

Influence of the Role Sharia Banking Through Brand Image Towards Sustainable Agribusiness Improvement (Case Study of BSI KC Palopo Customers)

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Abstract

*This study aims to analyze the influence of the role of Islamic banking on sustainable agribusiness development through brand image, with a case study of customers of Bank Syariah Indonesia (BSI) KC Palopo. The research employed a quantitative explanatory approach. The population consisted of 150 BSI KC Palopo customers who entered financing agreements during 2024–2025, while the sample comprised 30 respondents selected using purposive sampling based on the criteria of having or operating a business in the agricultural sector. Data were collected through questionnaires and analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS). The analysis examined the direct effects of the role of Islamic banking on sustainable agribusiness development and brand image, the effect of brand image on sustainable agribusiness development, and the indirect effect through brand image. The results show that the role of Islamic banking has a positive and significant effect on sustainable agribusiness development, with a path coefficient of 0.900, *t*-statistic of 33.589, and *p*-value of 0.000. The role of Islamic banking also has a positive and significant effect on brand image, with a path coefficient of 0.843, *t*-statistic of 16.941, and *p*-value of 0.000. However, brand image does not have a significant effect on sustainable agribusiness development, with a path coefficient of 0.037, *t*-statistic of 0.213, and *p*-value of 0.831. Furthermore, brand image does not significantly mediate the relationship between the role of Islamic banking and sustainable agribusiness development, as indicated by an indirect effect coefficient of 0.031, *t*-statistic of 0.202, and *p*-value of 0.840. The findings indicate that sustainable agribusiness development is more strongly determined by the substantive role of Islamic banking through financing, financial access, non-financial assistance, and sustainability-oriented services than by brand image alone.*

INTRODUCTION

The concept of green banking and sustainability initiatives adopted by financial institutions are also determinant variables. Comparative research on green Banking found that (environmentally sound financing products, loans for sustainable agricultural practices, incentives for low-emission agro-innovation) strengthen the Bank's perception of social responsibility and increase customer satisfaction, this effect in turn strengthens customer loyalty and likelihood of choosing financing products that support sustainable agribusiness practices. Empirically, banks that feature sustainability programs are better able to position themselves as long-term partners for agribusiness actors who need environmentally oriented technical and financial support (Rahman et al., 2023).

The focus on the role of Islamic banking shows that banks based on sharia principles can offer unique added value for agribusiness actors, not only non-usury financing but also profit-sharing schemes, capacity building partnerships, and microfinance integrated with technical

coaching. The diversification of Islamic services and products affects the stability and reach of the Bank. In other words, Islamic banks that have successfully diversified their portfolios (including the agriculture/agribusiness sector segment) tend to be more resilient to risks and are better able to channel long-term credit for productive activities. The empirical implication is that the role of Bank Syariah Indonesia (BSI) as a large Islamic bank can be explored through variables: access to financing, type of product (mudharabah, musyarakah, murabahah tailored for agribusiness), technical coaching services, and customer perception of sharia compliance and economic benefits (Haddou & Boughrara, 2025).

A number of studies on Islamic banking confirm the relationship between brand image, trust, customer satisfaction, and loyalty, which are causally relevant to explain how BSI's image can encourage increased participation of agribusiness customers in sustainable finance. When agribusiness customers feel that the Bank has a strong sharia reputation and commitment to sustainability, they are more likely to accept financing products that demand environmental/social reporting, or profit-sharing programs that require production transparency (Fauzi, 2023)).

The strategic role of Islamic banking in Indonesia is increasingly prominent post-consolidation, where large entities such as Bank Syariah Indonesia (BSI) are expected to be the driving force behind the Islamic economy that has an impact on sustainable development. This role is crucial and multidimensional, especially when it is linked to vital sectors such as sustainable agribusiness. The role carried out must include three main dimensions: the Financial-Economic dimension, the Social-Ethical dimension, and the Environmental-Sustainability dimension, all of which are rooted in the concept of Maqashid Syariah (noble goals of sharia) (Sitompul et al., 2025).

The continuous improvement of agribusiness, demonstrating the importance of integrating financial services with non-financial services: technical training, market assistance, and strengthening of supply chain governance. Several publications have stated that financing alone is not enough, banks play an active role in developing the capacity of agribusiness farmers to increase productivity, product quality, and the ability to meet market standards (including halal and sustainability standards (Alvarez-Ochoa et al., 2024).

Based on the background presented above, it is considered necessary to conduct research related to the influence of the role of Islamic banking through brand image on sustainable agribusiness (Case Study of Bank BSI Kc Palopo Customers). This analysis will be examined with the variables of the role of Islamic banking, brand image, and sustainable agribusiness improvement as independent and dependent variables.

METHODS

This research is designed as research with an explanatory quantitative approach. Explanatory quantitative research is research that explains the phenomena that occur in interconnected research locations (Darwin et al., 2021). This study studied the variables observed descriptively and analyzed statistically the influence that occurred between dependent variables on independent variables. The dependent variable consists of increasing sustainable agribusiness (Y), while the independent variable consists of the role of Islamic banking (X) and the intervening/intermediate variable, namely Brand image (Z).

The research time is August 2026. The location of the research is Bank BSI Palopo Branch. The population in this study is all customers of Bank BSI Palopo Branch, which is 150 customers who make contracts at Bank BSI Cab. Palopo for the period 2024 to 2025. According to ((Hair et al., 2017) a sample is a part of the number and characteristics that the population has. The concerns

of this study consist of customers who make credit contract transactions at Bank BSI Palopo Branch.

The determination of the sample size considers the characteristics and objectives of the study. According to Gay et al. (2009), in descriptive research, the sample size used is at least 10% of the population, while correlation research requires a minimum sample number of 30 respondents. Based on these considerations, and by paying attention to the aspect of population representation and quantitative descriptive research approaches, the number of samples in this study was set as 30 customers.

The selection of respondents was carried out using the purposive sampling technique, which is the determination of samples based on certain criteria that are relevant to the purpose of the research. The respondent criteria in this study are customers of Bank Syariah Indonesia (BSI) Palopo Branch who own and/or run a business in the agricultural sector. These criteria were set to ensure that respondents have experience and information that is in accordance with the research focus, especially related to the role of Islamic banking in supporting sustainable business development and agribusiness.

Based on the theories and research results stated above, the conceptual framework of this research is as follows:

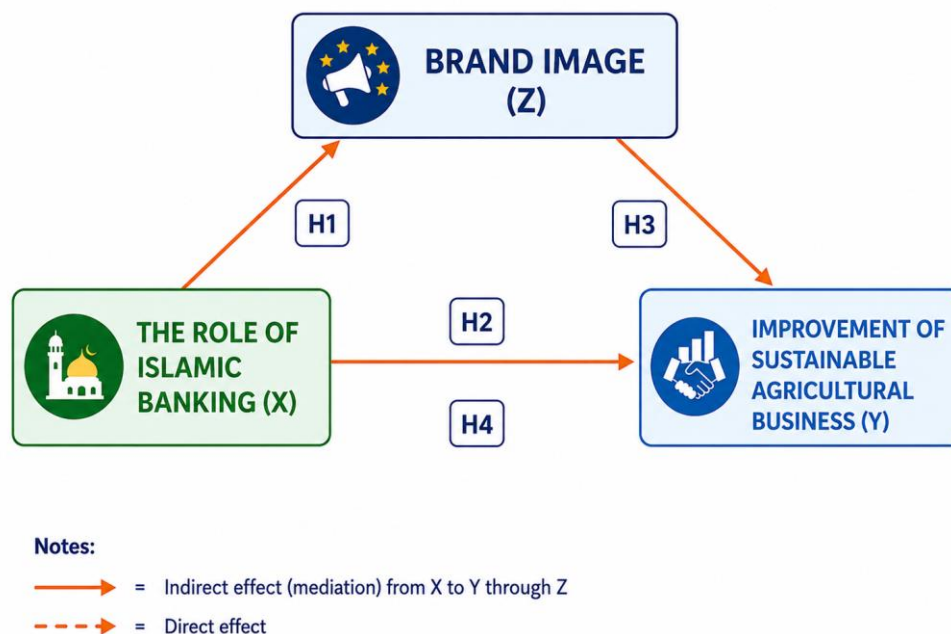


Figure 1. Conceptual Framework

Based on Fig. 1 the conceptual framework stated above, the hypothesis of this research is:

1. It is suspected that the role of Islamic banking has a positive and significant effect on increasing sustainable agribusiness (H1).
2. It is suspected that the role of Islamic banking has a positive and significant effect on Brand image (H2).
3. It is suspected that brand image has a positive and significant effect on the improvement of sustainable agribusiness (H3).

4. It is suspected that the role of Islamic banking has a positive and significant effect on the improvement of sustainable agribusiness through brand image as an intervening variable (H4).

RESULTS AND DISCUSSION

Result

Demografi Responden

This study involved 30 customers of Bank BSI KC Palopo who were selected based on credit contracts and had businesses in the agricultural sector. This descriptive data of respondents provides brief information about the condition of the respondents who are the subject of the study. Respondents were described by gender, age, education, and length of farming.

Table 1. Respondent Characteristics

No	Demographers	Frequency	Percentage (%)
1	Gender		
	Man	25	83.3
	Woman	5	16.7
2	Age		
	21 sd 40	6	20
	41 sd 60	15	50
	> 61	9	30
3	Education		
	Not School	0	0
	Elementary School	0	0
	Junior High	2	6.6
	School/Equivalent		
	High	18	60
	School/Equivalent		
	Bachelor	10	33,4

Sumber: Data diolah 2026

In Table 1, it is presented that based on gender, out of 30 respondents, there were 25 people or 83.3% of the male gender, while female respondents amounted to 5 people or 16.7%. The results showed that the study respondents were dominated by men. This composition gives an idea that the characteristics of the research sample are more representative of the male group than the female.

Based on age characteristics, respondents aged 21–40 years were 6 people or 20%, respondents aged 41–60 years were 15 people or 50%, and respondents over 61 years old were 9 people or 30%. Thus, the age group of 41–60 years is the largest group of respondents. Overall, as many as 80% of respondents were in the age group over 40 years old. These conditions show that the characteristics of the research sample are dominated by respondents in the adult and elderly age groups.

Based on education level, most of the respondents have a high school education/equivalent, which is as many as 18 people or 60%. Respondents with a bachelor's education level amounted to 10 people or 33.4%, while respondents with junior high school/equivalent education were 2 people or 6.6%. There were no respondents who were not in school or who had an elementary school education. Thus, as many as 93.4% of respondents have a minimum level of high school/equivalent. This condition shows that the majority of respondents have a relatively adequate formal education background in providing information according to research needs.

Based on the demographic characteristics of the respondents, this study involved 30 respondents. Judging from gender, respondents were dominated by men as many as 25 people or

83.3%, while women as many as 5 people or 16.7%. Based on age group, the most respondents were in the age range of 41-60 years, which was 15 people or 50%, followed by the age group over 61 years old as many as 9 people or 30%, and the age group of 21-40 years as many as 6 people or 20%. Meanwhile, based on the level of education, the majority of respondents had 18 people or 60% high school education, followed by 10 people or 33.4% in Bachelor's education, and 2 people or 6.6% in junior high school/equivalent. There are no respondents who are not in school or have an elementary school education.

Inferential Statistical Analysis

Outer Model

At this stage, the researcher assesses how strongly the indicator contains information about latent variables through a series of measures such as loading factor, Average Variance Extracted (AVE), and Composite Reliability generated by the PLS Algorithm procedure (Legate et al., 2023).

1. Convergent validity (Loading Factor)

The Convergent validity test aims to determine the loading factor value of the latent variable with its indicators

Table 2. Outer Loading (Convergent Validity)

Indicator	(X1) The role of Islamic banking	(Z1) Brand Image	(Y) Improving sustainable agribusiness
X1.1 Suitability and Diversity of Sharia Financing Schemes	0,918		
X1.2.Environmental Financing Orientation	0,962		
X1.3 Effectiveness of Non-Financial Assistance	0,945		
X1.4 Inclusivity of Financial Services Access	0,890		
Z1 1. Brand Trust		0,857	
Z1.2 Quality Reputation/Performance		0,929	
Z1.3 In accordance with Shariah and Ethics Principles		0,881	
Z1.4 Innovation & Modernity (Digitalization)		0,686	
Y1.1 Agricultural Technology Innovation			0,730
Y1.2 Natural Resource Management			0,927
Y1.3 Empowerment and Welfare of Farmers			0,832
Y1.4 Market Access and Product Added Value			0,952

Source: Smart-PLS Output 2026

The fulfillment of the outer loading value above 0.5 in all indicators listed in Table 2 of the outer loading test results, all indicators in the variables of the Role of Sharia Banking (X1), Brand Image (Z), and Improvement of Sustainable Agribusiness (Y) have relatively high loading values. In the variable of the Role of Islamic Banking, the loading value ranges from 0.890 to 0.962. The highest value is found in the X1.2 indicator, namely Environmental Financing Orientation, at 0.962, while the lowest value is found in the X1.4 indicator, namely Financial Services Access Inclusivity, at 0.890. These results show that all indicators have a strong ability to reflect the construct of the role of Islamic Banking.

In the Brand Image variable, the loading value is in the range of 0.686 to 0.929. The Z1.2 indicator, namely Reputation/Performance Quality, has the highest loading value of 0.929, while the Z1.4 indicator, namely Innovation and Modernity (Digitalization), has a loading value of 0.686. Thus, reputation quality and performance are the most powerful aspects in shaping a Brand Image, while innovation and modernity contribute relatively lower than other indicators.

Meanwhile, the variable of Increasing Sustainable Agribusiness has a loading value between 0.730 to 0.952. The Y1.4 indicator, namely Market Access and Product Added Value, had the highest loading value of 0.952, followed by Y1.2 Natural Resources Management of 0.927 and Y1.3 Empowerment and Welfare of Farmers of 0.832. The Y1.1 Agricultural Technology Innovation indicator has a loading value of 0.730. These findings show that market access and increased product added value are the most powerful aspects in reflecting the increase in sustainable agribusiness. Overall, the loading values obtained showed that the research indicators were able to represent their respective constructs well.

2. *Average variance extracted (AVE)*

The testing of this model aims to assess the degree of validity of indicators in reflective models. The benchmark used is Average Variance Extracted (AVE) with an expected value greater than 0.5. If the AVE value exceeds the minimum limit, this indicates that the indicator in the construct is able to explain more than half of the variance it has while confirming the existence of a strong convergent validity.

Table 1. Average Variance Extracted (AVE) Values

Variable	Average Variance Extracted (AVE)
(X1) The role of Islamic banking	0,864
(Z1) Brand Image	0,748
(Y1) Improving sustainable agribusiness	0,711

Source: Smart-PLS Output 2026

The AVE values shown in Table 3 show that all study variables have values above 0.5, so it can be concluded that all variables in the analyzed SEM model have met the validity criteria. The consistency of the AVE value that exceeds the minimum threshold confirms that each construct is able to adequately explain the variance of its indicators.

3. *Model reliability*

Composite Reliability provides an idea of how well indicators work collectively in measuring constructs, while Cronbach's Alpha tests the consistency of respondents' answers to question items within a single variable. When these two values are above the recommended minimum limit (0.7 for Composite Reliability and 0.6 for Cronbach's Alpha), it can be ensured that the instrument used has adequate measurement quality, is free from random fluctuations, and is able to provide stable results under various data collection conditions. Thus, high reliability not only increases confidence in the research instrument but also strengthens the overall validity of the SEM model because a reliable measurement model is the main foundation for the interpretation of the influence between variables in the structural model.

Table 2. Composite Reliability and Cronbach Alpha Values

Variabel	<i>Cronbach's Alpha</i>	<i>Composite Reliability</i>
(X1) The role of Islamic banking	0,947	0,962
(Z1) Brand Image	0,883	0,921
(Y1) Improving sustainable agribusiness	0,864	0,907

Source: Smart-PLS Output 2026

The standard *value of Cronbach's Alpha* for a variable when declared reliable is > 0.6 , while the standard value for *Composite Reliability* is > 0.7 . Based on the value of Table 4 above, it is known

that all variables have a *Cronbach's Alpha* value of > 0.6 and a *Composite Reliability* value of > 0.7 so that it can be stated that the analyzed SEM model is reliable.

Cronbach's Alpha values that exceed the minimum threshold of 0.6 and Composite Reliability that exceeds the standard of 0.7 in all variables confirm that the research instrument has excellent internal consistency (Hair et al., 2024). This shows that each indicator in the latent variable is capable of making a stable and reliable contribution in measuring the intended construct.

Inner model

1. Statistical T analysis

Statistical T analysis aims to determine the magnitude of the influence between variables. Statistical T Values $> T$ Table shows the influence of positive and significant variables with P Values < 0.05 . The internal analysis of the SEM model was used to see the magnitude of the Statistical T value and the P Value which is also a measure of the strength of the influence of independent variables on dependent variables (Hair Jr et al., 2021).

Table 3. Independent variable t-value to dependent variable

Variable	Original sample (O)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
x1. -> y	0,900	0,027	33,589	0,000
x1. -> z	0,843	0,050	16,941	0,000
z -> y	0,037	0,175	0,213	0,831
x1. -> z -> y	0,031	0,056	0,202	0,840

Source: Smart-PLS Output 2026

Based on the results of the T Statistics analysis as shown in Table 5 above, the hypothesis test of independent variables against dependent variables can be stated as follows:

Hypothesis 1: (X1) The role of Islamic banking has a positive and significant effect on (Y1) Increasing sustainable agribusiness. The results of SEM analysis obtained statistical $T = 33,589 > t$ table = 2,049 with a P Value = $0.000 < \text{Cut off Value}$ of 0.05. This means that the variable (X1) has a positive and significant effect on (Y). So it can be stated that hypothesis 1 is accepted.

Hypothesis 2: (X1) The role of Islamic banking has a positive and significant effect on (Z1) Brand Image. The results of SEM analysis obtained statistical T value = 16,941 $> T$ table = 2,049 with P Value = $0.000 < \text{Cut off Value}$ of 0.05. This means that the variable (X1) has no positive and significant effect on (z1). So it can be stated that hypothesis 2 is accepted.

Hypothesis 3: (Z1) Brand Image does not have a positive and significant effect on (Y1) Increase in sustainable agribusiness. The results of SEM analysis were obtained T statistics obtained statistical t value = 0.213 $< T$ table = 2.049 with P Value = $0.831 > \text{Cut off Value}$ of 0.05. This means that the variable (Z1) has no positive and significant effect on (1Y). So it can be stated that hypothesis 3 is rejected.

Hypothesis 4: (X1) The role of Islamic banking does not have a positive and significant effect on (Y1) Increase in sustainable agribusiness in mediation (Z1) Brand Image The results of SEM analysis obtained T statistics obtained statistical t value = 0.202 $< T$ table = 2.049 with P Value = $0.840 > \text{Cut off Value}$ of 0.05. This means that the variable (X1) has no positive and significant effect on (Y1) is mediated by (Z1) Brand Image. So it can be stated that hypothesis 4 is rejected.

2. Determinant Analysis Results (*R Square*)

The purpose of the determinant analysis (*R Square*) is to see the magnitude of the influence of independent variables together affecting dependent variables with criteria according to (Awang

et al., 2015) stating that the value of R square 0.75 is included in the strong category, the value of R square 0.50 is included in the moderate category and the value of R square 0.25 is included in the weak category.

Table 4. Results of Determinant Analysis of Independent Variables

Variable	R Square
(Y) Improving sustainable agribusiness	0,811
(Z) Brand Image	0,711

Source: Smart-PLS Output 2026

Based on Table 6 above, it can be seen that the results of the determination coefficient (R-Square) test obtained an R-Square value for the Sustainable Agribusiness Improvement variable (Y) of 0.811. This value shows that 81.1% of the variation in Sustainable Agribusiness Improvement can be explained by variables contained in the research model, while the remaining 18.9% is explained by other factors outside the model. An R-Square value of 0.811 indicates that the model has a strong explanatory ability to Improve Sustainable Agribusiness.

Discussion

The Influence of the Role of Islamic Banking on Increasing Sustainable Agribusiness

Financing that is in accordance with the agricultural business cycle is one of the important factors in supporting the sustainability and increasing productivity of agribusiness. Unlike most other business sectors, agricultural activities have a pattern of acceptance that is greatly influenced by the planting season and harvest season. Farmers have to incur production costs such as the purchase of seeds, fertilizers, pesticides, labor, and production facilities at the beginning or during the production process, while revenue is generally only obtained after the agricultural products are harvested and sold. This condition causes a time mismatch between expenditures and receipts (cash flow mismatch). FAO (2019) explained that financial institutions that provide financing to the agricultural sector need to consider the characteristics of cash flows, production periods, production risks, and seasonal income patterns in determining financing structures and payment schedules. Therefore, effective agricultural financing is determined not only by the amount of funds available, but also by the suitability of the term, payment pattern, and financing requirements with the characteristics of the farming business.

These seasonal characteristics are increasingly complex because the agricultural sector faces various forms of risks, both production risks and market risks. Production risks can come from weather changes, droughts, floods, pest and disease attacks, while market risks are related to changes in commodity prices, demand, and market conditions. Shows that agriculture has risks related to production uncertainty and price fluctuations, so financing institutions need to understand the business cycle and cash flow capabilities of farmers before establishing financing schemes. In such conditions, payment schedules that are too short and do not consider the harvest period have the potential to put pressure on farmers' liquidity. On the other hand, a financing structure that provides a payment period and schedule according to the production period can improve the ability of farmers to meet their obligations while maintaining working capital for the next production activity. Thus, financing flexibility is an important aspect in increasing the effectiveness of financial intermediation in the agribusiness sector.

Agricultural financing needs can be accommodated through various contracts that have

different characteristics and goals. Murabahah can be used to finance the procurement of goods or production facilities needed by farmers, while mudharabah and musharakah have the character of partnership and revenue sharing that can be used for business activities that generate profits. Meanwhile, the salam contract has special relevance to the agricultural sector because it allows payments to be made in advance for commodities to be handed over later in accordance with the specifications and time that has been agreed. The Islamic Development Bank (IsDB) explained that various sharia financing instruments can be used to meet the needs of the agricultural sector, both for working capital and asset investment, and placed salam as one of the instruments that are very relevant to financing agricultural production. Thus, the diversity of contracts provides opportunities for Islamic banks to design financing products that are more in line with the characteristics of each agribusiness activity (IsDB, 2024).

Akad salam in particular has strategic potential in overcoming working capital problems faced by farmers at the beginning of the production cycle. In this mechanism, payments are made in advance to farmers, while commodities are handed over at a predetermined time. The Islamic Development Bank provides an example that salam transactions can provide working capital for farmers to buy inputs and finance labor while providing market certainty for the production that will be handed over at harvest. The mechanism shows that sharia financing can connect financing and marketing aspects simultaneously. However, its implementation still requires good risk management, especially related to quality, quantity, delivery time, and the risk of crop failure. Therefore, salam financing should ideally be accompanied by technical assistance, production risk management, and a clear relationship between farmers, financial institutions, and buyers (IsDB, 2024).

Based on this description, the suitability and diversity of sharia financing schemes can be seen as one of the important instruments in strengthening sustainable agribusiness. Financing not only functions to provide capital but must also be able to adapt to the production cycle, cash flow, risk, and investment needs of farmers. (FAO, 2024) emphasizes that the design of financing products and payment schedules need to be adjusted to customer characteristics and agricultural calendars, as payment flexibility can increase the affordability of financing for farmers. In line with that, the IsDB (2024) places agricultural financing as part of efforts to encourage inclusive, sustainable, productive, and resilient agriculture.

The findings of this study strengthen the argument that the role of Islamic banking is not enough only to be measured by the ability to distribute funds, but also by the ability to provide financing schemes that are in accordance with the business cycle, working capital needs, risk characteristics, and agribusiness development prospects (Mapanje et al., 2023). With this approach, sharia financing has the potential to contribute to increasing productivity, business sustainability, and the welfare of agribusiness actors.

Islamic banking also has the potential to turn financing into productive capacity. Capital can be used for seeds, fertilizers, agricultural tools, post-harvest processing, storage, distribution, and market development (Bayudan-Dacuyucuy et al., 2022). Therefore, the influence of X on Y should not be understood as the influence of funds alone, but as the influence of the financial services ecosystem on the ability of businesses to develop. These findings are in line with the research foundation that sustainable agribusiness integrates economic, social, and environmental dimensions. Financing can be an instrument to encourage technological innovation, resource conservation, farmer empowerment, and value chain strengthening. The study also emphasized the importance of integrating financial and non-financial services because financing without

capacity building can limit the effectiveness of the use of funds.

The dominance of environmental financing orientation indicators shows that sustainability is perceived as one of the important dimensions in the role of Islamic banking. The findings indicate that respondents not only view banks as providing financing, but also as institutions that can direct resource allocation to economic activities that have a positive impact on the environment. In the framework of sustainable finance, the Financial Services Authority includes renewable energy, energy efficiency, sustainable agriculture, organic agriculture, and natural resource management as examples of activities that can obtain sustainable financing support. Therefore, the high orientation of environmental financing in this study can be interpreted as the awareness of respondents to the importance of financing that not only produces economic benefits, but also supports environmental sustainability (Villalba et al., 2023).

Environment-based financing has a strategic role in directing resources to productive activities that are more environmentally friendly, such as energy and water use efficiency, organic farming, natural resource conservation, pollution control, and the use of technology with lower environmental impact. Research on green banking in Islamic banks shows that green banking practices are related to the goals of Maqashid Syariah and can be used to support sustainable economic development. Thus, the orientation of environmental financing in Islamic banking can be seen as a form of integration between the function of financial intermediation and social and ecological responsibility (Tumewang et al., 2025).

From the perspective of Maqashid Sharia, the orientation has relevance to the purpose of protecting benefits, including the protection of life (*hifz al-nafs*), posterity and future generations (*hifz al-nasl*), and property (*hifz al-mal*). The Islamic banking sustainability framework developed in the literature also places the environmental dimension as an important part of the sustainability of Islamic banks. Studies on Islamic banking sustainability show that increasing green financing is one of the strategies that can strengthen the sustainability of Islamic banks while expanding its benefits to rural communities and underserved groups (Hamidi & Worthington, 2021).

The relevance between sharia financing and environmental sustainability is also further strengthened by the latest empirical research. Muneer et al. (2025) on the development of Islamic finance and environmental sustainability found that the development of Islamic finance is related to the reduction of carbon emissions, thus demonstrating the potential of Islamic financial institutions in supporting the transition to a low-carbon economy. Other research also confirms that Islamic financial principles have an ethical foundation that encourages the prevention of damage and the protection of the interests of future generations (Candra Ningluthfi & Arif Nurohman, 2024). The findings strengthen the argument that environmental orientation in Islamic banking financing is not just a business strategy but can also be positioned as an implementation of ethical values and benefits in economic activities.

The high value of environmental financing orientation indicators in this study implies that the development of the role of Islamic banking should be directed towards financing that is able to generate economic benefits as well as ecological benefits. In the context of agribusiness, the financing can be directed to support organic farming, water and energy use efficiency, agricultural waste management, soil conservation, the use of environmentally friendly technology, and sustainable production practices. This is in line with the sustainable finance policy in Indonesia which explicitly includes sustainable agriculture as one of the sectors that can obtain sustainable financing (Candra Ningluthfi & Arif Nurohman, 2024). Therefore, environmental financing orientation can be one of the strategic instruments of Islamic banking in encouraging the

improvement of sustainable agribusiness while realizing the values of Maqashid Syariah in economic practice (Julia & Kassim, 2019).

The value of non-financial assistance of 0.945 indicates that coaching is not complementary, but an important part of the bank's role. Agribusiness actors need financial literacy, risk management, business registration, production technology, and market information. Mentoring helps ensure that capital is used productively and business risks can be managed. The suitability of the financing scheme with a loading of 0.918 shows the importance of product flexibility. Financing products that do not match the agricultural cycle can increase financial pressure. On the other hand, a scheme that meets the needs of working capital and investment allows farmers to maintain production continuity.

Access inclusivity of 0.890 is also important because small business actors often face administrative, informational, geographical, and literacy barriers. Digitalization can help, but it must be accompanied by education so that access to technology does not create new gaps. Thus, H1 acceptance has a strong empirical basis. The role of banks works through a combination of capital, environmental sustainability, mentoring, and access. This multidimensional approach is more relevant to agribusiness than an approach that only measures the amount of financing.

The Influence of the Role of Islamic Banking on Brand Image

The results of the study show that the role of Islamic Banking has a positive and significant effect on Brand Image. These findings show that the brand image of Islamic banking is not solely formed through promotional activities, advertising, or marketing communications, but also through the real experience that customers gain in interacting with banks. The suitability of financing products with business needs, ease of access to services, non-financial assistance, and orientation towards sustainability are concrete experiences that can form a positive perception of banks. These findings are in line with the research of I. U. Khan et al. (2024). which found that green banking practices in Islamic banks have a positive and significant effect on the bank's reputation. The study used data from 390 respondents from Islamic bank employees and found that practices related to the bank's employees, operations, customers, and policies contributed positively to the reputation of Islamic banks.

Conformity with sharia principles is also an important dimension in the formation of the image of Islamic banking. Customers not only evaluate banks based on economic benefits, but also consider perceptions of integrity, transparency, fairness, and compliance with sharia principles (Afrida et al., 2026). In this context, the image of Islamic banks will be stronger if these values are consistently realized in products, services, financing, and governance. However, recent research on the reputation of Islamic banking in Indonesia shows that Islamic compliance and Islamic values are seen as basic requirements that are expected of Islamic banks. Therefore, these aspects are not always the main differentiating factor compared to service quality, reliability, security, transparency, and digital innovation (Febriandika et al., 2023). These findings are important for your research because they show that sharia compliance is the main foundation of the image of an Islamic bank, while the quality of the implementation of banking functions including financing, service, mentoring, and innovation can be a stronger factor in differentiating brand perception among customers.

Bank Syariah Indonesia (BSI) and agribusiness financing, these findings imply that strengthening brand image needs to be done through improving the quality of the bank's substantive functions, not just through promotional activities. Banks need to ensure that financing products are truly in line with the agricultural business cycle, are easily accessible, aid, support

environmentally friendly activities, and remain consistent with sharia principles. With this approach, brand image can be formed through positive experiences and real benefits received by agribusiness actors. This is in line with research on Islamic banking in Indonesia which shows that brand image and trust are important factors in customer relationships with Islamic banks ((Basrowi et al., 2023). Therefore, the results of this study strengthen the argument that BSI's brand image is not only the result of marketing communication but is a consequence of the quality of the implementation of the bank's role in providing financing, services, mentoring, sharia compliance, and contributing to agribusiness sustainability.

Pengaruh Brand Image terhadap Peningkatan agribisnis berkelanjutan

The results of this study show that changes in respondents' perception of BSI's brand image have not been directly followed by changes in indicators of sustainable agribusiness improvement, namely agricultural technology innovation, natural resource management, empowerment and welfare of farmers, as well as market access and product added value. This finding is important because it shows that Brand Image has a different character from the agribusiness outcome variable. Brand Image is basically a perception or evaluation of a brand, while sustainable agribusiness improvement is a tangible result that requires changes in behavior, resource use, investment, technology, and marketing activities. Thus, a positive image of the bank is not enough to produce operational changes in agribusiness activities.

The influence of Brand Image on the improvement of sustainable agribusiness can be explained through previous research in the context of Islamic banking. Basrowi et al. (2023), found that Brand Image in Bank Syariah Indonesia affects trust and customer loyalty, both directly and through relationships with trust. The study was conducted on 150 BSI customers and used SEM with SmartPLS. The results show that brand image plays a role in shaping customer trust and loyalty. These findings actually help explain the results of this study. This means that Brand Image is likely to result in psychological and behavioral outcomes for customers, such as increased trust, confidence in the bank's reputation, interest in using services, and loyalty, rather than producing immediate changes to the productivity or sustainability of agribusiness. In the context of this study, a positive BSI image can make agribusiness players trust banks, but this trust does not necessarily translate directly into the purchase of agricultural technology, resource conservation, product quality improvement, or market expansion.

The results of this study can also be understood from the characteristics of the variable of Sustainable Agribusiness Improvement (Y) which is multidimensional and operational. Improving agribusiness not only requires a positive perception of financing institutions, but also requires the availability of capital, technology, knowledge, mentoring, market access, production facilities, and managerial skills. In other words, there is a long transformation process between the perception of the bank brand and real changes in farming activities. Research on brand image in Islamic banking also shows that brand image is mainly related to trust and loyalty. Hendri Yeni et al. (2023), based on research on 500 respondents in West Sumatra, found that brand image, perceived value, and brand awareness have an effect on customer trust and customer loyalty in Islamic banking. Thus, the results of your research can be seen as findings that show that the effect of Brand Image tends to be in the areas of customer perception, trust, and relationship with banks, while agribusiness changes require more concrete and direct interventions.

Because Y outcomes are operational and multidimensional, Brand Image alone is not enough. Agribusiness actors must be able to turn bank support into action: buying better inputs, implementing technology, preserving natural resources, improving product quality, and expanding

markets (Widiyanti et al., 2025). Thus, the rejection of H3 does not mean that the Brand Image is worthless. Brand image remains important as a reputational asset and source of trust, but this study found no evidence that it directly results in an increase in sustainable agribusiness.

Although H3 was rejected, the result does not mean that Brand Image does not have strategic value for Islamic banking. Brand image remains a reputational asset that can be the foundation for building customer trust and loyalty. Research by Mukminin & Nur Latifah (2020) on Islamic bank customers in Sidoarjo shows that increasing brand image and trust is related to increasing customer loyalty. Other research on Islamic bank customers also shows that brand image and trust can affect customer retention, while loyalty is an important part of maintaining customer relationships with banks. Therefore, in the context of this study, Brand Image should be understood as a supporting asset that can create an environment of trust between banks and agribusiness actors, but not as a single factor that can improve the sustainability of agribusiness. To produce real change, such a positive image must be followed by easily accessible financing, schemes that are appropriate to the agricultural cycle, mentoring, technology access, and support for product marketing (Ricadonna et al., 2021).

Agribusiness actors need to be able to convert support and trust in BSI into productive actions, such as obtaining quality inputs, adopting agricultural technology, improving water and energy use efficiency, maintaining soil quality, increasing farmer capacity, developing value-added products, and expanding market access. These findings also clarify the difference in function between Brand Image and the Role of Islamic Banking in the research model. The brand image functions more as a reputation capital and the formation of trust, while the substantive role of banks through financing, access to services, mentoring, and sustainability orientation is closer to the real needs of agribusiness. This is consistent with research by Basrowi et al. (2023) which shows that Brand Image at BSI is mainly related to customer trust and loyalty. Therefore, the results of this study confirm that Brand Image remains important as a reputational asset but cannot stand alone in producing sustainable agribusiness improvements.

The Influence of the Role of Islamic Banking on the Improvement of Sustainable Agribusiness in Madiasi Brand Image

The Role of Islamic Banking in Improving Sustainable Agribusiness. Conceptually, the indirect effect in mediation analysis is a mechanism that explains how the influence of variable X on Y takes place through the intermediate variable M. Hayes explains that the indirect effect is the result of a combination of the path from X to the mediator and the path from the mediator to Y, so the existence of a relationship in the first path is not enough to state that the mediation mechanism works effectively. In this study, although the role of Islamic Banking was proven to have a strong influence on Brand Image, the influence of Brand Image on Improving Sustainable Agribusiness was not significant. This condition causes the mechanism of indirect influence as a whole to not receive empirical support.

These results provide interesting theoretical findings. The initial model placed Brand Image as a mechanism that was expected to transform the role of banks into an increase in agribusiness. But the data show that the direct relationship of $X \rightarrow Y$ is much stronger than the path through Z. In other words, the operational benefits of banks are more decisive than image in explaining agribusiness outcomes. In the context of the customer, functional experience is likely to be more important than brand perception. Agribusiness actors need timely capital, financing according to the production cycle, mentoring, technology, and market access. Brand image can be the gateway to trust, but business sustainability requires concrete action.

The mediation results also remind that intervening variables should be maintained only if the empirical mechanism is proven. Conceptually Brand Image makes sense as a mediator, but research data show that its influence on Y is too small to be a significant mediating pathway. Therefore, BSI's strategy should not stop strengthening its image. Branding should be linked to proof of performance: successful financing, mentoring, environmental impact, market access, and customer capacity building.

Hayes & Rockwood (2020) explain that indirect influences are the product of the effects that form the mediating pathway and must be assessed through appropriate inferential procedures. Igartua and Hayes also remember that mediation analysis needs to clearly distinguish between direct effects, indirect effects, and total effects so that the interpretation of the mechanisms of relationships between variables is not wrong. Thus, the results of this study show that the strong influence of $X \rightarrow Z$ does not automatically result in mediation, because the very weak and insignificant $Z \rightarrow Y$ pathway inhibits the formation of mediation mechanisms.

The H4 findings become even more meaningful when compared to the direct influence of the role of Islamic Banking on the Improvement of Sustainable Agribusiness. Based on the results of your research, the $X \rightarrow Y$ pathway has a coefficient of 0.900 and a p-value of 0.000, while the mediation pathway through Brand Image only produces a coefficient of 0.031 with a p-value of 0.840. This difference shows that the substantive role of banking is more decisive for the improvement of agribusiness than the reputational mechanism through Brand Image. Practically, financing that is in accordance with business needs, access to financial services, non-financial assistance, and orientation to environmental financing has a more direct proximity to the operational needs of farmers. On the contrary, Brand Image only provides a perception of the quality and credibility of the institution. The findings M. S. Khan et al. (2022) on Islamic banks also show that green banking practices have a positive effect on the reputation of Islamic banks. The study used 390 respondents and found that practices related to employees, operations, customers, and bank policies significantly improved the bank's reputation. The findings reinforce that real bank practices can shape reputation, but your research shows that that reputation has not been proven to be a mechanism that passes on the influence of banking to agribusiness outcomes.

Theoretical Implications of Research

Financing orientation based on environmental awareness is the strongest indicator on X with a load of 0.962. This shows that respondents see alignment with environmentally friendly practices as an important component of the role of Islamic banking. The findings support the idea of green banking as an instrument for agribusiness transformation. Financing can be directed at water efficiency, soil conservation, renewable energy, organic farming, and production technologies that reduce environmental stress. In the sharia perspective, orientation can be associated with the principles of environmental benefit and protection.

Implicitly, the BSI program needs to connect financing with the entire value chain: production, processing, storage, distribution, and marketing. Financing that only increases production without strengthening the market can create new problems in the form of dependence on the sale of raw materials. The broader policy implications are the need for collaboration between banks, local governments, extension workers, farmer groups, agroindustry, and markets. Banks can provide capital and assistance, governments strengthen infrastructure and regulations, while businesses develop sustainable production technologies and practices.

CONCLUSION AND SUGGESTIONS

The increase in sustainable agribusiness in BSI KC Palopo customers is more strongly explained by the real role of Islamic banking than by Brand Image. Therefore, development strategies should be oriented towards financing that meets needs, non-financial assistance, and inclusive access to services. Brand image still needs to be strengthened, but as a reputational asset that supports customer trust and relationships, not as the only mechanism to improve agribusiness. These results also provide a basis for BSI and agricultural stakeholders to develop a financing model that does not stop at capital disbursement, but is oriented towards changes in productivity, welfare, value-added, and resource sustainability.

Advanced research can enlarge the sample, expand the area, use longitudinal design, and include variables such as Islamic financial literacy, mentoring quality, market access, managerial ability, agricultural technology, government policies, and climate change risk.

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Conflicting Interests

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Authors' Contributions

All authors contributed equally to the development and completion of this study, including the research process, preparation of the manuscript, and critical review. All authors have reviewed and approved the final version of the manuscript.

Disclaimer

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