



UNIVERSITI TEKNOLOGI MARA

**THE EFFECTIVENESS OF MARKETING STRATEGY USED BY  
TAKAFUL NASIONAL SDN BHD, KUCHING IN MARKETING  
THEIR PRODUCTS**

**SITI FARIDAH HANUM BT HJ ZAIDEL**

**97274515**

**This project paper is submitted in partial fulfillment of the  
requirement for BACHELOR IN BUSINESS ADMINISTRATION  
(HONS) INSURANCE  
SCHOOL OF BUSINESS AND MANAGEMENT  
UNIVERSITY TECHNOLOGY MARA SHAH ALAM  
SELANGOR**

**OCTOBER 1999**

## TABLE OF CONTENTS

Title page	i
Letter of Transmittal	ii
Acknowledgement	iii
List of abbreviation	iv
Table of contents	
<b>CHAPTER 1</b>	
1.0 Introduction	1
1.1 Objectives of the study	2
1.2 Significance of the study	3
1.3 Scope of the study	3
1.4 Limitation of the study	3
1.5 Definition of terms	4
1.6 Research methodology	6
1.6.1 Data Collection	6
<b>CHAPTER 2</b>	
2.0 Background of the company	8
2.1 Syariah Supervisory Council	9
2.2 Board of Directors	10
2.3 Kuching Branch organization	11
2.4 Organization Financial Performance	11
2.5 General and Business Activities	13
2.6 Business Review	14
2.7 Future Prospects	15
2.8 Takaful Nasional Network	16
2.9 Products and Services	17

## CHAPTER 1

### 1.0 INTRODUCTION

In efforts toward sustaining the nation's robust economy and to assimilate Islamic values, the Malaysian government has strived to implement Islamic Financial System in tandem with the conventional financial structure.

The Islamic Financial System which is based on syariah laws covers institutions like Al Bank Alla' Ribawi (Free Interest Banking), Takaful (Insurance), Ar Rahn (Pawn Broking) and Islamic shares transaction have gained the support of Muslims and non Muslims alike. Insyah Allah, the Islamic Muamalah will be the business culture of future.

Several of these approaches, namely al Bank Alla' Ribawi and Takaful, are also being successfully practised in the neighbouring countries such as Brunei Darussalam, Indonesia and Singapore through the aid and assistance of expertise from Malaysian Islamic Financial institution. However, in this study, researcher will focus on Takaful.

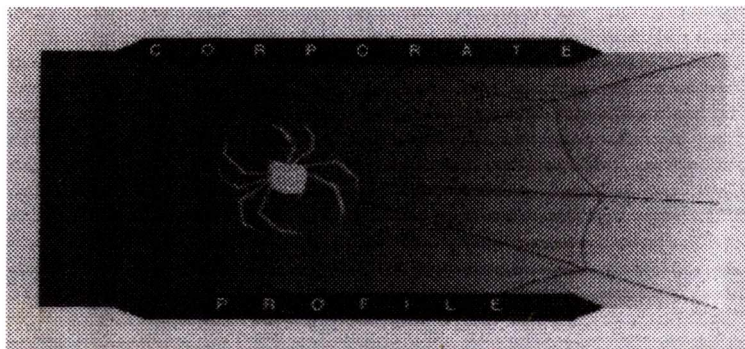
Takaful is a pack to jointly guarantee and to assist one another. This is in accordance to the hadith of Rasullullah saw "By Allah swt in whose might my life lies, no one will enter heaven if he does not shelter his neighbour in handship."

## CHAPTER 2

### 2.0 Background of the company

MNI Takaful Sdn Bhd was incorporated on October 15, 1993, with an authorised capital of RM50 million and paid up of RM25 million. Presently, the company is jointly – owned by Malaysia Nasional Insurance Sdn Bhd (80%) and Yayasan Pembangunan Ekonomi Islam Malaysia (20%)

MNI Takaful expanded its operation to Kuching, Sarawak in 1997 which located at Jln Rubber and only employed two staffs. On June 1998, they officially moved to the new office at Jln Tun Ahmad Zaidi Adruce. Later, on October 10, 1998 MNI Takaful was changed to Takaful Nasional Sdn Bhd (TNSB) which launched by YB En Bolhassan Hj Di.



Takaful cover at TNSB is premised on the miraculous event chronicled in the Quran in which a spider web sheltered Prophet Muhammad SAW from antagonist of Islam when he sought refuge in the Thur cave. That , by

## CHAPTER 3

### 3.0 LITERATURE REVIEW

#### 3.1 Definition of Strategy

A strategy is a fundamental pattern of present and planned objectives resources deployment and interaction of an organization with market, competitors and other environmental factors.

A good strategy should specify:

- What is to be accomplished
- Where, that is, on which industries or product market it will focus.
- How or which resources and activities will be located.

#### 3.2 Component of Strategy

There are five components, or set of issues within a well developed strategy.

##### Scope

The scope of an organizations refers to the breadth of its strategic domain, that is, the number and types of industries, product lines and market segment it competes in or plan to enter. Decisions about and organization strategic scope should reflect management view and product markets defines the essential nature of what its business is and what it should be in the future.