



UNIVERSITI TEKNOLOGI MARA

**FACTORS THAT INFLUENCE
CUSTOMER'S SATISFACTION ON
ISLAMIC INSURANCE**

NUR AMALINA AQILAH BINTI RAZALI

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ABSTRACT

Islamic insurance or known as takaful are important for every people, especially for Muslim people. As we know, Islamic insurance products are the only one insurance products does not contain any prohibited element in Islam. Hence, most of the Muslim people demand on Islamic insurance to maintain and ensure personal and family stability and have adequate protection in the future. Thus, Islamic insurance business takes a big role to provide a better Islamic insurance. In order to provide a better improvement on Islamic insurance products and ensure the customer satisfaction with the Islamic insurance products, this paper conducted to investigate what are the most factor that influences customer's satisfaction on Islamic insurance. It also to find out the relationship of independent variable which are quality service, the role of agent and image and reputation towards influencing customer's satisfaction on Islamic insurance. This study distributed a questionnaire survey, a total of 100 questionnaires were collected back from the respondent in area Kuala Lumpur and Klang Valley through cluster sampling. The finding based on correlation analysis shows that all the independent variables have a moderate relationship with dependent variables. While based on regression analysis displayed that role of agent have significant to this study and this variable is the most dominant factor influence customer's satisfaction.

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CHAPTER ONE

INTRODUCTION

1.1. INTRODUCTION

The first chapter of this study describes the background of Islamic insurance in the Malaysia and the principles of Islamic insurance. Then, it will be continued with the problem statement, research questions, and research objectives, significance of study, scope, and limitation of the study.

1.2. OVERVIEW / BACKGROUND OF STUDY

1.2.1. Development of Islamic insurance industry in Malaysia

In Malaysia, the first idea concept of Islamic insurance company was started in 1981 when the Government of Malaysia set up a task force to study the possibility and make recommendations of establishing an Islamic insurance company in Malaysia. The reason for establishment of Islamic insurance company is to provide takaful products and to complement for Islamic banking operation and services. Hence, it led to the incorporation of Syarikat Takaful Malaysia Berhad (STMB) on 29 November 1984 followed by the commencement of operations on 22 July 1985. After slightly more than a decade of operations, the company was converted into a public limited company on 19 October 1995, followed by its listing on the Main Board (now known as 'Main Market') of Bursa Malaysia Securities Berhad on 30 July 1996.

The companies paid-up share capital stands at RM164.6 million comprising 823,145,670 ordinary shares of RM0.20 each and total assets at Group level standing at RM7.8 billion.

More than thirty years, STMB became one of the leading Takaful operators in Malaysia and has provided the financial strength and risk management expertise that fulfills our customers' needs across our 24 service

