



UNIVERSITI TEKNOLOGI MARA

**Takaful and Conventional General Insurance: Analysis
Muslim Consumer's Perception and Choice in
Kuantan, Pahang.**

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ABSTRACT

Takaful is the insurance product that follows Shariah compliance that had been introduced to customers who want to avoid any product that have prohibited elements. Conventional insurance had widely been used around the world. Malaysia, being an Islamic country, we have a good development in Islamic Finance sector. Islam is not only the main religion in Malaysia, but nowadays all the practices such as managing the organization also follows the Islamic practice. This paper aims to analyse the Muslim's consumer perception and choice regarding to the Takaful and conventional general insurance. The quantitative study was applied for this research. The questionnaire was distributed to 150 Muslim respondents around Kuantan, Pahang. The findings revealed all the result from the Muslim respondents in Kuantan, Pahang. The result of regression analysis and correlation analysis will show whether the components of perception, awareness and religiosity is significant or not with insurance policy holders.

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CHAPTER ONE: INTRODUCTION

1.1 INTRODUCTION

First of all, this chapter discusses about the background of the study, problem statement, research questions, research objectives, significant of the study, scope of the study, limitation of the study and finally, the summary of the chapter. The researcher makes a study about the Takaful and conventional general insurance regarding to the Muslim consumer's perception and choice in Kuantan, Pahang.

In the background of the study, the researcher discusses solely about the dependent variable and independent variables. The insurance policy holders as the dependent variable while the religiosity, awareness, and perception as the dependent variables for this study. The gap of this problem that exists is discussed in the problem statement.

The research question is about the question related to the theoretical framework in this research. The research question is divided into two types, which is the main research question and the specific research question. The main research question is the question related to dependent variable and it is the most important to the research. The specific research question plays as the supportive measure of the main research. There are two types of the research objectives; the first main research objective and the second specific research objective. For the significance of the study, all parties such as organization, individual or the country itself are covered in this research.

Every researcher faces some limitations in doing research. The example of limitations faced by the researcher is firstly, the difficulty in gathering the data, secondly the obstacles in obtaining the information and the main limitation faced was about the accuracy of data. Lastly the summary will summarize all the information related in chapter one.