FACTORS INFLUENCING THE INTENTIONS TO PURCHASE TAKAFUL AMONG MILLENNIALS IN SELANGOR

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ABSTRACT

There is a disturbing tendency among millennials today to their low level of financial awareness that leads to, the intention for takaful is not the top priority to them. Since they are less likely to think about their future, they are not considering takaful, overestimate the cost of purchasing takaful, and are least likely to interact with takaful providers. This study seeks to bridge a knowledge gap regarding the intentions of the millennials in Selangor to purchase Takaful. The factors identified are based on the Theory of Reasoned Action (TRA) and the Theory of Planned Behavior (TPB) which are attitude, knowledge, subjective norms, and religiosity. There are 125 respondents participating in this study. Based on the results of Multiple Linear regression and Pearson correlation Analysis, findings show that attitude and subjective norms are positively and significantly related to purchase intentions. The findings of the study are important for Islamic financial institutions, especially for takaful companies to revamp their marketing strategies. Understanding the behavior of millennials towards takaful could help to strengthen the Takaful products, increase awareness, and make them consider Takaful as one of the options for the future preparations of the next generation.

Keywords: Intentions, Attitude, Knowledge, Subjective Norms, Religiosity, Takaful.

ABSTRAK

Terdapat kecenderungan pada milenia masa kini yang menimbulkan kegusaran mengenai rendahnya tahap kesedaran mengurus kewangan yang menyebabkan keputusan memiliki takaful bukan menjadi pilihan utama mereka. Sikap tidak mengambil tahu berkenaan masa depan mereka sendiri menjadikan niat memiliki takaful tidak menjadi pertimbangan, tiada berkemampuan untuk membeli atas faktor kos dan kurangnya interaksi mereka dengan syarikat penyedia Takaful. Kajian ini dijalankan untuk mengurangkan jurang pengetahuan yang wujud ke atas niat milenia di Selangor berkaitan pembelian Takaful. Seramai 125 orang responden telah mengambil bahagian dalam kajian ini. Faktor-faktor merujuk kepada Sikap, Ilmu Pengetahuan, Norma Subjektif dan Kepatuhan Agama milinea yang di pilih berdasarkan Theory of Planned Behavior dan Theory of Reasoned Action. Kaedah Multiple Linear Regression dan Pearson correlation telah digunakan dalam kajian ini untuk mengkaji hubungan diantara faktor tersebut dan niat milenia di Selangor. Dapatan kajian ini menunjukkan bahawa sikap dan norma subjektif mempunyai hubungan signifikan yang positif terhadap niat membeli takaful. Hasil dari kajian ini adalah penting bagi institusi kewangan Islam, terutamanya bagi syarikat-syarikat Takaful dalam memperbaiki strategi pemasaran mereka. Pemahaman yang tinggi dalam tingkah laku pengguna membolehkan syarikat Takaful menjual produk mereka dengan cara yang lebih berkesan untuk meningkatkan pemasaran mereka.

Kata Kunci: Niat, Sikap, Ilmu Pengetahuan, Norma Subjektif, Kepatuhan Agama, Takaful

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بسم الله الرحمن الرحيم

In the name of Allah, the Most Gracious and the Most Merciful. All praise is due to Allah, The Creator, and Guardian of the universe. Praise and peace be upon Prophet Muhammad S.A.W., the last messenger of Allah, his family, and his companions, from whom we gain enlightenment.

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LIST OF ABBREVIATIONS

ANOVA	Analysis of Variance
ASE	Attitude-self influence-efficacy model
CAGR	Compound Annual Growth Rate
DTPB	Decomposed Theory of Planned Behavior
IMARC	International Market Analysis Research and Consulting
LIAM	Life Insurance Association of Malaysia
MDI	Malaysian Department of Insolvency
MTA	Malaysian Takaful Association
NAMLIFA	National Association of Malaysian Life Insurance and Family Takaful Advisors
SPSS	Statistical Package for the Social Sciences
STMB	Syarikat Takaful Malaysia Berhad
TPB	Theory Planned Behavior
TRA	Theory Reasoned Behavior
UAE	United Arab Emirates

CHAPTER ONE

INTRODUCTION

1.0 INTRODUCTION

This chapter will be discussing the introduction of the study which will be divided into eight subsections. It will begin with the background of the study, problem statement, research questions, and research objectives. It is then followed by the significance of the study, the definition of key terms, and the scope of the study. The organization of the research will be presented at the end of this chapter.

1.1 BACKGROUND OF STUDY

The idea of insurance has been around for as long as humans have existed. The first written insurance policy initially appeared in antiquity on a Babylonian obelisk monument with the Hammurabi Code engraved on it (Andrew Beattie, 2018). In order to safeguard the interests of their properties and enterprises, traders in European and Western nations like the United Kingdom, the United States of America, and Canada widely subscribe to insurance. Records indicate that traders used insurance at the dawn of the Babylonian civilization. Insurance is an economic institution founded on the principle of cooperation and established for the purpose of establishing a common fund (Lahsana, 2016).

Immigrants brought the idea of insurance to Malaysia as early as the eighteenth century. Since Malaysia's independence, the country's insurance sector has grown and been streamlined. In order to monitor and regulate the insurance industry, the government developed the Insurance Act of 1963. The elements of *gharar, maisir,* and *riba'* made-up insurance are in conflict with Shariah.

Malaysia has a dual financial system that includes both traditional insurance and takaful, which run concurrently. Takaful has been available since 1984 when the Takaful Act was enacted in order to meet the demands of the Islamic financial system in Malaysia. Syarikat Takaful Malaysia Berhad (STMB) was the first takaful business to be founded in 1985. Takaful is Shariah-compliant insurance, alternative to traditional insurance contracts (Hamid and Rahman, 2011). Takaful, however, is stated as a secular product, not a religious one, appropriate for everybody, regardless of religion. It offers greater value-added substance than insurance, making it known to be the best option for anyone looking to protect their finances from unforeseen tragedy.

The takaful industry was first established in Malaysia and has surprisingly spread over the entire world. Takaful has been growing not only in Malaysia but also in Indonesia and Brunei in Southeast Asia, in Bahrain, Kuwait, Oman, Qatar, United Arab Emirates, and Saudi Arabia in the Middle East, as well as in Western nations like the United States, Canada, and the United Kingdom (Ismail et al., 2017). The facts also highlighted Malaysia and Saudi Arabia leading this industry due to strong support by the government and their respective demographic structure. The industry has grown tremendously nowadays and become more prevalent due to rising worldwide awareness.

Even though the takaful industry is expanding, only a small portion of Muslims have enrolled in takaful coverage, as seen by the low takaful penetration rate. Not only that, but the unexplored Takaful markets in countries with substantial Muslim populations, such as China and India, unexpectedly promised enormous growth potential for the Takaful industry. Despite 2021 being another difficult year, the Takaful industry has also made excellent reforms and operational improvements that have led to strong financial growth and retention of the overall performance of the takaful industry.

In 2021, there are two major highlights. First, the Takaful sector has demonstrated its durability in challenging circumstances, and second, Takaful awareness and engagement have increased dramatically. It is recorded that the Takaful operators contributed 18.5% of the total net premiums and contributions in the entire insurance industry. Even with the challenges that the company has, like with any 'newcomer,' there is a big untapped natural market of approximately 18 million Muslims in Malaysia. Overall, the Islamic banking and Takaful industries remained resilient and agile with a positive future as the industry continued to grow at a higher pace than its conventional competitors, albeit on a smaller basis (see Figure 1.1). Indeed, takaful has been able to increase support for businesses and households, particularly during the difficult time of the pandemic.

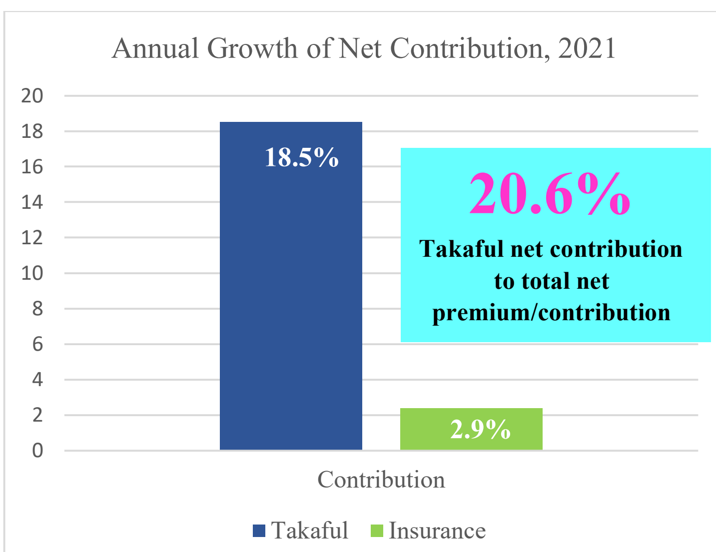

Figure 1.1
Annual Growth of Net Contribution, 2021
(Malaysian Takaful Association Annual Report)

Concerning the importance of this industry as mentioned above, awareness of the future well-being especially millennials that are gradually replacing the elder generation needs to be enhanced. The Millennial generation is referred to as people born between the 1981s and the 1996s. Michael Dimock (2019) specified the year or millennials as anyone born those born between 1981 to 1996, while 1997 onward is part of a new generation. Some argue that today's millennials have a healthy sense of self-worth and are willing to take risks for the sake of instant gratification in order to have fun and keep up with the latest social norms.

Another important fact is regarding the current living cost. According to the online news of *Free and Independent (2017)*, The Life Insurance Association of Malaysia (LIAM) estimates that medical costs will increase by 15% yearly, younger generations need to realize these facts as an increase in cost would have an impact on their way of living in future. It is advisable that millennials may reap the most financial benefits from Takaful's lower insurance premiums. Takaful offers social responsibility, protection, and support meanwhile it is also known that health care protection is directly tied to the insured's out-of-pocket spending as compared to older generations that have lower living costs (Manning et al, 1987).

Supporting the above, a lack of financial planning and understanding among millennials is a worrying trend that could lead to future financial disasters. The abuse of credit cards and the buildup of outstanding credit card debt among millennials in Malaysia is one of the main causes of bankruptcy. According to recent research conducted by National Capabilities in the United States, in terms of investing, 23% of Millennials between the ages of 18 and 35 spend more than they make (Mottola, 2014). A total of 1,812 people are declared bankrupt each month, on average, according to the *Malaysian*

Department of Insolvency (MDI), with that figure rising by 11% between 2012 and 2013. Malaysia's bankrupt population is constantly rising, with over 47% of young people aged 18 to 35 facing serious debt problems as a result of living above their means (Badrul, 2014).

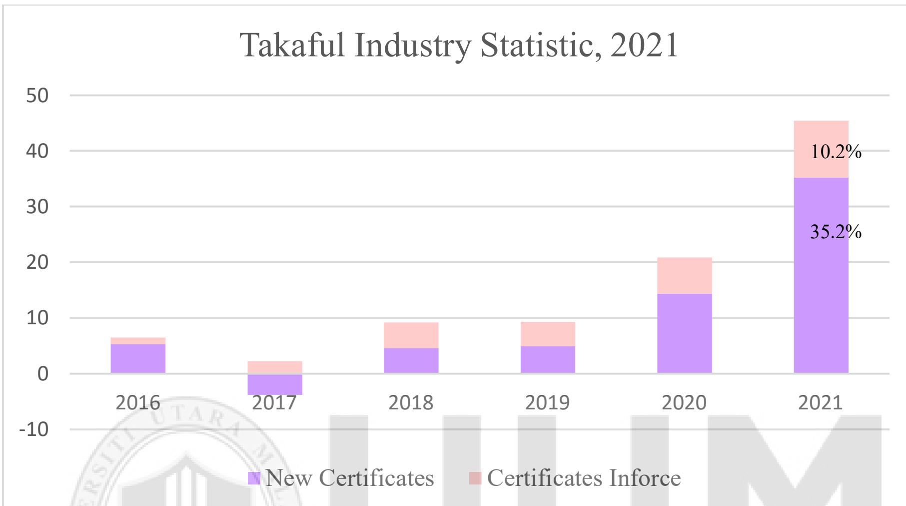

Figure 1.2
Takaful Industry Statistics, 2021
(Malaysian Takaful Association Annual Report)

Malaysia is believed to have no emphasis on Takaful as the purchasing rate consider low. Based on the statistics in Figure 1.2, only 7.21 million out of 30.2 of the Malaysian population adopted Takaful. Millennials have the lowest adoption rate among the whole Malaysian population. Millennials without dependents are unlikely to obtain Takaful because they are not obligated to do so.

Nonetheless, each year a large number of people die prematurely due to disease and accidents, especially if they are the breadwinner of the family. Takaful in this case for the millennials can become the shield. When the parents die, it will impact their loved ones in terms of paying all the commitments and maintaining their lifestyle if they are not protected by Takaful. (Chandrashekar, 2016). Thus, purchasing takaful is a crucial decision for everyone especially millennials nowadays based on the reasons mentioned above and, to be prepared when faced with financial problems.

1.2 PROBLEM STATEMENT

The Takaful industry in Malaysia is projected to be worth RM 1.44 billion, making it the largest outside of the Arab world (Ernest & Young, 2017). But according to The Star (2017), there is a knowledge gap between Takaful and conventional insurance policies, since 41% of Malaysians have standard life insurance plans, compared to 15% of those who are having Takaful. Mohamed and Alhabshi (2015) claim that the conventional insurance market still outperforms the Takaful market. In the same vein, Md Husin (2019) pointed out that although the Takaful penetration rate increased by 0.7 percent from 14.5 percent in 2017 to 15.2 percent in 2018, the Takaful market penetration rate is still low compared to the conventional insurance market.

Currently, Malaysia is still getting over the pandemic however Takaful industry did well in 2021. The growth of the industry has been positively impacted by deliberate efforts and strategic partnerships to raise awareness of takaful among millennials via digital networking and to make it more affordable and digitally accessible to various societal groups. The millennial generation, born between 1981 and 1996, is a key demographic group in the Takaful industry as they represent a large portion of the workforce and are at the age where they start to consider insurance products. Selangor, the most populous state in Malaysia, is an important market for Takaful providers. As they continue to develop and experience a range of life stage transitions, the insurance provider or Takaful operator will find it increasingly appealing to pursue this demographic. Additionally, according to

Marianne (2015), Millennials are the largest target market for the Takaful industry. They are in need of proper advice in the future to protect themselves against unexpected catastrophes (Prudential Financial, 2013). However, Yu & Portera (2015) highlight that millennials and the younger generation are the groups likely to interact with the insurance provider.

Despite the increasing popularity of Takaful (Islamic insurance) products in Malaysia, there is a lack of knowledge among millennials in Selangor. Takaful, as a form of Islamic insurance, has been growing in popularity in Malaysia however, low adoption rate of Takaful may be due to limited awareness of these millennials that hindered the growth of this industry. There is a need to address this issue to ensure that this demographic is adequately protected and can benefit from Takaful. This theory is reinforced by prior studies conducted on undergraduate students in the United States, Australia, and the United States. The student faced with high risk of bankruptcy, lack of knowledge on retirement planning and with little financial awareness, their attitude leads them to involve with higher amount of debt. (Chen & Volpe, 1998; Pru, 2007; Lusardi & Mitchelli, 2007)

Furthermore, there is a lack of research on the relationship between religiosity and purchase intentions. Understanding the level of religiosity among millennials and its impact towards Takaful purchases is essential would help too in promoting Takaful as an Islamic financial product. Religiosity plays a vital role in shaping individual financial behavior regarding their perception of financial products that comply with Islamic principles. The level of religiosity may affect willingness to purchase Takaful, and their trust in the Takaful industry. Therefore, there is a need to investigate and understand the religiosity towards Takaful purchases among millennials in Selangor.

This study seeks to bridge a knowledge gap knowing the tendency of millennials to develop effective strategies to promote Takaful among this target group. Motivations are given with effective marketing strategies leading to better financial protection and security for this generation. However, little is known about the specific factors that motivate millennials to purchase Takaful products. As a result, this study will investigate the factors that influence the intention to purchase Takaful to provide valuable insights for Takaful providers and marketers to better target this growing market segment. It is anticipated Takaful providers may get information from the result of this study on how to design the affordable policy to meet the requirements and financial capabilities of these millennials as well as in designing microinsurance and micro takaful products that meet the demands and reality of this market segment.

1.3 RESEARCH QUESTION

The following are the main research questions that will be focused on in this research:

i. Does attitudes significantly affect millennial intention in Selangor to purchase Takaful?
ii. Does knowledge significantly affect millennial intention in Selangor to purchase Takaful?
iii. Does subjective norm significantly affect millennial intention in Selangor to purchase Takaful?
iv. Does religiosity significantly affect millennial intention in Selangor to purchase Takaful?

1.4 RESEARCH OBJECTIVE

This study will address factors influencing the intentions of millennials to purchase Takaful. The following research objectives are as follows:

i. To examine the effects between attitude and the intentions of millennials in Selangor to purchase Takaful.
ii. To determine the effects between knowledge and the intentions of millennials in Selangor to purchase Takaful.
iii. To examine the effects between subjective norms and the intentions of millennials in Selangor to purchase Takaful.
iv. To determine the effects between religiosity and the intentions of millennials in Selangor to purchase Takaful.

1.5 SIGNIFICANCE OF THE STUDY

Issues in the millennial generation are still untapped and unreachable for Takaful products. Knowing the factor can help in creating successful marketing strategies to expand the Takaful market to millennials in this region and enhance the penetration of Takaful as well as increase the success rate of Takaful specifically and the Islamic economy generally.

In addition, academic researchers will benefit from this study because they will get additional knowledge of research works in this field. Aside from this, it is possible that the information may be beneficial to stakeholders to construct the takaful plan in order to attract this target audience, the millennials.

1.6 DEFINITION OF KEY TERM

Based on Merry & Rahmat, (2016), the study mentioned that definitions of key terms provide meaning and explanation of terms used so that there is a similarity in interpretation and to avoid misinterpretation. According to Rosli (2018), the definition of key terms elucidates the significance of the various terms used in the research. It needs to be defined so that the reader can understand more clearly the research being conducted.

This research that is related to, Islam requires the absence of *gharar*, *maysir*, and *riba* in the Takaful system (Mohd Fadzli, 1996). All three of those things are prohibited by the Takaful operating system. Explaining these key terms is an attempt to distinguish between Takaful and traditional insurance and in the context of Takaful, it needs to comply fully with Sharia law (Mohd Ma'sum, 2013a). The following are selected definitions of the key terms:

1.6.1 Millennials

The Millennial generation is referred to as people born between the 1981s and the 1996s. Various authors defined the millennial generation as those with birth years from the mid-1970s to 2004 (Masnick 2012), from the year 1980–1997 (Pew Research Center 2010), the year 1982–2004 (Howe and Strauss 2000), and the year 1980–2004. Another age range for Millennials, as defined by Strauss and Howe (2000), is people who were born between 1982 and 2004. Michael Dimock (2019) specified the year or millennials as anyone born those born between 1981 to 1996, while 1997 onward is part of a new generation. The 1981 to 1996 birth period is used to define the millennial generation in this study.

1.6.2 Intention

According to Ajzen (1991), intention refers to a person's willingness to purchase a particular good. In the theory of intentions and actions, intentions are called "behavioral intentions". The main factor influencing individual behavior is intention. The person's behavioral performance was affected by intention. The greater the intent to conduct the behavior, the greater the probability that it will be carried out.

1.6.3 Knowledge

Knowledge, according to Davenport, De Long, and Beers (1998), is a framework that can be conceptualized and used when evaluating new information pertinent to a circumstance. In other terms, knowledge is information that has been interpreted (Nonaka, 1994).

1.6.4 Attitude

An individual's attitude is how they feel about carrying out a specific action, whether it is positive or negative (Fishbein and Ajzen, 1975). According to Ajzen and Fishbein (1980), attitude also refers to how much someone engages in positive or negative behaviors.

1.6.5 Subjective Norm

A subjective norm is an individual's preference regarding whether or not the possible referent community or individuals should participate in an action. Adults are impacted by the opinions, actions, and recommendations of others almost daily (Fishbein and Ajzen, 1975).

1.6.6 Religiosity

Amin et al., (2011) defined Muslims as those who practice their beliefs and affect their daily activities. The religiosity of the Muslims highlighted here relates to a study that found that Muslims' purchasing decisions are significantly influenced by their faith in Islam.

1.7 SCOPE OF STUDY

This research focuses on variables that are factors influencing the intention to purchase Takaful among millennials in Selangor. The study emphasizes those between the ages of 27 to 42 years old and was carried out between the months of February 2023 to March 2023. This research will involve the usage of primary data collected from survey distribution. Several aspects will be investigated such as attitude, knowledge, subjective norm, and religiosity as factors influencing the Takaful purchase intention among millennials.

1.8 RESEARCH ORGANIZATION

The thesis is organized into five different chapters.

The first chapter has provided an overview of the Takaful and introduced the concept of the millennials who are the principal subject of this study. Then the background of the study is included followed by the problem statement and the research questions. The research objectives and significance of the study are highlighted as well as the definition of key terms and the scope of this study.

In the next chapter, the literature review of content related to factors affecting the intention to purchase Takaful among millennials in Selangor is discussed. It includes the theory involved in this research and the hypothesis developed.

Chapter 3 outlines and discusses the employed research methodology in this study. It will discuss the research design, theoretical framework, hypotheses development, and operation definition. Furthermore, this section will define the population and sample, procedures, as well as data collection method, and data analysis methods.

Chapter 4 presents analysis results and research findings. The results obtained will be discussed in detail to provide answers to the research questions listed.

Chapter 5 includes an overall discussion of the significant findings and provides conclusions, implications, and limitations of the study. In addition, recommendations are also provided in this part for investigation in the future.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

In this chapter, the theoretical framework will be discussed together with the theories and previous studies related to this study. This section will be divided into eight subsections which begin with Takaful, the underpinning theories, intention, and a discussion on the factors influencing the intention to purchase Takaful which involves attitude, knowledge, subjective norm, and religiosity, followed by a conclusion to summarize the chapter.

2.1 TAKAFUL

Takaful is derived from the Arabic word Kafala, which means insurance. The word takaful means guarantee (Billah, 2003). Islamic insurance is often referred to as Takaful. The concepts of contribution (tabarru') and collectiveness (ta'awun) are emphasized in takaful. Sharing the risk can help participants support one another through difficult moments (Redzuan, Rahman, Zuriah, & Aidid, 2009; Dusuki, 2011). Takaful is distinguished from conventional insurance by its prohibition of uncertainty (gharar), interest (riba), and gambling (maysir). It is forbidden to purchase conventional insurance due to the fact that associated with risk gambling (maysir), (gharar), and interest (riba) (Ayub, 2013).

Islamic protection is made up of a number of valuable principles that show Muslims the appropriate way to live their daily lives. According to Karich (2004), life protection is not commonly accepted in Muslim countries because of its association with calamity and other undesirable elements of life, which are misunderstood by the public. Muslim believers are likewise encouraged by their faith to take measures to mitigate any harm without unfairly burdening others.

There has always been the option to divert the hazard to another party. Risk aversion motivates people to use insurance as a risk management technique. Risk avoidance at the expense of others is accepted and is currently being used all around the world. Yet, these risk-averse pursuits become counterproductive when religion is brought into the picture Islam in particular. This is related to the Muslim belief in *qada*' and *qadar*' (destiny and fate), according to which whatever occurs is based on Allah's will (S.W.T). Hence, most Muslim scholars believe that taking insurance coverage to assure payment after death is against Allah's will.

Anas ibn Malik (R.A.) narrated a hadith regarding Muslims should take precautions against bad events and let God handle the fallout:

"One day Rasulullah s.a.w (peace be upon him) noticed a Bedouin leaving his camel without tying it. Rasulullah s.a.w (peace be upon him) asked the Bedouin, why don't you tie down your camel?' The Bedouin replies, I put my trust in Allah. Rasulullah then said, tie your camel first, then put your trust in Allah." (Al-Tirmidhi)

In a different hadith, the prophet *Muhammad* are being asked by Osama Bin Shareed (R.A)

"When we get ill shall we go for the treatment? Rasulullah s.a.w (peace be upon him) replied: Oh, men of Allah! Yes, you should seek treatment because God almighty has created the treatment and cure for all diseases except for aging" (Al-Tirmidhi).

In the context of takaful, a cooperative arrangement among individuals is envisioned as an agreement in which people make a certain amount of contribution to a pooled fund. The kafala contract, which resembles a conventional insurance contract, is the foundation of takaful contracts. Taking care of one's necessities is the meaning of the Arabic verb kafala. In spite of the fact that Takaful is considered to be an Islamic kind of insurance as opposed to its conventional equivalent, the aim is not to generate returns but rather to support the precept of bearing one another's liability. This is the essential part of the process wherein a group resolves how to protect itself from harm or financial loss. It entails the elements of cooperation, shared "interest, joint indemnity, and togetherness (Wahab, Lewis, & Hassan, 2007). Joint guarantee insurance, also known as takaful, is a system based on the law of large numbers that allows a group of people to pool their financial resources in order to protect themselves from a certain sort of loss. Its objectives and operations are devoid of all components that are against Islamic law.

Takaful differs from life insurance in terms of avoiding *gharar* and *maysir,* does not contain *riba* (interest), *mirath* (violation of Islamic law of inheritance), or akl-lmal-bil-batil (illegal appropriation of others' property) in the product structures. Takaful originated in the historical systems of *aqilah, nahd, wala al-muwalah,* and *qasamah* as a shared commitment and mutual assistance to minimize damage and loss. During the time of the Prophet Muhammad, certain Arab tribes had these customary agreements in place for mutual assistance and reducing the effects of injuries to people or property (Khorshid, 2004). Such customs were sanctioned by Prophet Muhammad, and over time, Muslim communities developed a system of mutual assistance and financial support.

Takaful has evolved as a component of modern Islamic finance over the last four decades. In 1979, Sudan produced the first *ta'awuni* (cooperative) type of Islamic insurance. It was a response to the implicit challenge of the World Muslim League's Fiqh Council (1398/1978) resolution that conventional insurance as it is now performed is prohibited posed to the Muslim world. The International Islamic Fiqh Academy (IIFA-OIC) in Jeddah adopted the same fiqh view in 1405/1985. Both committees agreed that cooperative insurance is legal and in accordance with Shari'ah standards. Takaful is to replace the conventional insurance concept by utilizing the concepts of tabarru′ and *waqf* which were accepted by *Muslim* countries worldwide. *Tabarru′* is an Arabic word, which means donation, gift, and contribution. As a result, each participant commits to making a *tabarru′* contribution and accepting responsibility for helping the other participants in the event of a loss, catastrophe, etc. (Mohd. Fadzli, 1996). These concepts are founded on the basic Islamic values of social solidarity (*tadamun*), communal fraternity (*ukhuwwah*), and mutual cooperation (*ta'awun*).

Muslim communities all across the world have also embraced Takaful as a substitute product for traditional insurance. Takaful is not only sustainable and expanding in Malaysia, but also spreading to nations including the United States, the UK, and Canada (Ismail et al., 2017). Having said that, it is important to note that Takaful benefits both Muslims and non-Muslims because it adds variety and broadens options. Strong evidence suggests that Takaful clients are familiar with how insurance and religion interact in modern business and that they have a comprehensive understanding of Takaful and the standards for Shariah compliance.

2.2 UNDERPINNING THEORY

The related theories for the determinant factors that influence the intention to purchase Takaful are the Theory of Reasoned Action (TRA) and the Theory of Planned Behavior (TPB). It will briefly explain below:

2.2.1 THEORY OF REASONED ACTION

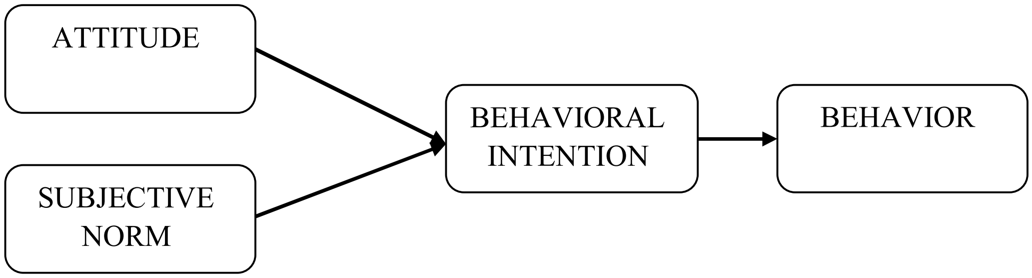

Figure 2.1
Theory of Reasoned Action (TRA), Fishbein and Azjen, 1975

The first theory that this study referred to is the TRA as per above figure 2.1. Fishbein and Ajzen (1975) created TRA, which explains human attitudes and behavior. According to this view, an individual's behavior is determined by his or her intention toward that behavior. It is used to explain behavior rather than to forecast it. Fishbein and Ajzen's (1975) TRA established that intentions affect outward behavior. In turn, the intention is determined by the attitude toward performance, the behaviors, and the subjective norms. The positive or negative evaluation of a person toward a relevant behavior is a definition of attitude, while "subjective norm is an individual's perception on the behavior of approving or disapproving on the significant referents (Ajzen and Fishbein, 1980). In summary, the intention of the individual in controlling their behavior will be based on their attitude and subjective norm.

Financial services also widely use this TRA in relation to behavior (Amin et al., 2011; Bidin et al., 2009; Omar, 2007; Omar and Frimpong, 2007; Rahim and Amin, 2011; Taib et al., 2008). Nonetheless, it was shown that the TRA's applicability was insufficient to explain non-volitional behaviors (Ajzen and Fishbein, 1980; Ajzen and Madden, 1986). In other words, the idea did consider scenarios in which a person "has no complete" or voluntary control (Ajzen, 1991). In dealing with behaviors that are not entirely under control, Ajzen (1991) added perceived behavioral control to the model. Individual perceptions of how easy or difficult it is to carry out the desired activity are captured by the term perceived behavioral control (Ajzen and Madden, 1986). The applicability of the theory of planned behavior (TPB) will be further explained in the next section.

Razak and Taib (2008b), Ab. Rahim and Amin (2011), Amin (2012a), Amin, Abdul-Rahman, and Abdul-Razak (2009) are a few further studies that used TRA. By evaluating attitude and subjective norms, Ab. Rahim and Amin (2011) validated the application of TRA on Islamic insurance. Moreover, acceptance in Islamic insurance showed a strong direct association with the amount of information. According to Amin (2012a), the main factors that explain a person's readiness to select Islamic insurance products are attitude and subjective norms. The best accuracy of data to be taken into consideration as significant factors in determining membership in Islamic insurance is presented by attitude, subjective norm, and volume of information.

2.2.2 THEORY OF PLANNED BEHAVIOR

The second theory is referred to as the Theory of Planned Behavior (TPB). TPB is an extension of where the TRA originated. Ajzen (2002) adds perceived behavioral control and control belief to the TPB to account for the reality that some people lack freedom and choice over their desired activities. These theories TRA and TPB identify a limited number of psychological factors that could influence behavior, namely (1) attitude towards the activity; (2) intention; (3) perceiving behavioral control; (4) subjective norm; and (5) behavioral, normative, and control beliefs (Albarracn, Johnson, Fishman, & Muellerleile, 2001).

On the other hand, an individual's motivation for participating in a task determines that behavior. Even though the TRA often offers a great explanation for volitional activities (Ajzen, 1991), the influence of social norms, represented by religion and race, is one of the critical elements that may be inferred from both TRA and TPB. Accordingly, attitude toward behavior, in this case, the attitude toward buying or owning Takaful medical coverage, is important. A person may believe that having Takaful will satisfy their medical needs or protect their financial assets. Since the TPB can provide an explanation of why individuals purchase Takaful plans, it may be used in the realm of marketing.

The TPB is determined by three majors which are attitude toward behavior, perception of behavior control, and subject norm, these are linked to a set of beliefs that are related to behavior (Ajzen et al., 2007). The latest study by Husin et al. (2019) stated that the research model based on TPB comes up with an antecedent of attitude. Another study conducted by Bhatti and Husin (2020), and a study conducted by Rahman and Husin (2016) proved that direct measurements of attitudes, subjective norms, and Perceived Behavior Control contribute more to the TPB

Another research stream that uses TPB is the study on owners or managers of microenterprises in northwestern Nigeria. It was related to takaful acceptance that makes influenced by their attitude, social influence, and perceived behavioral control (Kazaure, 2017). Ali et al. (2020) stated variables of the TPB tend to have a positive impact on customers’ acceptance of the scheme of takaful.

2.3 INTENTION

The Theory of Reasoned Action (Ajzen and Fishbein, 1975) and the Theory of Planned Behavior (TPB) (Ajzen, 1988) are two examples of intention-behavior theories that suggest that people's actions are influenced by their intentions. Intentions are defined in a variety of ways in the literature. According to Ajzen (1991), the readiness of an individual to purchase a specific good is referred to as intention. Intentions are referred to as behavioral intents in intention-behavior theories (Ajzen, 1991). The degree to which a person is willing to try and make an effort to engage in the action is what matters.

In other words, behavioral intention is the possibility that a person will perform a particular behavior. Behavioral intentions are what drive the actual behavior (Ajzen and Fishbein, 1980). Purchase intentions are defined as a consumer's willingness to pay for a particular good or service (Shao et al., 2004). Purchase intentions establish a connection between willingness to buy a good or service (Karim et al., 2011). Purchase intentions are the main factor influencing actual purchase behavior, according to previous research (Van der Heijden et al., 2003).

In many consumers behavior models, purchase intentions serve as the foundation (Morwitz et al., 2007). Fishbein and Ajzen (1975) contend that intentions are the best indicator of actual action and that the more powerful the intentions, the more likely it is that the actual activity will be carried out. In the context of mobile purchasing, Madan, and Yadav (2018) also made the point that good behavioral intentions result in actual product purchases.

According to Aziz et al. (2016), everything strategically important must be arranged in a logical way to make marketing the takaful product as appealing as possible in the financial sector. Therefore, Takaful operators should further explore customers' behavior toward the purchase intention of the Takaful policy. This is to boost the Takaful market penetration in Malaysia, especially among millennials. According to Farhat et al. (2019), it is suggested that Islamic financial institutions conduct additional research to determine what motivates customers to invest in takaful. This is so that marketers may analyze the behavior of customers who are aware of and willing to purchase the Takaful policy. Furthermore, Ali et al. (2020) claimed that there are many factors influencing participation in the Takaful scheme. In this system, a person consents to make a donation to a fund in exchange for mutual financial benefit. It is important to assess and evaluate the prospect's intention to participate in Takaful, to know if they will truly be beneficial from this plan or manipulate the protection.

Victor Khoo, the president of the National Association of Malaysian Life Insurance and Family Takaful Advisors, NAMLIFA, stated that life insurance is not the top priority among Malaysians, particularly the millennials. Chin (2016) added they tend to spend a lot of money on luxury things like handphones. In terms of protection, which is not as expensive as what they spend on those luxury things thus, causes the insurance and Takaful industry to lose touch with the millennials. Millennials, were found to be the least likely of all generations to engage with Takaful providers.

There are two factors that contributed to the issue. The first reason is that they have a false sense of security. According to studies, millennials overestimate the cost of life protection, in this case, is Takaful. Since they never consider what might happen in the future, many millennials believe that life insurance or Takaful is unnecessary. The second reason that they do not prioritize Takaful is that they are more concerned about loan debt. Compared to other generations, millennials, especially generation Y, have the highest level of student loan debt. As a result, millennials are more concerned with paying off their college loans in the short term and avoiding the expense of getting life insurance (Connell, 2018). Not to mention the cost of living including the medical cost that are in the rise in Malaysia, Takaful operators should further explore purchase intention for the reasons highlighted.

2.4 ATTITUDE

Attitude and intention towards takaful are the two key dependent variables being investigated, where attitude can either favorably or unfavorably influence purchasing intention. Takaful is an Islamic insurance product that provides financial protection against unexpected events or risks. With the rise of Islamic finance, Takaful has become an increasingly popular choice for Muslims in Malaysia, especially among millennials. The attitudes of millennials towards Takaful are shaped by various factors, such as their religious beliefs, financial literacy, and perceptions of the Takaful industry.

Ajzen (1991) defined attitude as a psychological tendency that manifests itself through a person's evaluation of a specific entity, either favorably or unfavorably. In general, a person is more likely to desire to engage in behavior the more positively they feel about it. Ajzen and Fishbein (1980) stated attitudes are a fixed state of mind and emotion. It also describes a person's ability to respond favorably or unfavorably to a specific circumstance. The way a person evaluates their behavior when considering making a purchase of any kind might be positive or negative. According to Hanudin et al. (2011), Hanudin (2012), Syed et al. (2012), Echchabi and Hassanuddeen (2012b), and much more previous research that used the TPB model in finance facility settings have shown that attitude is a significant predictor of an individual's intentions. This can be supported by numerous research that concludes both intention and behavior can be predicted with validity and accuracy by attitude. (Huda et al., 2012; Golnaz et al., 2010).

In placing more emphasis, Butt and Aftab, (2013) claimed that consumer attitudes and actions relating to their intentions for takaful have a favorable effect on the level of service and general fulfillment. This claim also can be supported by similar research done by Abdul Rahman and Mohd Daud, (2010), Echchabi et al., (2016), Setyobudi et al., (2015), and Souiden and Jabeur, (2015). It has been discovered that attitude has a positive and significant effect on the desire to acquire takaful. Furthermore, positive or negative intents are directly influenced by attitudes, which are created by internal associations and evaluation procedures (Farah, 2014).

Consumer perceptions regarding Takaful protection in Kano Metropolis, Nigeria were examined by Maiyaki and Ayuba in 2015. The findings indicate that attitudes and knowledge have a big impact on how customers feel about takaful. According to Hidayat (2015), there is still a lack of public understanding of the idea and tenets of takaful. Unfortunately, this study is not supported by empirical evidence because its methods are founded solely on previous literature reviews. As a result, it is necessary to conduct additional research to cover the gaps in this study.

Furthermore, Razak et al. (2018) looked into how micro-entrepreneurs behaved when participating in micro-Takaful and discovered that subjective norm, attitude, and perceived behavioral control were crucial. This is reinforced by Bhatti and Md Hussin (2020), who discovered that subjective norm, attitude, and perceived behavioral control had a substantial association with family Takaful plans. In addition, Aziz et al. (2019) stressed that respondents' intentions to choose a family Takaful are highly influenced by attitude. In the meantime, Raza et al. (2019) looked at the factors affecting Pakistani consumers' intent to utilize takaful. They discovered that acceptance of takaful in Pakistan is favorably influenced by attitude, perceived behavioral control, subjective norm, and awareness. As a result, this research suggests:

H_1: There is a significant relationship between attitudes and the intention to purchase Takaful among millennials in Selangor.

2.5 KNOWLEDGE

Knowledge is an essential factor in influencing the purchase of Takaful. Millennials who have a good understanding of Takaful and its principles are more likely to consider purchasing it. They understand the difference between Takaful and conventional insurance, and the unique features of Takaful that make it a more ethical and Shariah-compliant option. This knowledge enables them to make informed decisions and choose the best product that meets their needs. Understanding means the knowledge that someone has about a particular subject or situation (Oxford Fajar, 2012). Product awareness is defined as "knowledge about a company's product and its features" (Romaniuk et al., 2004) for better understanding and making the choice of customers so that the demand for Islamic financial products and services could be enhanced (Bley & Kuehn, 2004).

In their study, Matsawalie et al. (2012) focused on the public's understanding of the differences between Takaful and traditional insurance and their preference between the two. Their research is conducted in Brunei. This analysis was conducted using an online questionnaire with a random sample of 131 respondents. The data indicated a preference for Takaful over traditional insurance; nonetheless, the majority of the population is unaware of what Takaful is. In order to raise public awareness and foster a deeper understanding of Takaful, respondents recommended that Takaful operators should educate the public. Strong stated by Ismail et al. (2013), discovered that the low demand for micro-Takaful from the entrepreneur group is attributable to a lack of understanding about Takaful. It is a result of the respondents' generally low levels of education. This can be supported by similar research done by Akhter & Hussain, (2012), Coolen-Maturi, (2013), Mohamed et al., (2013), and Mansor et al., (2015) that emphasized the lack of public awareness of Takaful products and their operations a significant factor, which required effective marketing strategies to raise public awareness regarding Takaful product and services.

Furthermore, Takaful agents also played a crucial role in defining and promoting Takaful as well as its advantages, according to Kamil and Nor (2014), who noted that Takaful clients had sufficient awareness of the duties of Shariah rules. Takaful operators should establish effective campaigns to help the industry grow. However, Ejaz (2014) discovered that although Pakistanis were aware of Islamic products, they still lacked in-depth knowledge of them. Consumer awareness, according to Maiyaki and Ayuba (2015), has a considerable and favorable impact on attitudes toward Islamic insurance services. Nonetheless, some researchers (Arifin et al., 2014; Mansor et al., 2015) found that product awareness was not a significant factor influencing the demand for family Takaful.

In addition, Al Nemer (2015) studied the knowledge and awareness of 420 participants in the Saudi Arabian takaful industry and discovered that participants had poor perceptions of the information provided by takaful companies, which resulted in a lack of knowledge of the basics of Islamic Takaful. The Takaful operators must also exert more effort to inform their participants of the advantages and limitations of the Takaful fund. Takaful operators’ future depends on the other shareholders' appropriate knowledge of business and interest, including the clients, Takaful operators, and controllers. Furthermore, Md Hussain and Ab Rahman (2016) use the theory of planned behavior to anticipate the desire of consumers to contribute to Takaful. 384 respondents were investigated using structural equation modeling, and the findings suggested that awareness, exposure, and knowledge, are significant in Islamic insurance participation. It was also found that word-of-mouth and the media have a major influence on the subjective norm, which could change a person's desire to take part in Takaful.

Nevertheless, Salman (2017) asserted that non-Muslim insurance policyholders are unaware of the fact that insurance practices involve *riba’*, gambling, and uncertainty. Owing to their ignorance, most non-Muslims do not believe that insurance is something that goes against Islamic principles and therefore should be forbidden. According to the data acquired in Salleh et al. (2017) study, the majority of the respondents demonstrated knowledge of Takaful and an understanding of how it differs from regular insurance. Aziz et al. (2019) discovered that knowledge and perceived usefulness substantially influence attitudes toward family Takaful policies. They discovered that "perceived religiosity and attitude towards family Takaful" were significantly mediated by perceived trust. Shaikh et al. (2019), on the other hand, asserted that "awareness and religious belief" also played a key impact in determining whether customers accepted family Takaful, in addition to "perceived relative advantage and perceived compatibility". Thus, the following hypotheses are developed in this study based on the above discussion:

H_2: There is a significant relationship between knowledge and the intention to purchase Takaful among millennials in Selangor.

2.6 SUBJECTIVE NORM

Subjective norms, or social influences, play a significant role in influencing the purchase of Takaful. In the context of Takaful, subjective norms can influence millennials' decisions to purchase Takaful products based on the opinions and attitudes of those around them. The attitudes and behaviors of millennials' social circle, such as family, friends, and religious leaders, can influence their subjective norms towards Takaful. If the people in their social circle have positive attitudes towards Takaful, millennials are more likely to have a favorable view of the product and be more willing to purchase it. For instance, if a family member or friend has had a positive experience with Takaful, they are likely to share their positive experience with their network, leading to increased interest in the product.

A person's opinion of the most important person in their life, which can drive them to act, is referred to as a subjective norm. (Ajzen & Fishbein, 1980). Ajzen (1991) stated that subjective norms are the perceived social pressure to do or not do something. It implies that individuals have preconceived notions about how their loved ones will see their behavior. Prior TPB research has found that subjective norms are crucial for anticipating a person's desire (Pedersen, 2005; Hanudin and Rosita, 2011; Echchabi and Olaniyi, 2012). Yet, the subjective norm may vary based on social pressure favorable to the customer or unfavorable. Individual decision-making to engage in any particular behavior is influenced by social pressure.

According to a study conducted by Amin (2012), who surveyed 206 respondents in Labuan, the subjective norm was the primary factor influencing students' use of Takaful products. However, this can be contested by Ab. Rahim and Amin (2011) and Amin (2012). According to Han and Chung (2014), the exact types of decisions made by customers are positively correlated with subjective norms. Additionally, according to a number of studies (Rahman and Mohd Daud, 2010; Amin et al., 2011; Abdul Basha et al., 2015; Echchabi, Azouzi and Aziz, 2016; Raza et al., 2018), the relationship between subjective norm and purchasing intention is positive and significant. Furthermore, Md Husin et al. (2016) claimed that subjective norm has a significant relationship with intention. In placing more emphasis, Razak et al. (2018) found that subjective norms significantly influence micro-Takaful participation. They added that micro-entrepreneurs participated in the scheme due to the massive influence of others. This claim can be supported by A study from Raza et al. (2019) also shows that subjective norm influences Takaful selection in Pakistan. Furthermore, similar results found that subjective norm affects intention of Takaful scheme participation in United Arab Emirates (UAE), as eloquently by Bhatti and Md Hussin (2020).

However, these claims can be contended by Abd Aziz et al. (2015) who found that subjective norm and attitude were found to be insignificant in influencing the intention to participate in agricultural Takaful but perceived behavioral control was an essential factor that parallels with a study conducted by Md Husin and Ab Rahman (2016b). A study by Md Husin and Ab Rahman (2016a) argued that subjective norm does not influence an individual's intention to participate in a Takaful scheme because of a high level of knowledge among respondents about the scheme. Therefore, this study considers the inconsistencies in the previous literature on the subjective norms in influencing the purchase of Takaful, and researchers feel that subjective norm variables should be studied in depth to bridge the gap and applied in this study as it is difficult to find studies on the such phenomenon on millennials. As a result, the following hypothesis should be tested:

H_3: There is a significant relationship between subjective norms and the intention to purchase Takaful among millennials in Selangor.

2.7 RELIGIOSITY

The concept of people's actions that may be influenced by the depth of their religious knowledge and beliefs is known as religiosity. (Holdcroft, 2006). Notably, the terms "religiosity" and "religiousness," as well as "orthodoxy," "belief," "faith," "piousness," and "holiness," all have the same connotation. Religion has grown in prominence in various fields of business research, where the primary focus is on analyzing individual decision-making. Islam is unique in that it has detailed rules for its adherents; therefore, one would anticipate that its financial practices would be rigorous. The general principles of Islam are seen as a source of societal morality, confidence, and collaboration. (Altman, 2012; Iannaccone & Berman, 2006; Ruffle & Sosis, 2007).

In the context of the current study, it is important to keep in mind that the Takaful business model is based on cooperation, where trust plays a big part. According to Miller and Hoffmann (1995), religiosity has a positive link with risk aversion, making this a unique risk management alternative to traditional insurance that is primarily driven by the retail sector in most economies. They found that religious people are less risk-tolerant than atheists, which is consistent with Bartke and Schwarze's (2008) study. This demonstrates the obvious value of thorough research on the subject of religion and takaful. Religion also affects a range of consumer behaviors, including product innovation and information seeking (Hirschman, 1981), which may help to fuel the rising demand for takaful. Consumer religiosity, in theory, influences a person's psychological and physical well-being (Dali & Ridzwan, 2014; Tieman & Ghazali, 2013). According to Wilson (2012), Muslim customers who practice a high level of religion are more interested in purchasing Islamic goods out of religious obligation.

In his research on the demand for Takaful and conventional insurance in Malaysia, Abdullah (2012) finds that savings, GDP per capita, and religion, have a significant impact on both markets. This can be supported by Alam et al., (2012), Siala (2012), and Musse & Echchabi, (2015). Ayinde and Echchabi (2012) claim that the Malaysian population's propensity to use Takaful products and services depends on their knowledge of insurance services and how well those values align with Takaful. This can be validated by Yousaf & Malik, (2012), Husin & Rahman, (2013), Souiden et al., (2015), and Mansor et al., (2015) who asserted that religiosity was a significant factor influencing the demand for takaful. Similarly, Muslim clients in Pakistan accepted Takaful because it worked according to Shariah principles to provide protection against potential risks, making their operations halal. (Khalid & Ur Rehman, 2014). Meanwhile, Arifin et al., (2014) discovered religious adherence and corporate reputation to be key factors influencing Muslim customers' choices. Furthermore, rather than being motivated by Shariah compliance, most clients in various regions were persuaded to buy Takaful goods by the financial returns (large profits) promised by the intermediaries. Neither the mechanics nor the ultimate objective of Takaful particularly fascinated or disturbed them. (AlNemer & Hashem, 2015).

Souiden and Jabeur (2015) conducted a comparison study between conventional life insurance and Islamic insurance to examine the role of Islamic beliefs in influencing consumers' attitudes and purchase intentions and discovered that the more (or less) favorable an individual's attitude towards conventional life insurance is, the more (or less) favorable their attitude is towards Islamic life insurance. In Addition, Husin and Rahman (2016) employed the Theory of Planned Behavior (TPB) to demonstrate the connections between consumers' attitudes, subjective norms, perceived behaviors, control, and purchasing intentions in relation to Takaful product participation. It is found that aspects like consumer awareness, knowledge, exposure, attitudes, and perceived behavioral control surrounding family Takaful involvement were crucial in determining how likely they were to take part in the scheme. There is a significant impact on intention and attitude from this knowledge and exposure. In that study, a model and a number of hypotheses are constructed that are publicly expressed for empirical testing and that could serve as the basis for a research stream on Takaful participation. Similarly, Alam et al. (2012)'s study, which used Klang Valley as a sample, applied the TPB to Malaysians' use of Islamic house financing.

Iqbal et al. (2016), examines Takaful participants in Pakistan and their awareness and preferences towards it. The sample consists of 100 respondents from three major cities, Peshawar, Lahore, and Karachi. In light of the ANOVA analysis, they find that the majority of customers have an awareness of Takaful and agree that Takaful companies are in compliance with Shariah regulations. In addition, the main reason why the majority (47%) participate in Takaful is due to religious reasons and not because of profitability and savings opportunities. Thaker (2017) asserts that religiosity can affect Muslims' behavioral intentions. Moreover, Ali et al. (2019) also revealed the positive effects of awareness and religiosity factors on the behavior of Takaful customers. Parallel with the above study, Hassan and Abbas (2020) affirmed that religiosity and awareness factors significantly influence the use of Takaful among Pakistanis. Based on the above discussion, below hypothesis developed:

H_4: There is a significant relationship between subjective norm and the intention to purchase Takaful among millennials in Selangor.

2.8 CONCLUSION

In summary, factors influencing the intention to purchase Takaful (attitude, knowledge, subjective norm, and religiosity) using the TRA & TPB has been discussed in this chapter. Earlier studies revealed that the four variables can be the factors influencing the intention to purchase Takaful. The research methodology will be explained further in the next chapter.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 INTRODUCTION

This chapter describes the methodology that will be used in this study which consists of a theoretical framework, research hypothesis, research design, target population, sampling technique and sampling size, data collection method, questionnaires design and the measurements of variable. Besides, statistical method and inferential analysis used in this study will be discussed. Chapter summarization will be concluded at the end of the chapter.

3.1 THEORETICAL FRAMEWORK

The research framework is defined as a conceptual model of how one theory understands the logic of relationships between several factors that have been identified as necessary to a problem (Sekaran, 2003). The majority of scholarly studies have used the conceptual framework initially to assist investigators in facilitating research problems. This study identifies the factors influencing the intention to purchase Takaful among millennials in Selangor. The theoretical framework would outline the foundation to provide further explanation of the relationship between the variables. According to Ajzen (1988), TPB consists of three main components, namely perceived behavioral control, subjective norm, and attitude. This study added religiosity which expands the TPB theory believed to be significant for this study. Thus, based on the literature review discussed in the previous chapter, the following Figure 3.1 illustrates the theoretical framework used in this study consisting of one dependent variable and four independent variables..

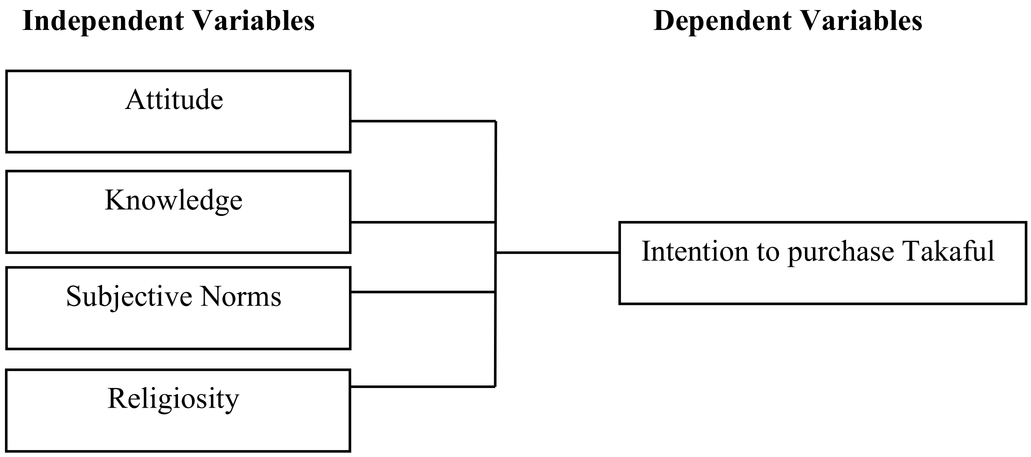

Figure 3.1
Purchase Decision Model

3.2 RESEARCH HYPOTHESES

A logical association between two or more specified variables is referred to be a hypothesis and as a statement that may be put to the test, according to Sekaran (2003). Relevant hypotheses are developed after a thorough literature review that was covered in Chapter Two. As mentioned in the previous chapter, the hypotheses are restated as follows:

H_1: There is a significant relationship between attitude and intention to purchase Takaful among millennials in Selangor.

H_2: There is a significant relationship between knowledge and the intention to purchase Takaful among millennials in Selangor.

H_3: There is a significant relationship between subjective norms and the intention to purchase Takaful among millennials in Selangor.

H_4: There is a significant relationship between religiosity and the intention to purchase Takaful among millennials in Selangor.

3.3 RESEARCH DESIGN

The research design is the structure employed to conduct the entire study. This study is a quantitative research project (survey) that aims to gather data by asking a series of questions to people who were chosen from the population. Quantitative research is frequently used to study broad concerns in order to measure or define any type of generalization (Manion, Morrison, & Cohen, 2007). According to Babbie (2007), quantitative research facilitates data processing, verifies the validity of obtained data, and enhances comprehension of the subject being examined. This strategy was chosen by the researcher because it is suitable for achieving the study's goals and providing answers to the constructed research questions.

The conceptual framework that has been constructed in this research will be put to the test to ascertain the relationship between each of the variables in this model, as per the introduction in the first chapter and literature reviews in the second chapter. An investigation into the ways in which factors such as attitude, knowledge, subjective norm, and religiosity influence a millennial’s decision to purchase takaful in Selangor is the focus of this study.

3.3.1 POPULATION

This research focuses on the population of millennials in Selangor. The word population refers to the total number of people whose information has been collected and can be put into a group. The key demographic for this study includes people between the ages of 27 and 42. Petry (2002) divides age into three categories: young adults (18-35 years), middle-aged adults (36-55 years), and older adults (55 years and above). Sekaran (2003) asserted that one of the sampling processes was determining the target population. In order to simplify the research findings, the appropriate population will determine how accurate our findings are.

The researcher has chosen millennials through an online platform as the respondents. According to the latest data from the Department of Statistics Malaysia, the data the for the state of Selangor showed that there is a total of 2,525.8 million millennials as of 2022.

3.3.2 SAMPLING TECHNIQUE

The process of gathering data can be done using a variety of sampling techniques. Many decisions must be taken while using sampling procedures since they will affect the study that is conducted. Sampling is a methodology or approach for assessing the features of a known and finite population by selecting the appropriate elements from the population. Sampling can be divided into two categories: probability sampling and non-probability sampling. Quota sampling, judgmental sampling, convenience sampling, simple random sampling, and snowball sampling are examples of common non-probability sampling methods (Sekaran, 2003). The data for this investigation were gathered using a non-probability sampling technique. This technique does not have random sampling at any stage of the sample selection, which might increase the probability of sampling bias. A sampling method is known as the convenience sampling method is used to obtain those units or people most conveniently available.

This technique is extensively used and does not require a list of populations. The population will have a non-equal probability of being included in the sample because projecting data beyond the sample is not justified and variability and bias cannot be measured or controlled. The non-probability sampling approach is chosen in this study because it uses non-randomized methods to draw the sample. Non-probability sampling method mostly involves judgment. Instead of randomization, participants are selected because they are easy to access. The non-probability sampling approach is chosen to represent the population of millennials who purchase Takaful may come from a variety of demographic backgrounds and professional levels. The samples used for this analysis are based on the following standards:

i. Respondents must be a millennial (27 – 42 years old).

ii. Respondents must be millennials residing in Selangor.

3.3.3 SAMPLE SIZE

The size of the sample is an important factor to consider when determining the level of precision and trust in the sampling process. The decision about sample size may be influenced by the confidence level, study goals, the cost and time restrictions, the confidence interval, the degree of population variability, and in some situations, the size of the population. (2016) Sekaran and Bougie. Based on the sample size recommendation made by Roscoe (1975) in Sekaran & Bougie (2016), the sample size(n) for this study will be between 50 and 500. 150 respondents were chosen as the sample size for this investigation. Thus, results from data from the research question can be collected from 150 millennial respondents who have purchased Takaful in Selangor.

3.4 DATA COLLECTION METHOD

All the information gathered for this study to address the research objectives came from primary sources. The term primary source refers to information gathered personally on variables of relevance for the survey. The researcher employed a self-administered questionnaire as a means of gathering data. According to Sekaran (2003), questionnaires are an efficient form of data collection when the researcher is aware of the exact demand and measurement of the variable. In addition, questionnaires are a well-known method for getting and collecting data because the data is very straightforward, and the researcher may readily code the responses.

The questionnaire took between ten and fifteen minutes to complete. After the respondent has completed the entire questionnaire, it will be handed back to the researcher. This procedure takes a few weeks beginning in February 2023 and ending in early March 2023.

3.5 QUESTIONNAIRES DESIGN

The questionnaire is divided into two parts, sections A and B. Part A of the questionnaire, however, is entirely about the respondent's background. The elements influencing the intention to purchase Takaful among millennials in Selangor are discussed in Section B (Refer to Appendix A).

Section A covers the respondent's profile, which includes their age, gender, education level, and professional background. This demographic information gives information on research issues and is required to evaluate whether participants are the sample who represents the group's aim for generalization purposes in a specific study. Typically, the demographics or characteristics of the research sample are recorded and serve as independent variables in the research design. Demographic factors are independent variables by definition because they cannot be used for exploitation.

Section B is broken down into five sections: intention, attitude, knowledge, subjective norms, and religion. The weighted interval of 5 Likert points is used to compute the answers to the questions. A scale of 1 to 5 is employed, with 1 denoting "strongly disagree," and 5 denoting "strongly agree."

3.6 MEASUREMENT AND VALIDITY OF VARIABLES

The intention to purchase Takaful among millennials in Selangor serves as the study's dependent variable, while the independent variables are attitudes, knowledge, subjective norm, and religiosity. The questionnaires were adapted from several previous related studies as listed and discussed below. The item was listed in the table below. A 5-point Likert scale, with 1 denoting "strongly disagree" and 5 denoting "strongly agree," was used to measure the participants' perspectives.

3.6.1 DEPENDENT VARIABLES: THE INTENTION TO PURCHASE TAKAFUL AMONG MILLENNIALS IN SELANGOR

The five-point Likert scale, with 1 denoting "strongly disagree," and 5 denoting "strongly agree," is used to operationalize the selection-to-choose construct. Antecedents, such as attitudes about behavior, normative beliefs, and beliefs about control, have an impact on human intention (Ajzen, 1991). The person's intention is influenced by the person who is preferred to carry out the action, which entails attitude, the way the person experiences peer pressure to carry out the action, known as perceived behavior control, and subjective norm, which alludes to how the person perceives being in control of the action. The following items are listed in Table 3.1

Table 3.1
The Measurement Items for Intention

MEASUREMENT	ITEM	SOURCES
INTENTION TO PURCHASE TAKAFUL	I am likely to purchase Takaful in the future.	(Md Husin & Ab Rahman, 2016)
	I expect to choose the Takaful scheme.	
	I want to purchase the Takaful scheme.	
	I will purchase Takaful scheme in the future.	

3.6.2 INDEPENDENT VARIABLES: ATTITUDE

Attitude is the disposition of an individual to execute a particular activity, whether positive or negative (Fishbein and Ajzen, 1975). It displays how people think and feel about themselves when making decisions. Five elements make up the first dimension, which was taken from Md Husin & Ab Rahman (2016). The attitude measurement items are listed in Table 3.2

Table 3.2
The Measurement Items for Attitude

MEASUREMENT	ITEM	SOURCES
ATTITUDE	I think purchasing a Takaful is a necessity.	(Md Husin & Ab Rahman, 2016)
	I think purchasing a Takaful is beneficial.	
	I think purchasing a Takaful is valuable.	
	I think purchasing a Takaful is a wise idea.	
	I would be happy if I purchase Takaful scheme.	

3.6.3 INDEPENDENT VARIABLES: KNOWLEDGE

Awareness, knowledge, and understandability of Islamic financial products or services may influence the demand for Takaful, according to the notion presented through the discussion of the literature and proposition made by Arifin et al. (2014). The following items listed in Table 3.3 to further seek the knowledge level of the Takaful participants among millennials in Selangor:

Table 3.3

The Measurement Items for Knowledge

MEASUREMENT	ITEM	SOURCES
KNOWLEDGE	I understand that Takaful products comply with Shari'ah.	Salman, S.A., Rashid, H.M.A. & Hassan, R. (2017)
	I understand that Takaful is ethical.	
	I understand that Takaful is suitable for anyone regardless of religion.	
	I understand that Takaful is free from interest (Riba').	
	I understand that Takaful does not involve in any prohibited business activities.	
	I know that Takaful can provide coverage like conventional insurance.	
	I understand that Takaful policy holders mutually share the risk.	

3.6.4 INDEPENDENT VARIABLES: SUBJECTIVE NORM

The term subjective norm refers to the normative impact, which is the most important aspect in this research. A person bases their decision to purchase Islamic goods on the opinions and experiences of others (Fishbein & Ajzen, 1975). The measurement items for subjective norm are displayed in Table 3.4.

Table 3.4
The Measurement Items for Subjective Norm

MEASUREMENT	ITEM	SOURCES
SUBJECTIVE NORM	People who influence my decision think that I should purchase a Takaful.	(Md Husin & Ab Rahman, 2016)
	People who are important to me think that I should purchase a Takaful.	
	People whose opinions I value think that I should purchase a Takaful.	
	People who are close to me think that I should purchase a Takaful.	

3.6.5 INDEPENDENT VARIABLES: RELIGIOSITY

A religious responsibility is an individual's choice of actions that do not conflict with Shariah. This will have an effect on the customer's decision to select Islamic banking products as their preferred option (Sulaiman, 2003). The items used to measure religiosity are listed in Table 3.5.

Table 3.5
The Measurement Items for Religiosity

MEASUREMENT	ITEM	SOURCES
RELIGIOSITY	I believe Takaful is in line with Islamic philosophy of doing Takaful business.	Alam et al. (2012)
	I believe Takaful is based on the Islamic principle of business implementation.	
	I believe Takaful is based on Al-Quran and Hadith.	
	I believe Takaful is free from fraud.	

3.7 STATISTICAL METHOD

After all the data and information have been collected using the data collection method, the data analysis procedure starts. The researcher has established the effect between the variables by identifying the relationship between the dependent variable and the independent variable after executing the reliability test, normality test, and inferential analysis. Furthermore, all of the data that was gathered using the data collection method will be interpreted using SPSS version 22. At this point, reliability analysis, frequency distribution based on demography, and descriptive analysis are being performed.

3.7.1 RELIABILITY TEST ANALYSIS

The level of measurement accuracy is referred to as reliability and hence consistently produces accurate results (Zikmund, 1994). According to Sekaran (2000), the reliability of a measure denotes the amount to which the measure is free of bias and, as a result, provides consistent measurement over time and across all items of the instrument. The internal consistency and stability of a measuring device are measured by its reliability.

Internal consistency is the extent to which the items or questions in a measure assess the same constructs in a consistent manner. Each question should be designed to assess the same variable. To raise the level of survey instrument reliability, reliability analysis is carried out. The independent and dependent variables in this study underwent a reliability analysis. The reliability test results must be compared to the pilot test results in order to be found significant with the accuracy of each factor's Cronbach's alpha coefficient.

Cronbach's alpha has been used to test the data consistency in order to evaluate its reliability, validity, and consistency. Reliability coefficients will be applied in this study to show how well the variables are positively associated with one another. According to Sekaran (2003), internal consistency reliability is best when Cronbach's Alpha is closest to 1. When it comes to internal consistency reliability, a number of 0.5 or below is often deemed negative.

The researcher employed Cronbach's Alpha Test of Reliability to assess the internal reliability of the model adopted. The term "reliability" refers to consistency, which refers to the degree of intercorrelation that exists among the components (internal consistency) that measure the same idea. As a result, according to Sekaran (2000), Cronbach's alpha is a fully acceptable indicator of the internal consistency and consequently also the reliability. According to Nunnally and Bernstein (1994), an a-score greater than 0.7 indicates that the scale items have a high degree of internal reliability. Nonetheless, other scholars continue to utilize various cutoff a-scores, such as 0.8 or 0.6. (Garson, 2002). The reliability test result is displayed in Table 3.6.

Table 3.6
Results or Reliability Test

Variable	No of Items	Cronbach's Alpha	Internal Consistency
Intention	4	0.948	Excellent
Attitude	5	0.971	Excellent
Knowledge	7	0.956	Excellent
Subjective Norm	4	0.971	Excellent
Religiosity	4	0.944	Excellent

3.7.2 NORMALITY ANALYSIS

The normality of data can be found when the date is well distributed representing a bell-shaped curve. The distribution must have the largest frequency of scores in the middle and smaller frequencies at the extremes that makes the shaped as mentioned. (Pallant, 2001). It is crucial in research, in particular for multivariate research as proposed by Hair et. Al (1998). Coakes & Steed (2007) mentioned the assumptions of normality that are needed in most inferential statistics and large deviation from the mean means all subsequent statistical tests are invalid. The normality test is a prerequisite for the F and t statistic of the regressions analysis and several more (Hair et al., 2006).

A normality test in this study is undertaken to validate if any outliers are found. performed in this study validating the distribution's normality and verifying for outliers. A respondent who has one or more values that are different from others is said to be an outlier, as per Hair et al. (2007). Outliers affect validity of results as abnormalities in data were found. The abnormalities were filtered out in ensuring reliability of the analysis test. As a result, once the outliers have been removed, the results for normalcy could be determined using the statistical test of normality and graphical analysis.

The statistical test of normality as a tool for confirming the normality of the data. Hair et al. (2006) claims that a simple method for doing this test is determined by the statistical program's skewness and kurtosis values. Skewness and kurtosis are used with interval and ratio level data to describe the shape of the distribution (Coakes and Steed, 2007). Most programs give values of zero to the skewness and kurtosis of a normal distribution. Then, values greater than or less than zero imply deviations from normality. According to Coakes and Steed (2007), positive values for skewness imply a positive skew while positive values for kurtosis indicate a distribution that has a peak (leptokurtic). Negative values for kurtosis suggest a flatter distribution, while negative values for skewness indicate a negative skew (platykurtic). Whereas Hair et al. (2003) claim that a distribution is considerably skewed if the skewness values are more than +1 or smaller than -1. When the values are above +3 and below -3, a curve is considered to be excessively flat for kurtosis.

Table 3.7 displays the outcome, while Appendix D contains extra information about the results.

Data processing was completed after data collecting before performing the data analysis. The stages involved in data processing included coding the responses, data screening, and choosing the best data analytic approach for hypothesis testing. The data were screened for data entry errors and to determine if they were sufficient for the statistical assumptions, including handling outliers, treating missing data, and descriptive statistics for variables. Before testing the collected data, it is crucial to check for missing data. It is regarded as a crucial step prior to data analysis due to the fact that data is frequently filled with flaws and data input errors that can wreak havoc on the analysis outcome. Particularly in a multifactorial study, where exact values of one or more variables are still not readily accessible for assessment or are not accurately documented, the condition is referred to as having missing data (Hair et. al.,2006).

Table 3.7
Summary of the Skewness and Kurtosis Values of the Variables

Variables	Skewness	Kurtosis
Purchase Intention	-1.580	2.270
Attitudes	-1.774	4.021
Knowledge	-1.693	3.695
Subjective Norm	-1.042	0.759
Religiosity	-1.169	1.573

Both descriptive and inferential statistics were used in this investigation using SPSS software. A descriptive statistic is used to analyze data in general, while an inferential statistic is used to test hypotheses using Pearson Correlation and Multiple Linear Regression.

3.7.3 DESCRIPTIVE ANALYSIS

This method was used to check the data for inaccurate entries while also providing a description of the overall responses received. All the personal information or categorization variables were given frequency distributions. The standard deviation, mean, and frequency distribution are used to provide a clear understanding of the data and are helpful in identifying group differences for all the relevant variables in this analysis.

The percentages among respondents' profiles for age, gender, ethnicity, education level, and field of study were generated using the frequencies. The degree of attitude, knowledge, subjective norm, and religiosity were all determined using descriptive analysis. In determining the degree of all variables, the standard deviation and mean score for each factor were computed. Also, the standard deviation is crucial in highlighting the degree of each variable as well as the distribution of the mean score. The standard deviation, according to Hair et al. (2007), represents the range or variability of the sample values from the mean. When the standard deviation is low, the responses in a sample distribution of numbers tend to be relatively close to the mean.

The independent and dependent variables were tested using descriptive statistics. In these tests, a 5-point Likert scale with a minimum weight of 1 and a maximum weight of 5 is employed as the measurement scale.

3.8 INFERENTIAL ANALYSIS

Inferential statistics are used to draw conclusions from data analysis in order to fulfil the study's study objectives. Hence, Multiple Linear Regression analysis and Pearson Correlation test are used as inferential statistics in this investigation.

3.8.1 PEARSON CORRELATION ANALYSIS

The relationship between the dependent and independent variables was investigated using Pearson correlation, which also served to anticipate the intensity and direction of the relationship. Pearson correlation can range from -1.0 to +1.0, with (0.0) denoting no correlation and (+1.0) denoting perfect correlation, according to (Gliner, Morgan, & Leech, 2009). J. F. Hair et al. (2007) outlined the coefficient scale and relationship strength of correlation to understand the connection between the variables shown in Table 3.8 below:

Table 3.8
Coefficient Scale

Value	**Range**
0.8 and above	Very strong relationship
0.5-0.79	Strong relationship
0.3-0.49	Moderate relationship
0.1-0.29	Low relationship
0.01-0.09	Very low relationship

The significant value can be used to determine the relevance between two variables. It follows that there is a correlation between the variables if the significant value is p 0.05. The variable is not significant and there is no association between the variables if the value is higher than the sign value (Sheridan & Lyndall, 2007). In order to accomplish the goals of this study, Pearson correlation has been employed to investigate the relationship between the factors that influenced the intention to acquire Takaful among millennials in Selangor.

3.8.2 MULTIPLE LINEAR REGRESSION ANALYSIS

The test's objective is to determine the extent to which the independent variables influence the discrepancy in the dependent variables. “To interpret the data in terms of” the variance explained by both variables, R square value is utilized (Gliner et al., 2009). The most effective elements influencing the acquisition of Takaful among millennials in Selangor were examined using multiple regression analysis.

The significant value given in the regressions table can be used to determine the impact of independent variables on dependent variable”. Assuming the figure falls below the significance threshold of p0.05, the independent variable has a strong influence on the dependent variable. On the other hand, if the value is above the sign value, it means that there is no correlation between the independent and dependent variables (Gliner et al., 2009).

Therefore, multiple linear regression analysis is used to determine factors influencing the purchase of takaful among millennials in Selangor which are attitude, knowledge, subjective norm, and religiosity as the predictors. In short, descriptive analysis, Pearson Correlation and Multiple Linear regression employed as per shown below in Table 3.9.

Table 3.9
Area of Investigation

No	Area of Investigation	Test
1	Demographic Background – The characteristics of respondents.	Descriptive Statistics (Frequencies and Percentage)
2	To determine the relationship between the variables attitude, knowledge, subjective norms and religiosity and the millennial customers' intention to purchase Takaful	Pearson Correlation
3	To examine the factors significantly influence the millennial customers' intention to purchase Takaful	Multiple Linear Regression

3.9 CONCLUSION

As a summary, this chapter discusses the sampling and data collection method. Based on the results of prior investigations, four hypotheses have been formulated. The questionnaires developed have been verified reliable and valid to assess the factors that influence the intentions to purchase Takaful which are attitude, knowledge, subjective norm, and religiosity. Pearson Correlation, Frequency test, and Multiple Linear Regression analysis were used in analyzing both descriptive and inferential analysis. The discussion of finding will be elaborated in the following chapter.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 INTRODUCTION

This chapter reports and discusses results and data analysis that was covered in the earlier chapter. The discussion starts with responds rate, demographic profile and ended with results of factors influencing the intention to purchase Takaful among millennials in Selangor. The hypothesis developed has been tested expected to fulfill the objectives of this study.

4.1 RESPONDS RATE

Questionnaires have been distributed through various online platforms such as Facebook, Twitter and blast and shared in the WhatsApp group to gain and increase the numbers of respondents and 125 have responded to the questionnaires. As per described in previous chapter, recommended sample for this study is 50 - 500.

4.2 DEMOGRAPHIC PROFILE OF RESPONDENT

Participants in this study were millennials in Selangor. Table 4.1 shows the breakdown of the participants who took part in this study.

Table 4.1
Frequency Table

Profile of Respondents

Demographic Factors		**Frequency**	**Percent**
Gender	Male	42	33.6
	Female	83	66.4
Age	27 – 30	26	20.8
	31 – 34	55	44.0
	35 - 39	18	14.4
	40 – 42	26	20.8
Race	Malay	118	94.4
	Chinese	4	3.2
	Indian	3	2.4
Marital Status	Single	32	25.6
	Married	92	73.6
	Divorced	1	.8
Education Level	SPM	7	5.6
	STPM/Foundation/A-Level	2	1.6
	Diploma	20	16.0
	Bachelor's Degree	69	55.2
	Master	22	17.6
	PhD	5	4.0
Occupation	Student	3	2.4
	Self-Employed/Business	30	24.0
	Government	23	18.4
	Private	69	55.2
Monthly Income	RM1,500 – RM3,000	35	28.0
	RM3,001 – RM5,000	43	34.4
	RM5,001 – RM7,000	20	16.0
	RM7,001 – RM9,000	16	12.8
	RM9,001 – RM11,000	5	4.0
	RM11,000 – RM13,000	2	1.6
	RM15,001 and above	4	3.2

Table 4.1 above shows that among 125 respondents, 33.6% of respondents are male whereas the majority of respondents are female with 66.4%. The age of the respondents has been divided into four groups based on their range of millennials age which are from 27 – 30, 31 – 34, 35 – 39, and 40 – 42. As illustrated in the table, most of the respondents are in the range of 31 – 34 years old, which consist of 55 millennials, representing 44% of the respondents, followed by the age group of 27 – 30 and 40 – 42 years old with 20.8% and the remaining of 14.4% are between 35 – 39 years old. The result shows that majority of the respondents among millennials in are Malay with 94.4%, subsequently followed by Chinese (3.2%) & Indian (2.4%).

The highest percentage of 73.6% of the millennial's customers purchasing Takaful and being the respondents in this study are married, while 25.6% are still single and 0.8% are divorced. In terms of degree of education, most of the respondents are a degree holder with 55.2%, comes next Master (17.6%), diploma (16%), SPM (5.6%), PhD (4%) and the least was SPM level with which consist of 1.6%. 69 out of 125 respondents working in private sector, indicates the highest percentage of 55.2%, follow in order by self-employed or business category which is 24%, working in government 18.4% and 2.4% are from the millennials are still studying. Mostly, the respondents earned between RM3,001 – RM5,000 with 34.4% and 1.6% of the respondents earned RM11,000 – RM13,000 every month.

4.3 DESCRPTIVE STATISTICS OF EACH VARIABLES

The mean and standard deviation for each of the variables, attitude, knowledge, subjective norm, religiosity, and intention are illustrated in table 4.2. The main objective of showing standard deviation is to indicate the degree of each variable and to highlight the distribution of the score of the mean. Attitude displays the highest mean with 4.2864 with the standard deviation value of 0.87301. Temporarily, the lowest mean is 3.9280 is the subjective norm variable with the standard deviation value of 1.047187. The smaller the standard deviation value is, the closer the responses in a sample distribution of numbers to the mean. Hence, a smaller value of the standard deviation is the better. Below table also specifies that millennials intention to purchase Takaful influenced by the attitude of the respondents.

Table 4.2
Results of each variable

Variables	**Mean**	**Standard Deviation**
Intention	4.1600	1.03925
Attitude	4.2864	0.87301
Knowledge	4.1897	0.87402
Subjective Norm	3.9280	1.047187
Religiosity	4.0180	0.94835

4.4 CORRELATION BETWEEN INTENTION AND FACTORS INFLUENCING

This study's objective is to ascertain whether there is any relationship between attitude, knowledge, subjective norm, and religiosity (independent variables) and intentions to purchase Takaful among millennials in Selangor (dependent variables). The hypotheses for this study are as follows:

i. Attitude

H_1: There is significant relationship between attitudes and the intention to purchase Takaful among millennials in Selangor.

ii. Knowledge

H_2: There is a significant relationship between knowledge and the intention to purchase Takaful among millennials in Selangor.

iii. Subjective Norm

H_3: There is significant relationship between subjective norm and the intention to purchase Takaful among millennials in Selangor.

iv. Religiosity

H_4: There is a strong correlation between religiosity and the intention to purchase Takaful among millennials in Selangor.

Table 4.3
Results of Pearson Correlation between the intention to purchase Takaful among millennials in Selangor and factors influencing the decision.

Variables	Correlation Coefficient	Sig. (2-tailed)
Attitude	.708	.001
Knowledge	.857	.001
Subjective Norm	.702	.001
Religiosity	1	.001

**Correlation is significant at the 0.01 level (2-tailed)

The Pearson Correlation of the variable is displayed in Table 4.3. It is proven that there is a significant linear relationship between all hypotheses since the p-value is below 0.01 ($p < 0.01$). The attitudes, knowledge, subjective norm, and religiosity have a significant relationship with strong relationship ($0.20 \leq r \leq 1$) with the intention to purchase Takaful among millennials in Selangor considering that the correlation coefficient's range is 0.708** (attitude), 0.857** (knowledge), 0.702** (subjective norm) and religiosity 1**. These findings support the previous study by Husin and Rahman (2016) showed that the three constructs of TPB by Azjen (1991) and religiosity by Alam et. al (2012) had a strong relationship with the intention to purchase Takaful millennials in Selangor.

4.5 DETERMINANTS FACTORS TOWARDS INTENTION TO PURCHASE TAKAFUL AMONG MILLENIALS IN SELANGOR.

This study identifies how much variance of these independent variables (attitude, knowledge, subjective norm, and religiosity) in influencing the intention. Variance will be determined using the multiple linear regressions. Assuming that all the variables may influence the intention to purchase takaful among millennials in Selangor. The analysis demonstrated that all the assumptions made earlier are accurate as all the variables were shown to influence the intention of customers based on the regression result. Table 4.4 shows the findings of the regression analysis.

Table 4.4
Regression Results

Hypotheses	Regression Weights	B	T	p-value
H_1	A → PI	.488	3.946	.001*
H_2	K → PI	.199	1.151	.252*
H_3	SN → PI	.211	2.498	.014*
H_4	R → PI	.089	.718	.474*
R	.618			
Adjusted R Square	.606			
F	48.597			
Sig.	.001			

Note. *p > 0.05. A: Attitude, K: Knowledge, SN: Subjective Norm, R: Religiosity, PI: Purchase Intentions.

The study investigates the intention to purchase Takaful among millennials in Selangor based on hypotheses proposed as follows:

H_1: There is significant relationship between attitudes and the intention to purchase Takaful among millennials in Selangor.

H_2: There is an insignificant relationship between knowledge and the intention to purchase Takaful among millennials in Selangor.

H_3: There is significant relationship between subjective norm and the intention to purchase Takaful among millennials in Selangor.

H_4: There is an insignificant relationship between religiosity and the intention to purchase Takaful among millennials in Selangor.

The purchase intentions can be predicted by the attitude, knowledge, subjective norm, and religiosity. All the independent variables are significantly influencing the purchase intention of Takaful among millennials in Selangor with the $F = 48.597$, $p < 0.001$, indicating that the attitude, knowledge, subjective norm, and religiosity have a significant impact on purchase intention. In addition, the $R^2 = .618$ depicts that the model explains 61.8% of the variance in purchase intentions.

Moreover, coefficients were further assessed to ascertain the influence of each of the factors on the criterion variable (Purchase Intention). Table 4.4 summarizes that attitude, and subjective norm, displayed a positively significant t-value of 3.946, and 1.151 respectively while knowledge and religiosity are not significant with the t-value of 0.252 and 0.474. The findings revealed that attitude ($B = .488$, $t = 3.946$, $p = .001$) has a strongest in explaining purchase intention followed by subjective norm ($B = .211$, $t = 2.498$, $p = .014$), knowledge ($B = .199$, $t = 1.151$, $p = .252$) and religiosity ($B = .089$, $t = .718$, $p = .474$). Hence, H_1 and H_3 were supported to influence the intention to purchase Takaful among millennials in Selangor and correlated in a positive direction, while H_2 and H_4 were not supported. The summary of the relationship between the variables in the form of formula equation as shown in Figure 4.1 below:

$$\boxed{Y = a + b1x1 + b2x2 + b3x3 + b4x4}$$

$$Y = .050 + .488A + .199K + .211SN + .089R$$

Where:

a = Intercepts (constant)

Y = Intention

b1x1 = Attitude

b2x2 = Knowledge

b3x3 = Subjective Norm

b4x4 = Religiosity

Figure 4.1
Formula of Multiple Linear Regressions

The above formula concluded that 1 unit of attitude increase would make .488 units of purchase intention and 1 unit of subjective norm might increase .211 units of purchase intention to increase.

4.6 CONCLUSION

In order to determine the association between various factors and intention, correlation and regression analysis were used in this research. The correlation results show that all the independent variables are correlated with the intention to purchase Takaful among millennials in Selangor. Moreover, the regression analysis revealed that only attitude and subjective norm has a positive and significant affect towards the intention to purchase Takaful among millennials in Selangor. Thus, H_1, and H_3, were supported to influence the intention to purchase Takaful among millennials in Selangor and correlated in a positive direction. In addition, the R^2 = .618 depicts that the model explains 61.8% of the variance in purchase intentions. As a conclusion, this study confirmed that H_1, and H_3, are consistent with Md Husin & Ab Rahman (2016).

CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

5.0 SUMMARY OF FINDINGS

In 1984, Islamic insurance has been established in Malaysia, however, it still shows that the lack of awareness regarding the products is still high, especially in the millennial's generations, even though Malaysia has the largest numbers of Muslim. This is due to the low level of financial planning and awareness which resulted in the low Takaful penetration among this generation. They are least likely to interact with Takaful operators and it is also believed that they overestimate the cost to contribute to Takaful since they never consider what might happen in the future. To capture the untapped market and begin focusing on the millennials, Takaful operator might enhance their business strategies and streamline product characteristics.

This study is important to boost the Takaful market penetration in Malaysia among millennials group. The government must seriously consider instilling awareness of the importance of Takaful policy as the protection during difficult time in millennials. As the millennials generation prefer online shopping through e-commerce, Takaful industry might consider creating a service similar to Doctor on Call offers, which offers online consultation and brief explanation on the products benefits. Other than that, Bijak.com also is the one service that Takaful provider especially in life Takaful line, to consider offering in giving few comparisons in terms of benefits and monthly contribution to cater millennials need.

Table 5.1
Summary of Research Findings

No.	Research Questions	Findings
1	Does attitudes significantly affect millennial intention in Selangor to purchase Takaful?	There are significant affects between attitudes and millennial intention in Selangor to purchase Takaful.
2	Does knowledge significantly affect millennial intention in Selangor to purchase Takaful?	There are insignificant affects between knowledge and millennial intention in Selangor to purchase Takaful.
3	Does subjective norm significantly affect millennial intention in Selangor to purchase Takaful?	There are significant affects between subjective norm and millennial intention in Selangor to purchase Takaful.
4	Does religiosity significantly affect millennial intention in Selangor to purchase Takaful?	There are insignificant affects between religiosity and millennial intention in Selangor to purchase Takaful.

Table 5.1 above shows that attitude and subjective norm are significantly related towards the intention to purchase Takaful. Attitude is one of the assurances that millennials will purchase the Takaful if they are aware of the benefits and the necessity of this products offers. Individuals experience will determine the loyalty of maintaining in contributing to Takaful and repurchase of the products as well. Subjective norm or word-of-mouth also other factors that contributing to the intention to purchase of Takaful. These facts should not be taken into granted, as the happier the customer is towards the service, they will share and recommend the service to their surroundings, be it through social media, families, and friends of friends. The spread of words may perhaps fasten the market penetration of Takaful among millennials, which are easily influenced by others.

This chapter highlights the summary of this study and structured into emphasizing the objectives stated in the first chapter, followed by findings, contributions of this study, limitation of study and recommendations from this study.

5.1 THE RELATIONSHIP BETWEEN THE FACTORS INFLUENCING THE INTENTIONS TO PURCHASE TAKAFUL

The purpose of this study is to investigate the relationships between the variables that affect millennials in Selangor on Takaful. The four independent variables were tested on their correlations from the hypotheses, H_1, H_2, H_3, and H_4 that represent attitude, knowledge, subjective norm, and religiosity towards factors influencing the intentions to purchase Takaful. Other than that, all the factors also tested via multiple linear regression analysis, and it is found that two of the independent variables are revealed to be significantly affect the intentions to purchase Takaful which are attitude and subjective norm. The results support earlier studies conducted by Md Husin and Rahman (2016) that attitude and subjective norm strongly influenced the intentions to purchase Takaful among millennials in Selangor. It shows that when millennials are aware that Takaful is beneficial and necessity, they tend to contribute to Takaful. In addition, it was found that millennials are easily influenced by people surrounding them.

5.2 CONTRIBUTION OF THE STUDY

The findings from this study benefit policymakers and Takaful industry players and provide valuable insight for future research. The findings of the study present a number of factors that are significantly influencing the purchase of Takaful and might contribute to policy setting that have an implications to the industry.

The results show that attitude and subjective norm are positive and significant towards the purchase intention of Takaful among millennials in Selangor. Further understanding towards the behavior of millennials could help in enhancing the measure to strengthen the Takaful products offering to the millennials and to focus on catering the next generation needs. This can be achieved by ensuring the Takaful operators, especially the agents to carry out a deviant marketing strategy towards convincing the importance of having a Takaful for a future protection against unexpected event. The facts that word-of mouth is importance in influencing the purchase of Takaful among millennials should not be taken into granted, as the happier the customer towards the service, they will share and recommend the service to their surroundings, be it through social media, families, and friends of friends. The spread of words may perhaps fasten the market penetration of Takaful among millennials, which are easily influenced by others.

In addition, the government must seriously consider instilling the awareness of the importance of having Takaful policy as the protection during difficult time in millennials. As we are moving towards e-commerce era and considering the millennials generation preferable on using the e-commerce services due to the convenient, Takaful industry might consider creating a service similar like offers by Doctor on Call offers, which offers online consultation and brief explain on the products benefits. Other than that, Bijak.com also is the one service that Takaful provider especially in life Takaful line, to consider offering in giving few comparisons in terms of benefits and monthly contribution to cater millennials need.

Other than that, Bank Negara Malaysia and Malaysian Takaful Association should consider increasing the requirements of selections of the agents and set certain key performance indicators for the Takaful agents to make sure they are knowledgeable, ethically, customer oriented and having their own credibility in servicing the customers to achieve highest satisfaction among the contributors. This may lead the business continuity and long-term networking with the existing customer and to foster a good image for future prospects and the Takaful company they serve.

Previous research has studied the factors that influence the purchase of Takaful in Malaysia in general by using several theories such as the Theory of Reasoned Action (TRA), Theory of Planned Behavior (TPB), Decomposed Theory of Planned Behavior (DTPB) and Attitude-Self Influence-efficacy model (ASE). Nonetheless, all of the earlier mentioned theories mostly applied to conventional industry. There are no limitations to only employ these theories to the products that are non-shariah compliance, in fact, these theories can also be applies to predict the individual's behavior towards the Islamic products. This study adds to the body of knowledge by showing that the TRA theory may be applied for Takaful and may be developed in the near future.

In addition to the above, most research was focusing on the factors influencing the purchase of Takaful, but not specifically into certain generations. Very minimal studies have been done on the millennials' attitudes towards the purchase of Takaful. This study is among the earliest studies to investigate the factors that influence the purchase intention of Takaful among millennials. As they are the next generation that will replace the boomer's generation, it is important to instill the awareness of Takaful effectively in this generations started with millennials and the next generation. It is suggested that more studies must be carried out on millennials towards Takaful purchase to further increase the literature review on this subject matter and to investigate more factors that could affect the purchase intention among millennials.

5.3 LIMITATION OF THE STUDY

This study faced several limitations. The limited previous study on this topic and inaccessibility of reliable data contributed to the inadequate information for this research. Begin with the limited resources, Thus, this study encountered some difficulties in gathering the necessary references.

Next, there are difficulties in collecting data where the limited time constraints and lack of cooperation from the respondents and cooperation from takaful companies for the questionnaires. The process of distributing the questionnaire was not so smooth and led to inadequate responses received, hence impacting the findings.

In addition, the short time frame to conduct this research where, this study expected to complete within a four-month period, which really needs a strong determination and well-disciplined attitude in completing this study. Future research should be permitted to be done over a longer time frame and should be urged to use larger sample sizes in order to produce more reliable and significant findings. It is not possible to generalize this study's findings to other millennials in different states as it is limited to millennials who are residing in Selangor. It is suggested for future research to be conducted to overall millennials who participated in Takaful in Malaysia.

5.4 RECOMMENDATIONS

Based on the findings on intentions to purchase takaful, it is one of the significant studies to explain the various factors that might help in promoting Takaful especially to millennials. The result from this study shows that 73.6% of the respondents have Takaful policy, while

16.8% have both Takaful and conventional policy and 9.6% subscribe to conventional insurance.

There are three recommendations provided by this study. First and foremost, it is crucial to deliver important and appropriate information to prospective markets and also to the existing clients, perhaps through online mechanisms. Next, in order to foster a favorable attitude towards Takaful, it is important to educate both existing and prospective contributors regarding the benefits of Takaful products. The most efficient way to address this issue is by selecting competent and experienced agents or staff. Last but not least, it is crucial to take into account each individual's roles within the framework of the subjective norm. One of the best ways to increase awareness about Takaful as the replacement of conventional insurance and get more people to sign up for it is to treat the current contributors in a professional and ethical way and unofficially make them as "intermediaries" for the Takaful institutions. It is recommended that takaful operators enhance their offerings for risk-takers so as to foster a favorable attitude among these individuals. Takaful providers, for instance, could build positive connections with risk-takers by offering tailored services that cater to their needs. The relevance of the subjective norm on prospect client's involvement in Takaful products might be increased by doing the above-mentioned act.

5.5 CONCLUSIONS

The objective of this study is to examine the factors influencing the intention to purchase Takaful among millennials in Selangor. Finding shows that attitude and subjective norm have positive and significant towards the intention to purchase Takaful among millennials in Selangor. This is showing that the millennials in Selangor aware that Takaful is beneficial and a necessity for every individual. Other than that, it can be concluded that millennials are easily influenced by people surrounding them in making a decision to purchase Takaful. Hence, Takaful providers should take into account on the subjective norms functionality in increasing the Takaful market penetration in Malaysia, especially among millennials. This is in line with the findings from Md Husin & Ab Rahman (2016), which also found that attitude and subjective norms have significantly relationship with the intentions to purchase Takaful.

However, it was found that in this study, knowledge and religiosity are insignificant in influencing the purchase of Takaful among millennials in Selangor. Either they are Muslims or not, they really obey and practice the Islam teachings, it will not influence them to contribute to Takaful. Moreover, most millennials know the existence of Takaful products and the importance of having one, but still, it is not enough to influence them to own Takaful. Thus, future study needs to be done to gather more information on the knowledge and religiosity toward Takaful purchase intentions among millennials in various state in Malaysia to get more reliable findings in contributing to the industry.

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APPENDIX A

(QUESTIONNNAIRE)

Factors Influencing the Intentions to Purchase Takaful Among Millennial in Selangor.

Dear Respondents,

I am Nurul 'Afifah Ahmad, a postgraduate student currently conducting research among millennials in Selangor on the purchasing decisions of Takaful. Therefore, I would really appreciate it if you could spare some time to answer the survey and your response would be used purely for academic purposes.

This questionnaire consists of two (2) sections. Please read the question carefully and complete all the questions as honestly as possible by ticking a box as there is no right or wrong answer. It requires an estimated 5-10 minutes to complete. Thank you in advance for your time.

Yours Sincerely,

Nurul 'Afifah Ahmad

Master in Islamic Finance and Banking,

Universiti Utara Malaysia.

nafifah90@gmail.com

0137607552

Section A

Demographic Profile

1. Gender

( ) Male
( ) Female

2. Age

( ) 27 - 30
( ) 31 - 34
( ) 35 - 39
( ) 40 – 42

3. Race

( ) Malay
( ) Chinese
( ) Indian
( ) Others

4. Marital Status

( ) Single
( ) Married
( ) Divorced

5. Educational Level

( ) SPM
( ) STPM/Foundation/A-Level
( ) Bachelor's degree
( ) Master
( ) PhD

6. Occupation

( ) Student
( ) Self-Employed/Business
( ) Government
( ) Private

7. Monthly Income

( ) RM1,500 – RM3,000
( ) RM3,000 – RM5,000
( ) RM5,001 – RM7,000
( ) RM5,001 – RM7,000
( ) RM7,001 – RM9,000

( ) RM9,001 – RM11,000
( ) RM11,000 – RM13,000
( ) RM13,001 – RM15,000
( ) RM15,000 and above

8. What are the most serious problems that you are afraid of?

( ) Illness
( ) Flood
( ) Fire
( ) Accident
( ) Death
( ) Other

9. What type of protections plans do you have?

( ) Takaful (Islamic Insurance)
( ) Conventional Insurance
( ) Both

10. Please state the reason why you choose Takaful?

( ) As a life protection
( ) Savings
( ) Peer pressure
( ) Awareness and knowledge
( ) Shariah Compliance
( ) Investment
( ) Follow trend
( ) Other

11. How much contributions are you currently paying?

( ) Below RM300
( ) RM350 – RM500
( ) RM501 – RM1,000
( ) RM1,001 and above

Section B

Please answer ALL questions in all parts according to the following scale:

1	2	3	4	5
Strongly Disagree	Disagree	Either Agree or Disagree	Agree	Strongly Agree

Please select the right scale for each question representing the most appropriate answer for you according to the scale given.

Purchase Intention

1	I am likely to purchase Takaful in the future.	1	2	3	4	5
2	I expect to choose the Takaful scheme.	1	2	3	4	5
3	I want to purchase the Takaful scheme in the future.	1	2	3	4	5
4	I will purchase the Takaful scheme in the future.	1	2	3	4	5

Attitude

5	I think purchasing a Takaful is a necessity	1	2	3	4	5
6	I think purchasing a Takaful is beneficial.	1	2	3	4	5
7	I think purchasing a Takaful is valuable.	1	2	3	4	5
8	I think purchasing a Takaful is a wise idea.	1	2	3	4	5
9	I would be happy if I purchase Takaful scheme.	1	2	3	4	5

Knowledge

10	I understand that Takaful products comply with Shari'ah	1	2	3	4	5
11	I understand that Takaful is ethical.	1	2	3	4	5
12	I understand that Takaful is suitable for anyone regardless of religion.	1	2	3	4	5
13	I understand that Takaful is free from interest (Riba')	1	2	3	4	5
14	I understand that Takaful does not involve in any prohibited business activities.	1	2	3	4	5
15	I know that Takaful can provide coverage like conventional insurance.	1	2	3	4	5
16	I understand Takaful policyholders mutually share the risk.	1	2	3	4	5

Subjective Norm

17	People who influence my decision think that I should purchase a Takaful.	1	2	3	4	5
18	People who are important to me that I should purchase a Takaful.	1	2	3	4	5
19	People whose opinions I value think that I should purchase a Takaful.	1	2	3	4	5
20	People who are close to me think that I should purchase a Takaful.	1	2	3	4	5

Religiosity

21	I believe Takaful is in line with Islamic philosophy of doing Takaful business.	1	2	3	4	5
22	I believe Takaful is based on the Islamic principle of business implementation.	1	2	3	4	5
23	I believe Takaful is based on Al-Quran and Hadith.	1	2	3	4	5
24	I believe Takaful is free from fraud.	1	2	3	4	5

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OuRe :UUM/UUMKL/MIF
Tarikh : 18 February

Dr Noor Afzaliza Nazira Ibrahim
Pensyarah Kanan,
Pengajian Komunikasi dan Media,
Kolej Pengajian Pengkomputeran, Informatik dan Media
Universiti Teknologi MARA,
Cawangan Melaka, Kampus Alor Gajah.

Ybrs. Dr

PERLANTIKAN SEBAGAI PANEL PENILAI INSTRUMEN KAJIAN PROJEK PELAJAR

Dengan segala hormatnya perkara diatas adalah dirujuk.

2. Adalah dimaklumkan bahawa pelajar seperti butiran dibawah merupakan pelajar Program Siswazah bagi Sarjana Kewangan dan Perbankan Islam di Universiti Utara Malaysia (UUM) seperti butiran

Nama	: Nurul 'Afifah Binti
Matrik	:
Kolej/Pusat Pengajia	: Kolej Perniaagaan (UUM Kampus Kuala
Tajuk	: Faktor-Faktor Yang Mempengaruhi Niat Pelanggan Untuk Membeli Takaful Dalam Kalangan Pelanggan Milenium Prudential BSN Takaful di Selangor.

3. Sehubungan dengan itu, saya ingin memohon khidmat kepakaran YBrs. Dr. sebagai salah seorang daripada panel yang dapat membuat penilaian kepada Instrumen (survey) bagi membantu pelajar dalam kajian berkenaan. Bersama-sama ini disertakan dokumen berkaitan untuk tindakan dan perhatian tuan selanjutnya. Sebarang pertanyaan atau kesulitan boleh menghubungi pelajar di talian 013-7607552 atau emel kepada nafifah90@gmail.com / norai@uum.edu.my (penyelia

4. Instrumen akan digunakan dan disertakan dalam laporan kajian projek penyelidikan bagi memenuhi syarat bergraduat program Sarjana (Mode Coursework. Kesudian dan Kerjasama YBrs. Dr. berhubung perkara amatlak dihargai dan didahului dengan ucapan ribuan terima

Sekian. Terima

Yang benar

(DR NURUL HUDA ABDUL MAJID)
Pensyarah
Universiti Utara Malaysia Kuala Lumpur
Tel: 603-2610 3029/012-4823453 Faks: 6032694 9228 Email: nurul@uum.edu.my

APPENDIX B

(DESCRIPTIVE STATISTICS)

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
MEANI	125	1.00	5.00	4.1600	1.03925	-1.580	.217	2.270	.430
MEANA	125	1.00	5.00	4.2864	.87301	-1.774	.217	4.021	.430
MEANK	125	1.00	5.00	4.1897	.87402	-1.693	.217	3.695	.430
MEANSN	125	1.00	5.00	3.9280	1.04187	-1.042	.217	.759	.430
MEANR	125	1.00	5.00	4.0180	.94835	-1.169	.217	1.573	.430
Valid N (listwise)	125								

Item Statistics

	N	Mean	Std. Deviation
I1	125	4.20	1.171
I2	125	4.26	1.033
I3	125	4.05	1.163
I4	125	4.13	1.100
A1	125	4.30	.944
A2	125	4.37	.894
A3	125	4.33	.914
A4	125	4.29	.914
A5	125	4.14	.948
K1	125	4.34	.934
K2	125	4.21	.953
K3	125	4.34	.967
K4	125	4.14	1.058
K5	125	4.12	.980
K6	125	4.12	.964
K7	125	4.06	1.030
SN1	125	3.84	1.117
SN2	125	3.94	1.113
SN3	125	3.94	1.083
SN4	125	4.00	1.032
R1	125	4.06	.990
R2	125	4.08	.989
R3	125	3.94	1.042
R4	125	3.98	1.078
Valid N (listwise)	125		

APPENDIX C

(RELIABILITY TEST)

I. RELIABILITY FOR INTENTION

Reliability Statistics Intention

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.948	.948	4

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded[a]	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

II. RELIABILITY FOR ATTITUDE

Reliability Statistics Attitude

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.971	.971	5

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded[a]	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

III. RELIABILTY FOR KNOWLEDGE

Reliability Statistics Knowledge

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.955	.956	7

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded[a]	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

IV. RELIABILITY FOR SUBJECTIVE NORM

Reliability Statistics Subjective Norm

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.971	.971	4

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded[a]	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

V. RELIABILITY FOR RELIGIOSITY

Reliability Statistics Religiosity

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.944	.944	4

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded[a]	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

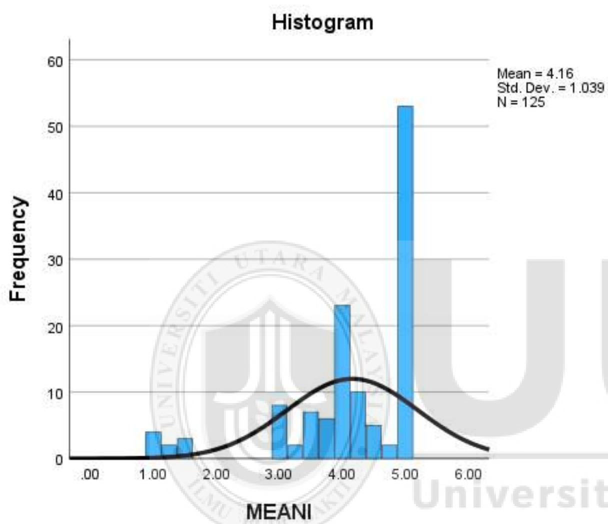
APPENDIX D

(NORMALITY TEST)

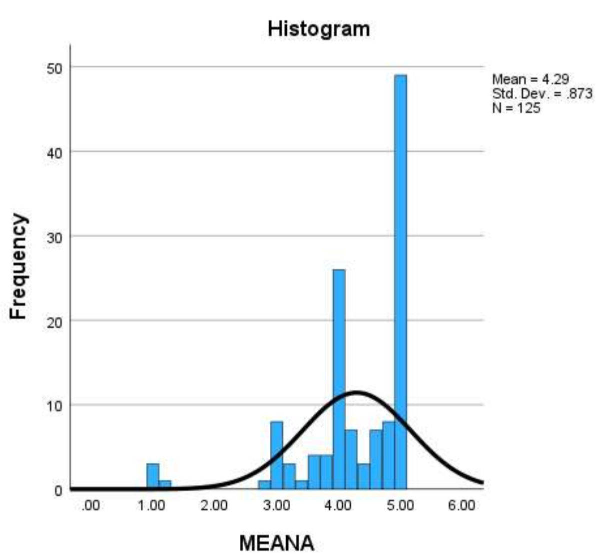
Statistics

	N	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
MEANI	125	4.1600	1.03925	-1.580	.217	2.270	.430
MEANA	125	4.2864	.87301	-1.774	.217	4.021	.430
MEANK	125	4.1897	.87402	-1.693	.217	3.695	.430
MEANSN	125	3.9280	1.04187	-1.042	.217	.759	.430
MEANR	125	4.0180	.94835	-1.169	.217	1.573	.430

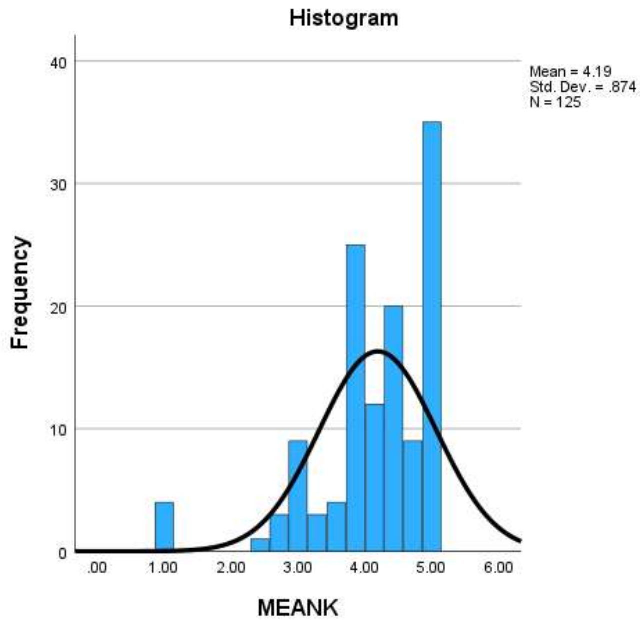
i. INTENTION



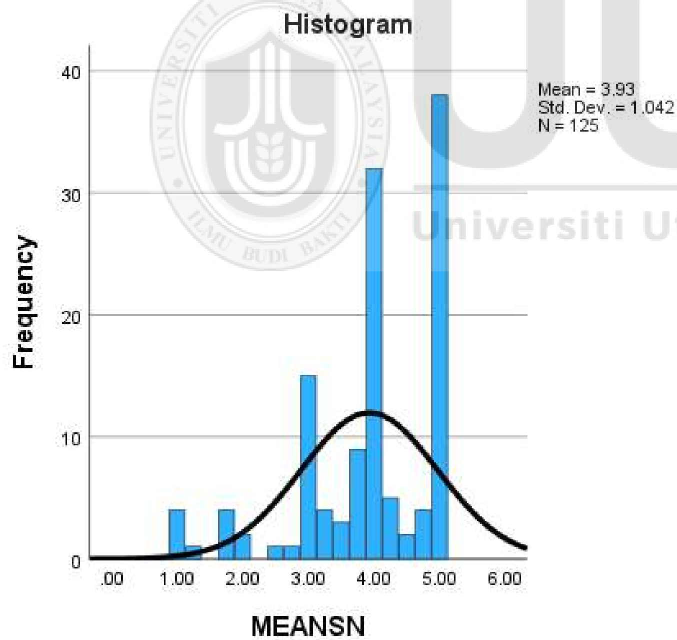
ii. ATTITUDE



iii. KNOWLEDGE



iv. **SUBJECTIVE NORM**



APPENDIX E

(PROFILE OF RESPONDENT)

GENDER

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	42	33.6	33.6	33.6
	FEMALE	83	66.4	66.4	100.0
	Total	125	100.0	100.0	

RACE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALAY	118	94.4	94.4	94.4
	CHINESE	4	3.2	3.2	97.6
	INDIAN	3	2.4	2.4	100.0
	Total	125	100.0	100.0	

MARITAL STATUS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SINGLE	32	25.6	25.6	25.6
	MARRIED	92	73.6	73.6	99.2
	DIVORCED	1	.8	.8	100.0
	Total	125	100.0	100.0	

EDUCATION LEVEL

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPM	7	5.6	5.6	5.6
	STPM/FOUNDATION/ALEVEL	2	1.6	1.6	7.2
	DIPLOMA	20	16.0	16.0	23.2
	BACHELOR'S DEGREE	69	55.2	55.2	78.4
	MASTER	22	17.6	17.6	96.0
	PHD	5	4.0	4.0	100.0
	Total	125	100.0	100.0	

OCCUPATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STUDENT	3	2.4	2.4	2.4
	SELF EMPLOYED/BUSINESS	30	24.0	24.0	26.4
	GOVERNMENT	23	18.4	18.4	44.8
	PRIVATE	69	55.2	55.2	100.0
	Total	125	100.0	100.0	

Statistics

		AGE	MONTHLY INCOME
N	Valid	125	125
	Missing	0	0
Mean		2.35	2.51
Median		2.00	2.00
Mode		2	2
Std. Deviation		1.034	1.574

APPENDIX F

(PROFILE OF RESPONDENT)

i. PEARSON CORRELATION

Correlations

		MEANI	MEANA	MEANK	MEANSN	MEANR
MEANI	Pearson Correlation	1	.742**	.734**	.651**	.663**
	Sig. (2-tailed)		<.001	<.001	<.001	<.001
	N	125	125	125	125	125
MEANA	Pearson Correlation	.742**	1	.838**	.637**	.708**
	Sig. (2-tailed)	<.001		<.001	<.001	<.001
	N	125	125	125	125	125
MEANK	Pearson Correlation	.734**	.838**	1	.729**	.857**
	Sig. (2-tailed)	<.001	<.001		<.001	<.001
	N	125	125	125	125	125
MEANSN	Pearson Correlation	.651**	.637**	.729**	1	.702**
	Sig. (2-tailed)	<.001	<.001	<.001		<.001
	N	125	125	125	125	125
MEANR	Pearson Correlation	.663**	.708**	.857**	.702**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	
	N	125	125	125	125	125

**. Correlation is significant at the 0.01 level (2-tailed).

ii. MULTIPLE LINEAR REGRESSION TEST

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.786[a]	.618	.606	.65268	2.106

a. Predictors: (Constant), MEANR, MEANSN, MEANA, MEANK

b. Dependent Variable: MEANI

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.050	.303		.166	.868
	MEANA	.488	.124	.410	3.946	<.001
	MEANK	.199	.173	.168	1.151	.252
	MEANSN	.211	.084	.212	2.498	.014
	MEANR	.089	.123	.081	.718	.474

a. Dependent Variable: MEANI