



**DETERMINANTS OF CUSTOMER SATISFACTION IN
TAKAFUL PRODUCTS AND SERVICES**

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ABSTRACT

The aim of this research paper is to examine factors influence the customer satisfaction in Takaful products and services. The dependent variable is customer satisfaction in Takaful products or services whereas there are four independent variables which are employee commitment, understanding or Islamic concept, the use of technology and distributive fairness. Results of this research will then analyzed by using Statistical Package for the social Sciences (SPSS). The primary data collection is based on questionnaires distributed to Takaful customers situated in Johor Bahru. Secondary sources such as internet and journal will be used to generate the ideas and increase knowledge in completing research. The result of multiple regression analysis indicates whether all factors which are employee commitment, understanding of Islamic concept, the use of technology and distributive fairness have a strong relationship with customer satisfaction in Takaful products and services. Thus, further recommendations are provided for the improvement of Takaful operation in future.

CHAPTER 1: INTRODUCTION

1.0 INTRODUCTION

The existence of Takaful Act 1984 lead to the establishment of first Takaful company in 1985. This is as an alternative to increase the growth of Islamic financial system. Takaful is an Islamic insurance which is based on shariah that used a concept of Tabarru' (donation) and mutually guarantee to each other in a group of participants. When there is a loss or damage occurs, Takaful operator will ensure that participant will receive the right amount that they deserve.

There are many Takaful operators had been established since the first of Syarikat Takaful Malaysia in 1985. From the source of Central Bank of Malaysia 2016, there are three Takaful operators that offer a Family Takaful business which are AIA Public Takaful Bhd, AmMetLife Takaful Berhad and Great Eastern Takaful Berhad. Meanwhile, there are eight Takaful operators that offers for both Family and General Takaful business which are ETIQA Takaful Berhad, HSBC Amanah Takaful (Malaysia) Berhad, Hong Leong MSIG Takaful Berhad, Prudential BSN Takaful Berhad, Sun Life Malaysia Takaful Berhad, Syarikat Takaful Malaysia Berhad, Takaful Ikhlas Berhad and Zurich Takaful Malaysia Berhad.

In Malaysia, consists of two types of Takaful business which are family Takaful business and general Takaful business. According to Central Bank of Malaysia 2015, stated that for the family Takaful business, it is a long term investment whereas general Takaful business is a short term investment that usually only need 12 months to pay back