

ABSTRACT

Zaeni Dahlan. 2018. Community Preferences for Financing to Shariah Microfinance Institutions at BMT Al-Idrisiyah Cisayong: Islamic Economics Study Program, Faculty of Islamic Religion, University of Siliwangi.

Sharia Microfinance Institutions, as financial institutions that provide business development services as well as community empowerment, by implementing Islamic economics in their operational activities. Not much is known about this institution by the public, one of them is BMT Al-Idrisiyah. So this research focuses on the preferences of people who apply for financing to these institutions, with different goals.

This research method uses a descriptive qualitative approach. The data sources used in this study are primary data sources and secondary data sources. The primary data source in this study was obtained from observations and interviews by conducting interviews directly from the Cisayong community who had made loans to LKMS BMT Al-Idrisiyah. While secondary data was obtained from the document archives of the management of BMT Al-Idrisiyah Cisayong. In collecting data, researchers used the method of observation, interviews, and documentation. The data technique used is data reduction, data presentation and drawing conclusions.

Based on the results of the analysis, it shows that some Cisayong people still do not understand about applying or borrowing from Islamic Microfinance Institutions, especially BMT Al-Idrisiyah Cisayong, because they have the opinion that applying for financing at Islamic banks is complicated, difficult, and they do not know the procedure and how long it takes to disburse. Therefore some of them prefer conventional banks and have the assumption that LKMS are the same as conventional ones. There are several factors underlying their preferences regarding applying for financing to BMT Al-Idrisiyah Cisayong including; cultural factors 15%, social factors 42%, psychological factors 24%.

Keywords, Community Preferences, Financing, LKMS