



**THE EFFECTIVENESS OF MARKETING STRATEGIES  
ADOPTED BY TAKAFUL MALAYSIA BERHAD FRO  
TAKAFUL MORTGAGE PLAN**

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## **ABSTRACT**

The aim of this paper is to find out the effectiveness of marketing strategies that had been adopted by Takaful Malaysia Berhad towards Takaful Mortgage Plan and also to find out customers' awareness on the policy (Mortgage Plan) based on feedback given by them with respect to developing the potentials of Takaful Malaysia Berhad, Kuching Branch. The main objectives are to find the alternatives and marketing strategies, to improve the level of awareness amongst consumers toward Takaful Mortgage Plan and to examine and to improve the present approaches adopted by the company.

Prior to the writing of this paper, a survey was conducted on the 3<sup>rd</sup> to 9<sup>th</sup> March 2003, through the distribution of questionnaires and interviews to customers in Kuching. Desk research on the company's report, magazines, insurance journal, Seven Malaysia Plan and web surfing were also carried out.

The finding clearly shows that the level of awareness on the product (Takaful Mortgage Plan) and the awareness on Takaful Malaysia itself is quite high 84%. The surveys also shows that the level of awareness of customers for the promotional activities done is quite low whereas only 30% of them noticed on the campaign done. The finding of this study also show a lack of marketing communication programs such as advertising and promotional campaign for Takaful Mortgage Plan. The lack of promotional activities has impended the customers knowledge of Takaful. There id also lack of marketing effort due to insufficient number of marketing officers.

# CHAPTER 1

## INTRODUCTION

### 1. Islam and Insurance

As the essence of insurance could be seen in the system of mutual help in relation to the custom of blood money under the Arab tribal custom, Muslim jurists generally accepted that the concept of insurance must not contradict with the Syariah.

In fact, Islam and the Holy Prophet accepted the principle of compensation and group responsibility. Muslim jurists acknowledged that the basis of shared responsibility in the system of '*aqila*', as practiced between Muslims of Mecca (muhajirin) and Medina (ansar) laid the foundation of mutual insurance.

It is also a generally accepted view that Islamic Insurance was first established in the early second century of the Islamic era where this was the time when Muslim Arabs started to expand their trade to India, Malay archipelago and other countries in Asia.

Muslim jurists looked further into the Islamic system of insurance and their conclusion was that insurance in Islam should be based on the principles of mutuality of and cooperation.