



MARKET SHARE DETERMINAN OF ISLAMIC COMMERCIAL BANKS

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Abstract: The growth of the market share value of Islamic banks from 2018 to 2023 has fluctuated but tends to increase, even reaching a market share value of 7.44% in 2023. This achievement has not yet met the market share target set by Bank Indonesia since 2015, which is 15%. This research aims to analyze the influence of BOPO, NPF, and FDR on Share. This study uses secondary data obtained from the official website of the OJK and the official websites of each Islamic Commercial Bank in the form of quarterly financial statements from 2021 to 2023 from 11 Islamic commercial banks. The data analysis model used in this research is the Panel Data Regression model. The results of the simultaneous test show that the variables BOPO, NPF, and FDR have a positive and significant effect on market share. Partially, the BOPO and NPF variables do not have an effect on market share, while the FDR variable has a positive and significant effect on market share.

Keywords: BOPO, NPF, FDR, Market Share, Sharia Commercial Bank

Abstrak: Pertumbuhan nilai pangsa pasar bank syariah dari tahun 2018 hingga tahun 2023 bergerak fluktuatif tetapi cenderung meningkat bahkan pada tahun 2023 nilai pangsa pasar yang dicapai sebesar 7,44%, Capaian ini belum memenuhi target pangsa pasar yang telah ditetapkan oleh BI sejak tahun 2015 yaitu sebesar 15%. Penelitian ini bertujuan untuk menganalisa Pengaruh BOPO, NPF dan FDR terhadap Share, Penelitian ini menggunakan data sekunder yang diperoleh dari website resmi OJK, website resmi masing-masing Bank Umum Syariah berupa Laporan Keuangan Trivulan tahun 2021 hingga 2023 dari 11 bank umum syariah. Model analisis data yang digunakan dalam penelitian ini adalah model Regresi Data Panel. Hasil uji secara simultan variabel BOPO, NPF dan FDR berpengaruh positif dan signifikan terhadap market share. Secara parsial variabel BOPO dan NPF tidak berpengaruh terhadap market share. Sedangkan pada variabel FDR berpengaruh positif dan signifikan terhadap market share.

Kata Kunci: BOPO, NPF, FDR, Market Share, Bank Umum Syariah

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Introduction

Market Share can be defined as the portion of the market controlled by a company.¹ Measuring market share can be done using the financial performance of banks. The larger the market share of banking in Indonesia, the greater the role and function of Islamic banking in the national economy. The market share of each company is different, the market share obtained is the basis for a company's position. The motivation or goal of a company is to achieve a large market share in the industry.² Companies with a large market share will benefit from product sales and an increase in their stock value.³ The influence of market share is generally seen when its value reaches 15%, which means the influence of Islamic banking on the economy is not significant enough considering the market share achieved is still far from the 15% mark.⁴ This can also be seen in the data on the development of the market share of Islamic banking from 2018 to 2023 as follows:

Table 1. Development Of The Market Share Of Islamic Banking From 2018 To 2023

	2018	2019	2020	2021	2022	2023
Market Share	5,96%	6,18%	6,51%	6,74%	7,09%	7,44%

Source: Report On The Development Of Islamic Finance 2018-2023 And Islamic Banking Statistics 2018-2023

Table 1 shows that the market share of Islamic banking from 2018 to 2023 has increased every year. In fact, the biggest achievement was reached in 2023 at 7.44%. However, in reality, this market share target has never been achieved, as it was targeted in 2018 where the target market share for Islamic banks was to reach 20%. From 2018 until the end of 2023, the market share of Islamic banking only reached 7.44%.

Various previous studies have been conducted,⁵ seeing the level of banking market share using financial performance indicators including the indicator of Operational Cost to

¹ Nurani Purboastuti, Nurul Anwar, And Irma Suryahani, "Pengaruh Indikator Utama Perbankan Terhadap Pangsa Pasar Perbankan Syariah," *Jejak* 8, no. 1 (2015): 15.

² Mursal, Darwanis, And Ridwan Ibrahim, "What Influences Capital Adequacy Ratio In Islamic Commercial Banks? Evidence From Indonesia," *Journal Of Accounting Research, Organization And Economics* 2, no. 1 (2019): 1.

³ Agus Alimuddin, Alfiansyah Imanda Putra, Ari Alfian Saputri, Devy Kurniawati, And Novita Damayanti, "Pencapaian Target Marketing Lending Dalam Perspektif Ekonomi Bisnis Islam (Studi BMT Assyaf'iyah Berkah Nasional Pekalongan)," *Jurnal Ilmu Perbankan Dan Keuangan Syariah* 5, no. 2 (2023): 101.

⁴ Diana Djuwita, And Assa Fito Muhammad, "Pengaruh Total DPK, FDR, NPF Dan ROA Terhadap Total Asset Bank Syariah Di Indonesia," *Jurnal Kajian Ekonomi Dan Perbankan Syari'ah* 8, no. 1 (2016): 281.

⁵ Retno Puji Astuti, "Pengaruh Return On Asset, Capital Adequacy Ratio, Dana Pihak Ketiga Dan Non-Performing Financing Terhadap Market Share Perbankan Syariah," *Jurnal Ilmiah Ekonomi Islam* 9, no. 3 (2023); Salmia Anik And Emy Prastiwi, "Pengaruh Faktor-Faktor Internal Dan Faktor Makroekonomi Terhadap Pangsa Pasar (Market Share) Bank Syariah Indonesia," *Jurnal Ilmiah Ekonomi Islam* 8, no. 02 (2022): 1832; Sindi Ali, Hendra H. Dukalang, And Rifadli D. Kadir, "Determinan Market Share Bank Umum Syariah Di Indonesia," *Mutanaqishab: Journal Of Islamic Banking* 2, no. 1 (2022): 21; Selvi Adelia, Sri Andriani, And Nova Adhitya Ananda, "Analysis Of Financial Factors And Technology Factors Of Banking Market Share In Indonesia 2013-2017," *Jurnal Ekonomi Dan Bisnis Indonesia* 3, no. 2 (2018); Syarif As'ad, Muhammad Safar Nashir, And Sahraman D. Hadji Latif, "The Role Of Islamic Financial Education In Encouraging Customer Investment Behavior In Islamic Banking In Yogyakarta, Indonesia," *Journal Of Islamic Economic And Business Research* 4, no. 1 (2024): 60; Muammar Arafat Yusmad, Irwansyah, Syamsul Azizul Bin Marinsah, Mukhtaram Ayyub, And Muh Shadri Kahar Muang, "Revitalization Supervision Islamic Banking In Enhancement Compliance In

Operational Income (BOPO), Non-Performing Finance (NPF), and Financing to Deposit Ratio (FDR). The research results by Adelia state that the BOPO ratio negatively affects market share. The operational sustainability of a bank is influenced by the costs incurred by the bank. If there is an increase in BOPO, then the market share of Islamic Commercial Banks will experience a decline, and conversely, if there is a decrease in BOPO, then the market share will increase. Therefore, it can be concluded that the smaller the BOPO value, the higher the market share value will be.⁶

Furthermore, research indicates that the NPF ratio has a negative effect on market share. This ratio is a variable that can influence market share because the higher the number of problematic financing, the performance of Islamic banking will decline, resulting in a decrease in the market share of Islamic banking in Indonesia. A different finding was revealed in research stating that NPF has a positive and significant impact on Market Share.⁷ The research results state that FDR has a positive and significant effect on Market Share. This indicates that the higher the value of the FDR ratio, the higher the market share value will be, and vice versa.⁸ However, the ideal condition of the relationship and the influence of BOPO, NPF, and FDR on market share as explained above is not reflected in the development of market share, BOPO, NPF, and FDR of sharia commercial banks in Indonesia from 2018 to 2023 as presented in the table below:

Indonesia And Malaysia,” *Samarah* 8, no. 1 (2024): 468; Linwan Zhang, “M & A Financial Performance Analysis,” *Acm International Conference Proceeding Series* 14, no. 1 (2020): 8; Umi Hanik Handayani And Widi Savitri Andriasari, “Factors Influencing Firm Value Case Study: In Manufacturing Companies,” *Al-Masbarif: Jurnal Ilmu Ekonomi Dan Keislaman* 9, no. 2 (2021): 206; Zulfikar Hasan, “Market Share Islamic Banking In Indonesia,” *Iqtisbaduna: Jurnal Ilmiah Ekonomi Kita* 8, no. 1 (2019): 124; Ronald Rulindo, Sutan Emir Hidayat, Muhammad Rifqi, And Ratih Istiqomah, “Boosting Islamic Banking Market Share In Indonesia : Prioritized Strategies,” *Al-Iqtisbad: Jurnal Ilmu Ekonomi Syariah* 16, no. 1 (2024): 25; Nurul Fatimah Rofiatun, “The Impact Of Market Share And Banking Sector Indicators To The Profitability Of Islamic Commercial Banks In Indonesia,” *Journal Of Islamic Economics Lariba* 2, no. 1 (2019): 31; Syifa Nurmillah Fathiyah And Muhammad Muflih, “Determinants Of Islamic Banking Profitability: A Comparative Analysis Of Indonesia And Malaysia,” *Jurnal Ekonomi Syariah Teori Dan Terapan* 10, no. 4 (2023): 391; Irwan Trinugroho, Wimboh Santoso, Rakianto Irawanto, And Putra Pamungkas, “Is Spin-Off Policy An Effective Way To Improve Performance Of Islamic Banks? Evidence From Indonesia,” *Research In International Business And Finance* 56 (2021): 101352; Irwan Trinugroho, Tastaftiyan Risfandy, And Mochammad Doddy Ariefianto, “Competition, Diversification, And Bank Margins: Evidence From Indonesian Islamic Rural Banks,” *Borsa Istanbul Review* 18, no. 4 (2018): 349; Mabruk Billah, Sinda Hadhri, Mohammad Enamul Hoque, And Faruk Balli, “A Multi-Dimensional Connectedness And Spillover Between Green Bond And Islamic Banking Equity: Evidence From Country Level Analysis,” *Pacific Basin Finance Journal* 83 (2024): 102258; Asif M. Ruman, “A Comparative Textual Study Of FOMC Transcripts Through Inflation Peaks,” *Journal Of International Financial Markets, Institutions And Money* 87 (2023): 101822; Mohammed Ayoub Ledhem, “The Financial Stability Of Islamic Banks And Sukuk Market Development: Is The Effect Complementary Or Competitive?,” *Borsa Istanbul Review* 22 (2022): 79; Kenneth Baldwin And Maryam Alhalboni, “A Value-Based Measure Of Market Power For The Participatory Deposits Of Islamic Banks,” *Journal Of International Financial Markets, Institutions And Money* 87, no. August 2022 (2023): 101809; Gerald P. Dwyer, Biljana Gilevska, Maria J. Nieto, And Margarita Samartin, “The Effects Of The ECB’s Unconventional Monetary Policies From 2011 To 2018 On Banking Assets,” *Journal Of International Financial Markets, Institutions And Money* 87, no. November 2022 (2023): 101800.

⁶ Zakia Midania And Renil Septiano, “Analisis Faktor-faktor Keuangan Yang Mempengaruhi Market Share Perbankan Syariah Di Indonesia,” *Jurnal Pundi* 7, no. 1 (2023): 93.

⁷ Sindi Ali, Hendra H. Dukalang, and Rifadli D. Kadir, “Determinan Market Share.

⁸ P. E. Pantas, A Susetyohadi, And L Azwita, “Islamic Banking Efficiency In Indonesia And Malaysia: Two Stages Data Envelopment Window Analysis,” *Journal Of Islamic Economics* 5, no. 2 (2021): 234.

Table 2. Development Of Market Share, BOPO, NPF, And FDR Of Islamic Commercial Banks In Indonesia For The Period Of 2018-2023.

	2018	2019	2020	2021	2022	2023
Market Share	5,96%	6,18%	6,51%	6,74%	7,09%	7,44%
BOPO	89,18%	84,45%	85,55%	84,33%	77,28%	78,31%
NPF	3,26%	3,23%	3,13%	2,59%	2,35%	2,10%
FDR	78,53%	77,91%	76,36%	70,12%	75,19%	79,06%

Source: Report On The Development Of Sharia Finance And Sharia Banking Statistics For The Years 2018-2023

Table 2 states that the growth in market share value of Islamic banks from 2018 to 2023 has been fluctuating but tends to increase, although not significantly. By the end of 2023, the market share value achieved by Islamic banks has only reached 7.44%. This indicates that the market share targets set from 2015 to 2023 have not yet been achieved.

From the year 2019 to 2020, there was an increase in the BOPO ratio and the market share value also experienced an increase. This condition is certainly different from the theory that states that BOPO is an operational cost ratio used to measure the level of efficiency and the ability of banks to carry out their operational activities. The efficiency ratio, also known as the ratio of operational costs to operational income, is used to measure the management's ability of the bank in controlling operational costs against operational income. The smaller the value of this ratio, the more efficient the bank is at incurring its operational costs. In managing operational costs, the bank's ability has an impact on the increase of the market share of Islamic banking. The higher the BOPO ratio, the lower the market share, and vice versa. This is also not consistent with research findings that state that BOPO has a negative impact on market share, which explains that if there is an increase in the BOPO ratio, the market share of Islamic Commercial Banks will experience a decrease, and vice versa.⁹

Next, from 2018 to 2023, the NPF ratio decreased while the market share increased. This situation is certainly not ideal because the NPF is a ratio used to measure the level of financing that is problematic and potentially uncollectible by Islamic banks. The presence of significant problematic financing will reduce the opportunities to earn income from the financing that has been provided, which will ultimately have a negative impact on market share. From 2018 to 2021, there was a decline in the FDR ratio, but the market share continued to increase. Thus, it is evident that the FDR ratio has a negative relationship with market share. FDR is an indicator of bank liquidity where this variable is measured by comparing the total financing that has been disbursed with the total funds deposited that have been collected. If the FDR ratio increases over a certain period, then the amount of funds disbursed to the public in the form of financing will also increase, which can lead to an increase in the bank's profits and automatically increase the market share of Islamic banks, assuming that the bank allocates its funds effectively for financing.¹⁰

⁹ Zakia Midania And Renil Septiano, "Analisis Faktor-faktor Keuangan.

¹⁰ Mutmainah Juniawati, Zulaikah, And Putri Swastika, *Manajemen Pendanaan Dan Jasa Perbankan Syariah*, (Metro: Institut Agama Islam Negeri Metro, 2020).

The description above illustrates the objectives of this research which is conducted to analyze the influence of BOPO, NPF, and FDR on the market share of Sharia Commercial Banks in Indonesia from 2021 to 2023, thereby being able to answer how BOPO, NPF, and FDR influence the market share of Sharia Commercial Banks in Indonesia during that period. This becomes interesting to discuss considering the largest transformation in the banking industry in Indonesia recorded a new history with the emergence of PT Bank Syariah Indonesia Tbk (BSI) which was officially established on February 1, 2021, as a result of the merger of three major banks in Indonesia: BRI, Mandiri, and BNI.

Methods

This research is a quantitative study using Panel Data Regression Analysis. Panel Data Regression Analysis is a regression analysis with a panel data structure, with the same purpose as regression analysis, which is to determine whether there is an influence of independent variables on dependent variables. Panel data is a combination of cross-sectional data and time series data, where several variables are observed across several categories and collected over a certain period of time.¹¹ The basic regression equation of this panel data research is written as follows:

$$Y_{it} = \alpha + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 X_{3it} + \varepsilon_{it}$$

Explanation:

Y : Market Share

α : Konstanta

$\beta_1 \beta_2 \beta_3$: Coefficient of Independent Variable

X₁ : BOPO

X₂ : NPF

X₃ : FDR

ε : Error Coefficient

i : The number of Islamic Commercial Banks is 11 Banks

t : The Research Time Period Is From 2021 to 2023

The data used includes quarterly financial report data from Sharia Commercial Banks (BUS) in the period from 2021 to 2023. The sample in this study consists of BUS that published quarterly financial reports from 2021 to 2023, which have been published on the official websites of each BUS and the website of the Financial Services Authority (OJK). The total number of samples used is 11 Sharia Commercial Banks, as presented in the following table:

¹¹ Rukminingsih, Gunawan Adnan, And Mohammad Adnan Latief, *Metode Penelitian Pendidikan. Penelitian Kuantitatif, Penelitian Kualitatif, Penelitian Tindakan Kelas, Journal Of Chemical Information And Modeling*, 53 (2020).

Table 3. Research Sample

Islamic Commercial Bank
PT. Aceh Syariah Bank
PT. Riau Kepri Sharia Regional Development Bank
PT. BPD Nusa Tenggara Barat
PT. Bank Muamalat Indonesia
PT. Bank Victoria Syariah
PT. Bank Syariah Indonesia, Tbk
PT. Bank Mega Syariah
PT. Bank Panin Dubai Syariah, Tbk
PT. BCA Syariah
PT. Bank Tabungan Pensiunan Nasional Syariah, Tbk
PT. Bank Aladin Syariah, Tbk

Source: Data Processed, 2025

Result And Discussion

Selection Of Panel Data Regression Estimation Techniques

The selection of panel data regression estimation techniques is known to have three types of estimation approaches, namely the Common Effect Model, Fixed Effect Model, and Random Effect Model. To determine the best technique to be used for panel data regression, two tests are conducted, namely the Chow test and the Hausman test.¹²

The Chow test is used to determine which model is better between Common Effect and Fixed Effect. The hypothesis in the Chow test is as follows:

Ho : Common Effect Model

Ha : Fixed Effect Model

Criteria:

If the Sig value > 0.05 then Ho is accepted

If the Sig value < 0.05 then Ha is accepted

Table 5. Chow Test Results

Effect Test	Significance
<i>Cross-section F</i>	0,0000
<i>Cross-section Chi-square</i>	0,0000

Source: E-views Output Results, Data Processed, 2024

Based on the Chow test shown in Table 5 above, the significance values of the Cross-section Chi-square and Cross-section F are 0.0000 (less than 5%), thus statistically rejecting Ho and accepting Ha, indicating that the appropriate estimation model to be used in the panel data regression is the Fixed Effect Model. Since the results of the Chow test indicate that the model that is more appropriate to use is the Fixed Effect Model, a Hausman test is needed to determine which model is more suitable between the Fixed Effect Model and the Random Effect Model. Before conducting the Hausman test, a regression of the Random Effect Model is first performed.

¹² Agus Tri Basuki And Nano Prawoto, *Analisis Regresi Dalam Penelitian Ekonomi Dan Bisnis (Dilengkapi Aplikasi SPSS Dan Eviews)*, (Depok: PT Rajagrafindo Persada, 2019), p. 52.

The Hausman test is used to determine which model is better between Random Effect and Fixed Effect. The hypothesis in the Hausman test is as follows:

Ho : Random Effect Model

Ha : Fixed Effect Model

Criteria:

If the Sig value > 0.05 then Ho is accepted

If the Sig value < 0.05 then Ha is accepted

Table 6. Hausman Test Result

Test Summary	Significance
<i>Cross-section random</i>	0,0007

Source: E-views Output Results, Data Processed, 2024

Based on the Hausman test shown in table 6 above, the significance value of the Cross-section random is 0.0007 (less than 0.05), therefore statistically Ho is rejected and Ha is accepted, indicating that the appropriate estimation model used in the panel data regression is the Fixed Effect Model.

Classic Assumption Test

Multicollinearity Test

Multicollinearity testing aims to determine whether there is a correlation among independent variables in the regression model. If a correlation occurs, then there is multicollinearity, where a good regression model should not have correlation among the independent variables.¹³ After the data is processed using Eviews, the results are as follows:

Table 7. Results Of Multicollinearity Testing

Variabel	BOPO	NPF	FDR
BOPO	1	0.3512	0.2456
NPF	0.3512	1	0.3524
FDR	0.2456	0.3524	1

Source: E-views Output Results, Data Processed, 2024

Based on Table 7, it can be concluded that the values of each independent variable are less than 10, indicating that multicollinearity does not occur in the regression model.

Heteroscedasticity Test

The heteroskedasticity test aims to assess whether there is inequality of variance of the residuals for all observations in the linear regression model. The heteroskedasticity test in this study compares the probability value to see if it is greater than $\alpha = 5\%$. If the probability value > 0.05, then heteroskedasticity occurs. If the probability value < 0.05, then heteroskedasticity does not occur.

¹³ Sugiyono, *Metode Penelitian Bisnis* (Bandung: Alfabeta, 2019).

Table 8. Results Of Heteroscedasticity Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.049602	0.810892	3.760798	0.0005
BOPO	0.329164	0.083436	3.945116	0.0003
NPF	0.472052	0.107072	4.408731	0.0001
FDR	0.723093	0.086170	8.391492	0.0000

Source: E-views Output Results, Data Processed, 2024

Based on the table above, the results of the heteroscedasticity test show that all probability values of the independent variables are less than alpha 0.05, so it can be concluded that there are no heteroscedasticity disturbances in this study.

Results of Fixed Effects Model Regression Estimation

Based on the chow test and the Hausman test, the appropriate panel data regression model to be used in this research is the Fixed Effect Model. The regression results using the Fixed Effect Model are as follows:

Table 9. Results of the Fixed Effect Model Regression

Variable	Prediction	Coefficient	t-statistics	Sig	Ket.
C		8,9211	10.93325	0.0000	
BOPO	Positive	0,0401	1.558209	0.1398	Rejected
NPF	Negative	-0,0791	-1.740961	0.2198	Rejected
FDR	Positive	0,0162	3.277651	0.0003	Accepted

Source: E-views Output Results, Data Processed, 2024

Based on the results of the Fixed Effect Model regression shown in table 9 above, the regression model equation can be written as follows:

$$MSH_{it} = 8,9211 + 0,0401 BOPO_{it} - 0,0791 NPF_{it} + 0,0162 FDR_{it}$$

The equation above provides information that:

The value of the constant is 8.9211. This indicates that if the independent variables (BOPO, NPF, and FDR) have a value of 0, then the Market Share value is 8.9211.

The coefficient value of BOPO is 0.0401 and is positive. This indicates that for every 1% increase in BOPO, the Market Share will increase by 0.0401%.

The coefficient value of NPF is -0.0791 and is negative. This indicates that every 1% increase in NPF will result in a decrease of 0.0791% in Market Share.

The coefficient value of FDR is 0.0162 and is positively marked. This indicates that for every 1% increase in FDR, the Market Share will increase by 0.0162%.

Correlation And Determination Coefficient (Adjusted R-Square)

Adjusted R-Square is intended to assess how well the independent variables explain the dependent variable.

Table 10. Research Results of Correlation and Determination Coefficients

R-squared	0.885472	Mean dependentvar	5.648571
AdjustedR-squared	0.854051	S.D.dependentvar	0.826013
S.E. of regression	0.610328	Akaike infocriterion	1.912484
Sumsquaredresid	48.79746	Schwarzcriterion	2.101590
Loglikelihood	-124.8739	Hannan-Quinn criter.	1.989331
F-statistic	20.88810	Durbin-Watsonstat	0.883097
Prob(F-statistic)	0.000000		

Source: E-views Output Results, Data Processed, 2024

Based on the results of table 10 above, it is also known that the R-square value is 0.885472. This indicates that the variation in the dependent variable, namely market share, can be explained simultaneously by the independent variables BOPO, NPF, and FDR by 88.54%, while the remaining 11.46% is explained by other factors outside the variables studied, such as Capital Adequacy Ratio (CAR), Third Party Funds (DPK), Return On Assets (ROA), and others. Since the R-squared value obtained in this study is close to zero, it means that the independent variables have limited ability to explain the dependent variable. This happens because in the research model, there is only one variable that has a significant effect on market share, which is FDR.

Based on table 10 above, the value of the Adjusted R Square is 0.854051. This indicates that the percentage contribution of the independent variables to the dependent variable is 85.40%. It can be interpreted that the independent variables used in the model can explain 85.40% of the dependent variable. The remaining 14.60% is influenced by other factors outside the regression model.

Results of Test F

The F test is conducted to determine whether all independent variables simultaneously influence the dependent variable. The hypothesis of the F test in this study is that:

H₀: BOPO, NPF, and FDR together do not affect market share

H_a: BOPO, NPF, and FDR collectively affect market share

Criteria:

If the Sig value > 0.05 then H₀ is accepted

If the Sig value < 0.05 then H_a is accepted

Based on table 10, the calculated F value or F-statistic is 20.8881 > F-table which is 2.68 with a significance value of 0.0000 which means < 0.05 so it can be concluded that H_a is accepted which means that the variables BOPO, NPF, and FDR collectively have an effect on market share.

Results Of The t-test

The t-statistic test is conducted to determine whether there is an effect of each independent variable on the dependent variable in a partial manner. The results of the t-test can be interpreted as follows:

Based on the results of the t-test shown in table 9 above, the t-statistic value of BOPO is $1.5582 < t\text{-table}$ which is 1.9786 with a positive direction and the significance value of BOPO is 0.1398 which means > 0.05 . Therefore, it can be concluded that H_a is rejected, which means that the BOPO variable does not affect market share.

Based on the t-test results shown in Table 9 above, the NPF t-statistic value is $-1.7409 < t\text{-table}$ which is 1.9786 with a negative direction and the NPF significance value is 0.2198, which means > 0.05 . Therefore, it can be concluded that H_a is rejected, which means the NPF variable does not affect market share.

Based on the t-test results shown in table 9 above, the FDR t-statistic value obtained is $3.2776 > t\text{-table}$ which is 1.9786 with a positive direction and a significance value of FDR which is 0.0003 meaning < 0.05 . This implies that H_a is accepted, meaning that the FDR variable has a positive and significant effect on market share.

The Influence Of BOPO On Market Share

BOPO is the operational cost ratio used to measure the efficiency level and the ability of banks to carry out their operational activities. The smaller the ratio value, the more efficient the operational costs incurred by the bank. BOPO is used to measure the company's ability to control its operational costs against the operational income it receives. If Islamic Commercial Banks can minimize their operational costs while experiencing an increase in income with fixed operational costs, this can indicate that the bank is performing well and will enhance its market share.¹⁴

Based on the tests conducted, the results indicate that BOPO does not affect market share. Thus, it can be said that Islamic Commercial Banks have not been able to manage their operating costs effectively. The results of this study, which state that BOPO does not affect market share, are in line with the findings of other studies that also indicate that BOPO does not affect market share.¹⁵ The performance of management in the operations of a bank in this study does not affect market share because it is suspected that between 2021-2023, Islamic banking has paid less attention to the risks arising from efforts to improve ratios, margins, and profit sharing. The risks that arise are suspected to reduce the market share of Islamic banks, so the level of efficiency of banks in conducting their operations does not influence the market share of a bank. Management efficiency has a limited impact on market share because it is not easy for the public to perceive compared to other factors such as ROA,

¹⁴ Rusby Zulkifli, *Buku Manajemen Perbankan Syariah*, (Jakarta: Salemba Empat, 2013).

¹⁵ Hanifah Aminin, Fuad Hasyim, And Rais Sani Muharrami, "Analisis Faktor-faktor Yang Berpotensi Pada Perkembangan Market Share Perbankan Syari'ah Di Indonesia," *Jurnal Masharif Al-Syariah: Jurnal Ekonomi Dan Perbankan Syariah* 8, no. 3 (2019): 257; Eliana, Nazri Zarman, Ismuadi Ismuadi, Intan Novia Astuti, And Ayumiati, "Determinan Market Share Perbankan Syariah Di Indonesia," *Esensi: Jurnal Bisnis Dan Manajemen* 10, no. 2 (2021): 199.

which is more dominant. The results of this study differ from the research that states that BOPO has an influence on market share.¹⁶

The Influence Of NPF On Market Share

NPF is a ratio used to measure the level of problematic financing. Problematic financing is financing that has not reached or fulfilled the bank's desired targets, such as principal repayment or problematic profit sharing, financing that has the potential to pose risks for the bank in the future, financing that falls under special attention, doubtful or problematic categories, as well as current financing that is at risk of payment delays. This will certainly impact the market share of Islamic banks, as the more problematic financing, the larger the amount of funds that cannot be circulated. Therefore, the issues of NPF with customers need to be resolved so that the market share of Islamic banks can increase.

The results of this study indicate that the NPF variable does not affect Market Share. However, NPF has a negative value, which means that if NPF increases, Market Share will tend to decrease, and conversely, if NPF decreases, Market Share will tend to increase. This is in line with the assertion that the emergence of problematic financing will result in a decline in income from the financing provided.¹⁷

This will affect the profits earned by Islamic banks, leading to a decrease in Market Share. The increasing number of problematic financing makes banks hesitant to increase financing distribution. If the NPF rises, then the Market Share will tend to decline, and conversely, if the NPF decreases, the Market Share will tend to increase. Effective management of financing is necessary for banks, considering that financing serves as the largest contributor to the bank's income. NPF also affects the increase in a bank's market share. The presence of problematic financing will lead to a loss of opportunities to generate income from the financing provided, thus adversely affecting the Market Share. Therefore, the larger the NPF, the more it will result in a decrease in Market Share.

The Influence Of FDR On Market Share

FDR is a comparison between the financing provided by the bank and the third-party funds successfully mobilized by the bank. According to Bank Indonesia regulations, a bank is considered healthy if the FDR ratio is between 80% and 100%. An FDR ratio within this range indicates that the Islamic bank is performing its intermediation function well. The FDR ratio indicates how capable the bank is in repaying the withdrawals made by customers by relying on the financing provided as its liquidity. Thus, FDR has an impact on market share. In payment traffic, banks have an intermediation function. This intermediation function is practically realized in the distribution of credit or financing in Islamic banks.

¹⁶ Nur Setyowati, "Macroeconomic Determinants Of Islamic Banking Products In Indonesia," *Economies* 7, no. 2 (2019): 1; Adam Maulana, Muhammad Ariffin, And Gen Gen Gendalasari, "Pengaruh Return On Assets Dan BOPO Terhadap Market Share Pada Bank Syariah," *Jurnal Ilmiah Manajemen Kesatuan* 9, no. 1 (2021): 167; Endri, Naning Fatmawatie, Sugianto Sugianto, Humairoh Humairoh, Mohammad Annas, And Arjuna Wiwaha, "Determinants Of Efficiency Of Indonesian Islamic Rural Banks," *Decision Science Letters* 11, no. 4 (2022): 391.

¹⁷ Aulia Rahman, "Analisis Faktor-faktor Yang Mempengaruhi Market Share Bank Syariah," *Analytica Islamica* 5, no. 2 (2016): 291; Cucu Purnama Sari, *Faktor-Faktor Yang Mempengaruhi Pertumbuhan Market Share Perbankan Syariah Di Indonesia*, (Metro: Institut Agama Islam Negeri Metro, 2021).

Funds collected from the community are channeled to those in need of funds by Islamic banks. If this ratio increases within certain limits, more funds will be distributed in the form of financing, thus increasing the market share of Islamic banks, assuming that banks channel their funds for effective financing. FDR is used to assess the capability of Islamic Commercial Banks to make repayments on withdrawals made by depositors by relying on the credit distributed as their source of liquidity.¹⁸

The results of this study indicate that FDR has a positive effect on market share, supporting previous research that shows FDR positively affects the market share of Islamic banks. FDR can demonstrate the banking ability to connect depositors with borrowers, so the higher the FDR value, the more the financing amount will increase, thus raising the market share of Islamic banks. The higher the FDR, the greater the market share, assuming that banks allocate their funds for effective financing, which indicates that FDR has a positive and significant effect on market share. In this study, the FDR variable has a positive and significant effect on market share. This is because Islamic Commercial Banks have a quite healthy FDR ratio, which ranges from 70.12% to 79.02%, with well-allocated funds that have a positive impact on the bank's fund distribution. This can attract public interest to deposit their funds in these Islamic Commercial Banks, thereby positively impacting the increase in the market share of Islamic Commercial Banks. The results of this study differ from the findings of research that state that FDR has a negative effect on market share.¹⁹

Conclusion

The discussion summary concludes that simultaneously, the variables BOPO, NPF, and FDR have a positive and significant effect on market share. Meanwhile, partially, the variables BOPO and NPF do not affect market share. This indicates that Islamic Commercial Banks have not been able to manage their operational costs effectively. This is because management efficiency has a limited impact on market share as it is not easily recognized by the public compared to other factors such as ROA. Furthermore, the NPF variable also does not have an effect on market share. This indicates that NPF also influences the increase in a bank's market share. This research only uses the variables of BPO, NPF, and FDR, so it is hoped that future researchers will use other variables in measuring the influence of market share such as GDP, CAR, DER, Cash Ratio, and others.

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¹⁸ Nizar Hosfaikoni Hadi And Muh. Khairul Fatihin, "Determinants Of Sharia Banking Market Share Growth In Indonesia," *Airlangga International Journal Of Islamic Economics And Finance* 1, no. 2 (2020): 87.

¹⁹ Zulfikar Ramadhan, Sutanti Sutanti, And Azizatul Munawaroh, "Market Share Bank Syariah Di Indonesia Dan Faktor Yang Mempengaruhinya," *Seminar Nasional Penelitian LPPM UMJ* (2022); Wahyu Syarvina And Sugianto Sugianto, "Determinants Of Sharia Banking Market Share In Indonesia," *International Journal Of Islamic Business Ethics* 8, no. 1 (2023): 54.

Author Contributions Statement

LS, UH, HD, and VA contributed to the conceptualization and design of the study. HD and VAS Collecting and tabulating data, LS And UH conducted the data analysis and was responsible for data collection and preliminary data analysis. LS, UH, HD collaboratively wrote the original draft of the manuscript and VA reviewed and edited the draft for intellectual content.

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