

UNIVERSITI TEKNOLOGI MARA

**MAYBANK TAKAFUL PRODUCT INNOVATION AND
MARKETING STRATEGY: AN APPROACH TO
ATTRACT THE YOUNGER GENERATION**

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ABSTRACT

In the current dynamic financial circumstances, Islamic banking institutions, particularly Maybank, face the issue of addressing the needs of a swiftly changing demography, especially the youth. Consequently, it is essential to investigate matters pertaining to the advancement of Takaful product innovation and Maybank's marketing strategy aimed at engaging the younger demographic in Malaysia. Concerns about the inadequate involvement of younger clients with Takaful products and the difficulties encountered by Islamic financial institutions, particularly Maybank, in promoting Takaful product developments to a younger demographic. The main objectives of this study are to identify Takaful products offered by Maybank to the younger generation, examine the challenges of implementing innovations and marketing strategies to attract the younger generation, and evaluate the effectiveness of existing Takaful product marketing strategies to the younger generation. The study uses qualitative methods through semi-structured interviews involving five Maybank Islamic Berhad employees at the Kota Bharu branch, consisting of two officers and three Maybank employees, with data analysed thematically. The findings of this study show several major challenges in marketing Takaful products to the younger generation such as the lack of awareness among the younger generation about Takaful products, however there are also strategies used to overcome these challenges such as promoting Takaful products through social media platforms. Through this study, it is hoped that it can contribute to Islamic banking institutions such as Maybank in strengthening its competitiveness in the Islamic financial market and meeting the needs of the increasingly dynamic younger generation.

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CHAPTER 1: INTRODUCTION

1.1 Research Background

In Malaysia, the Islamic insurance sector known as takaful is growing in popularity, especially among younger people. Maybank's approach to takaful product creation and marketing strategies becomes crucial as financial institutions adjust to shifting customer habits and preferences. This research aims to explore the insights of Maybank staff regarding the development of takaful products tailored for younger customers, assess the effectiveness of current marketing strategies, and identify challenges faced in this endeavour.

Younger generations place a high value on takaful because it offers a distinctive value proposition by fusing Islamic devotion with financial safety. takaful is ideally positioned to satisfy the growing demand and awareness for ethical financial solutions, especially from millennials and Gen Z, who have high standards for social responsibility and sustainability (Amuda, et al., 2020). A growing number of younger people are looking for financial solutions that are consistent with their principles, which makes takaful products a desirable choice.

Maybank has been aggressively pursuing product innovation and digital transformation in response to these changes. One of the latest projects is the creation of highly customized digital platforms that address the lifestyle requirements of younger customers (Maybank Investor Relations, 2023). This calculated action not only improves the client experience but establishes Maybank as a pioneer in offering pertinent financial solutions that meet the convenience and digital accessibility demands of the younger generation.

In order attract in younger consumers, takaful products need to be promoted effectively. Maybank is now working to explain the advantages of takaful over traditional insurance products by utilizing digital channels, interacting with social media, and initiating educational programs (Maybank Group Investor Relations, 2024). This study