



**DETERMINANTS OF FAMILY TAKAFUL OWNERSHIP THROUGH
SOCIO ECONOMIC CHARACTERISTICS**

NUR ZULAIKHA BINTI BAHAROM

2011833548

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**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
JOHOR.**

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ABSTRACT

Islamic insurance industry in Malaysia has been experienced almost 29 years since its establishment in 1984 where Syarikat Takaful Malaysia Berthed was the first takaful operator operated in Malaysia. Takaful can be classified into two categories which are Family Takaful and General Takaful. Family Takaful in Malaysia play its roles as an important player in supporting economic development and social development in insurance industry. This paper attempts to determine the factors that influence the ownership of takaful through the socio economic characteristics and to identify whether there is a relationship between contribution amount, level of knowledge, households' size, and life expectancy with the family takaful ownership. Understanding the determination of family takaful ownership among takaful consumers is crucial important to analyze the takaful potential and growth in Malaysia insurance industry. This study used survey questionnaires and obtained a total of 96 respondents which are consumers of family takaful in Kuala Lumpur. From the findings of the results, life expectancy is the major influence towards the family takaful ownership. The findings also indicates that contribution amounts, levels of knowledge, household's size and life expectancy are significantly related to the determination of family takaful ownership. It is expected that the findings of this study will provide crucial input to future researchers whether in takaful industry or in academic. Further study also needed to investigate whether all these socio economic characteristics contribute significantly to the demand of family takaful ownership.