility, while also reevaluating the effectiveness of other marketing tools currently employed.

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