What drives consumers to participate into family takaful schemes? A literature review

Maizaitulaidawati Md Husin
Department of Management and Human Resource Development, Malaysia University of Technology, Kuala Lumpur, Malaysia, and

Asmak Ab Rahman
Department of Syariah and Economics, University of Malaya, Kuala Lumpur, Malaysia

Abstract

Purpose – This paper aims to examine the basic determinants of consumers intention to participate in family takaful scheme using decomposed theory of planned behaviour (DTPB) and identifying relevant factors may be moderate the relationship.

Design/methodology/approach – A comprehensive review of the DTPB literature is undertaken, with a particular focus on contribution to family takaful scheme.

Findings – The review finds that intention toward participating in family takaful scheme is not only affected by attitude, subjective norm and perceived behavioural control but also influence by moderating factors like demographic variables, consumer knowledge, situational factors and consumer level of religiosity. Inhibiting factors related to insurance and takaful purchase is also highlighted.

Originality/value – Such an extensive review on identifying relevant factors to participate in takaful using DTPB has not been done before. The paper will be useful to researchers, professionals and others concerned with family takaful to understand the importance factors in participating in family takaful scheme.

Keywords Takaful, Intention, Attitudes, Subjective norm, Perceived behavioural control, Consumer behaviour

Paper type Literature review

1. Introduction

Despite the growing number of takaful (Islamic insurance) penetration, many still do not have takaful protection (Rahman et al., 2008; Yazid et al., 2012). In Malaysia, insurance and takaful industry is growing over time and recorded a combined premium growth of nearly 10 per cent for both the life and general sectors, reaching RM13 billion in the first half of 2007. The assets of the life and general insurance funds also climbed to a double-digit growth of 14 per cent to RM116 billion at the end of June 2007, from 11 per cent in the corresponding period in 2006 (Ghani, 2007). However, takaful industry still lags behind its conventional counterparts in terms of total insurance market penetration and share (Yazid et al., 2012). Furthermore, compared to Western countries, untapped takaful markets in the majority of Muslim countries still exist (Ahmad et al., 2010). There is a similar situation in Malaysia where, although the takaful market has been established for more than 25 years, there are many Malaysian citizens who do not have takaful protection (Daljit, 2011). Therefore, it is essential to
explore and identify what actually may drive consumer intention to buy/participate in takaful/insurance protection. Currently, an abundance of family takaful products and services are widely available on the market. These include life protection, investment for educational purposes, saving for retirement and more. Therefore, it is questionable as to why most Malaysian citizens have yet to participate in family takaful. This raises the issue of examining what factors affect consumers’ intention to participate in family takaful schemes. Consequently, a framework is needed to provide an in-depth understanding of consumers’ intention to participate in family takaful protection. In this study, the authors build up such a framework based on previous research on behavioural intention (Ajzen, 1991; Fishbein and Ajzen, 1975; Taylor and Todd, 1995). This research suggests that consumers’ intention towards participation in insurance protection depends on the three direct effects known as attitude, subjective norm and perceived behavioural control. Based on the extensive study on past literature, latent variables are identified which may affect the three concepts that influence consumers’ intention.

Other relevant factors are also identified which may affect the proposed framework. Among the proposed factors are demographic variables, consumer knowledge, situational factors and consumer level of religiosity. By incorporating these external factors next to the original determinants of consumers’ intention to participate in takaful, the framework seems more applicable in the financial service context.

The outline of the paper is as follows. In the next section, the authors first review the theories of intention-behaviour. Second, the authors introduce a framework containing all determinants that affect consumers’ intentions to participate in takaful. Third, the authors examine the basic determinants of consumers’ attitude, subjective norms and perceived behavioural control, as well as the latent variables. Fourth, external factors such as level of religiosity are determined since it might moderate the relationship between the three basic determinants and intention. Next, the authors investigate some of factors that inhibit consumers from participating in family takaful schemes. Finally, the authors summarise our findings and discuss the practical and theoretical implications, as well as the limitations of this study.

2. A review of intention-behaviour theories
Theory of reasoned action (TRA) is a theory that indicates both attitude and subjective norm will influence intention, which in turn influences behaviour (Ajzen and Fishbein, 1980). Basically, intention indicates the probability of a person behaving in a certain way (Fishbein and Ajzen, 1975). Attitude indicates a person’s general feeling of favourableness or unfavourableness towards the behaviour in question, while subjective norm indicates the agreement of a reference group with behaviour (Ajzen and Fishbein, 1980). TRA is able to explain, understand, predict as well as influence virtually any human behaviour in applied settings and is not restricted to a specific behaviour domain (Ajzen and Fishbein, 1980). The application of TRA has also been utilised in financial services in relation to behaviour (Amin et al., 2011; Bidin et al., 2009; Omar, 2007; Omar and Frimpong, 2007; Rahim and Amin, 2011; Taib et al., 2008). However, the applicability of TRA was found insufficient in explaining behaviours that are not volitional (Ajzen and Fishbein, 1980; Ajzen and Madden, 1986). In other words, the theory did not take into account situations where an individual has no complete or volitional control (Ajzen, 1991). To overcome this, Ajzen (1991) has
introduced the perceived behavioural control into the model to account for behaviours that are not under complete control. The term perceived behavioural control represents individual perceptions of the ease or difficulty of performing the behaviour of interest (Ajzen and Madden, 1986). The applicability of theory of planned behaviour (TPB) has been supported by empirical research in social psychology-related studies (Ajzen, 1991; Taylor and Todd, 1995). TPB has also been the basis for several studies on financial services consumption (Alam et al., 2012; Amin et al., 2009; Haron et al., 2011; Rutherford and DeVaney, 2009; Siang and Weng, 2011). However, none of these studies examined intention towards a family takaful scheme.

Although the TPB is regarded as a universal model of social behaviour, TPB and TRA have both been criticised for not suggesting operational components or determinants of behavioural attitudes, subjective norm, and to some extent, behavioural control. To meet this criticism, Taylor and Todd (1995) decomposed theory of planned behaviour (DTPB) into specific components or determinants. Taylor and Todd (1995) included relative advantage, complexity and compatibility as determinants of attitude, mainly inspired by the diffusion theory of Rogers (1995). The determinants of subjective norm are believed to be context dependent and, in the case of Taylor and Todd (1995), peer influence and superior’s influence are the suggested determinants, while perceived behavioural control decomposed into three determinants, namely self-efficacy, resource facilitating condition and technology facilitating condition. The DTPB has been applied in various information system researches (Beiginia et al., 2011; Bhattacherjee, 2000; Pedersen, 2005; Shih and Fang, 2004; Zolait, 2008) but has yet to be employed in research of other nature, including financial service.

3. Framework for consumers’ intentions to engage in a family takaful scheme

In developing an in-depth understanding of consumers’ intentions to participate in a family takaful scheme, the authors built up a framework, as shown in Figure 1. The core construction of the framework is adapted from the DTPB by Taylor and Todd (1995), an influential research model in the information systems setting. Although this model is specifically tailored to understand the adoption of information technology, some of the factors are useful and relevant to be adapted into the adoption of financial service. One of the reasons for adapting DTPB is that it provides better explanatory power than the pure TPB and TRA models. In other words, DTPB is able to provide a clearer understanding of the relationship between factors and the specific impact factors can have on behavioural intention. In addition to that, DTPB is chosen because the unidimensional beliefs constructed in TPB can cause difficulty in terms of specificity of the interpretation (Taylor and Todd, 1995). Therefore, by adapting DTPB, a better satisfactory explanation of adoption intention can be provided.

DTPB framework describes that behavioural intention to participate in a family takaful scheme is determined by the individual’s attitude, subjective norms and perceived behavioural control toward buying that service. Originally, DTPB identified three latent variables of a person’s attitude which are perceived as usefulness, ease of use and compatibility, however, due to the different nature of the study, the authors adopted research done by Omar (2007) to determine consumers’ attitudes toward insurance, which are risk protection, saving and investment. To illustrate, since the nature of DTPB is to understand consumer behaviour in the context of information systems,
adapting all the three determinants of attitudes, namely perceived usefulness, ease of use and compatibility, is inappropriate. Therefore, adapting three determinants of attitude introduced by Omar (2007), specifically risk protection, saving and investment, is of more relevance. The logic is that adopting a family takaful scheme will benefit the participant and their dependants since family takaful offers protection over risk, saving and investment services in their scheme.

The original DTPB also decomposed the subjective norm into two latent variables for subjective norms, “peer influence” and “superior influence”. Taylor and Todd’s (1995) decomposing of the subjective norm into peer influence and superior influence seems justified in an organisational setting which one’s peers may be opposed towards specific behaviour, whereas at the same time one’s superior may be encouraging towards the behaviour. However, as the nature of this study is more focused on marketing approaches, the authors suggest replacing the element of “word of mouth” or also known as personal referent and “media referents” to the framework. The logic here is that one may believe that his personal referents, such as parents, may encourage him to participate in a family takaful scheme or else he may believe that media referents through television or radio encourage him to participate in the scheme.

DTPB also identifies three latent determinants of perceived behavioural control which are self-efficacy, resources facilitating condition and technology facilitating condition. Again, due to different nature, the authors only adopted two of the determinants which are self-efficacy, and resources facilitating condition. The technology facilitating condition was deemed inappropriate in this study since family takaful is a financial service

In this study, the authors also identified four exogenous factors in understanding consumer’s intention to participate in family takaful scheme. All the determinants and latent variables of attitude, subjective norm and perceived behavioural control will be discussed further in the next section.

4. Determinants of attitude, subjective norm, perceived behavioural control and intentions toward takaful

4.1 Attitudinal construct

Attitude, according to Ajzen (1991), is the psychological tendency that is expressed through favourable or unfavourable evaluation of a particular entity. Consumers’ attitudes, however, depend on the attributes and the benefits (Chang, 2006). According to Ajzen and Fishbein (1980), attitudes enable human behaviour to be predicted and explained. Having a negative attitude toward a family takaful scheme or placing little value on the outcomes of this behaviour will decrease the likelihood of the action. Numerous studies (Alam and Sayuti, 2011; Echchabi and Olaniyi, 2012; Golnaz et al., 2010; Joynathsing and Ramkissoon, 2010; O’Connell and Freeney, 2009; Shih and Fang, 2004) have documented the significant relationship between attitude and intention to use. Similarly, the effect of attitude on the behavioural intention to buy financial products has been theorised and validated by numerous studies such as Echchabi and Olaniyi (2012), Taib et al. (2008), Amin and Chong (2011), and Amin et al. (2011). Selectively, Amin and Chong (2011) examined existing customers of conventional pawnshops in Eastern Malaysia to use Ar-Rahnu services and found that attitude is significantly related to behavioural intention. In addition, Echchabi and Olaniyi (2012) examined Islamic banking acceptance among Islamic bank customers in Malaysia. The study reported that attitude had a significant relationship with behavioural intention. Hence, adapting the attitude construct seems justified.

In the framework construction, the authors include three latent dimensions of the “attitude” construct, namely “risk protection”, “saving” and “investment”. According to Ajzen and Fishbein (1980) and Chang (2006), the salient beliefs of the attitudinal construct can be obtained by listing the characteristics, qualities and attributes about the product under consideration. In this study, a family takaful scheme offers protection against risk, saving and investment purposes. If this service meets or exceeds one’s expectations, consumers’ attitude to participate in takaful is likely to be positive. All the determinants of attitude are derived from Omar (2007). To illustrate, Omar (2007) conducted a study among non-users of life insurance at Abuja and found that protection against risks is the most important factor in determining attitude towards intention to participate in life insurance, while investment and saving was found to be the second and third factors of importance. Therefore, decomposing the attitude into risk protection, saving and investment seems relevant.

4.2 Subjective norm construct

Subjective norm assesses the social pressure on individuals to perform or not to perform certain behaviour (Ajzen, 1991). Basically, social pressure can affect one’s behaviour in varying ways in different societies. Numerous studies have documented the significant relationship between subjective norm and intention (Armitage and Conner, 2001; Pedersen, 2005; Taylor and Todd, 1995). Similarly, the significant relationship between subjective norm and intention also has been validated in the financial services setting.
To illustrate, Saad et al. (2010) investigated zakah compliance among businessmen in Perlis, Malaysia. They found that subjective norm significantly influences intention. Siang and Weng (2011) examined the influence of subjective norm among non-Muslim consumers in Malaysia towards Islamic banking products and services. The study also reported that subjective norm significantly influences intention. Based on the above justification, adapting the subjective norm seems essential. In a more recent study, Razak and Abduh (2012) examined diminishing partnership home financing acceptance among officers, managers and academicians in Kuala Lumpur. The study also reported that subjective norm had a significant relationship with behavioural intention.

In this study, the authors also included two latent dimensions of the subjective norm, namely “word of mouth referents” and “media referents”. “Word of mouth referents” refers to personal referents such as family members and friends whereas “media referents” refers to the influence of mass media which might influence one’s intention towards behaviour in question (Zolait and Sulaiman, 2009). In other words, family members, friends or religious teachers of the consumers might be able to influence them to engage into insurance and takaful. On the other hand, mass media such as newspapers, televisions, magazines and any other related sources are also able to influence consumers to adopt insurance and takaful.

Previous studies have investigated and found the significant relationship of word of mouth referents and media referents on subjective norm (Bhattacherjee, 2000; Limayem et al., 2000; Zolait, 2008; Zolait and Sulaiman, 2009). Selectively, Bhattacherjee (2000) examined human motivations to accept business-to-consumer (B2C) electronic commerce services among e-brokerage users and found that both external (mass-media) and interpersonal influences (word of mouth) are significant determinants of subjective norm. Further, Zolait and Sulaiman (2009) identified the influence of communication channels (mass media and word of mouth) on the intention to use internet banking (IB) among Yemenis, using a survey questionnaire. The study revealed that both norms influence the intention to use IB. Although the influence of word of mouth referents and media referents have yet to be tested in the financial service context, the relevancy of both of the determinants cannot be ignored. Therefore, the researchers suggested that both of these determinants should be included in the framework.

4.3 Perceived behavioural control construct
Perceived behavioural control refers to people’s perception of the ease or difficulty of performing the behaviour of interest. In other words, an individual’s confidence in performing a specific task significantly influences behaviour (Ajzen, 1991). For instance, when people are not equipped with sufficient resources or information to initiate the behaviour, their intention to perform the behaviour may be lowered, even if they have favourable attitudes and/or subjective norms to perform the behaviour (Madden et al., 1992). In other words, individuals are likely to engage in certain behaviour if they believe they have the required resources and confidence to perform the behaviour. Numerous studies have disclosed the positive effect of perceived behavioural control on intention (Armitage, 2005; Leng et al., 2011; Liao et al., 1999; Zolait, 2008). Various studies in a financial service context also reported the significant influence of perceived behavioural control on intention (Raedah et al., 2011; Rutherford and DeVaney, 2009; Saad et al., 2010).
Ajzen (2002) suggested that the control factor can be internal or external. As explained earlier, DTPB proposed three determinants of perceived behavioural control which is self-efficacy, resources facilitating condition and technology facilitating condition. Due to the different nature of study, the authors only adopted two of the determinants. Basically, self-efficacy is reflected in the internal perception to perform the specific behaviour. The concept of self-efficacy is introduced by Bandura (1986) while resource facilitating conditions, originating from Triandis (1980), are the external beliefs of an individual to engage in the behaviour.

4.4 Exogenous factors
In this section, the authors identified relevant exogenous factors that may influence consumers’ behavioural intention to participate in a family takaful scheme. The major reasons to consider some exogenous factors include enhancing the predictive nature of DTPB and facilitating its application in the family takaful scheme context. Generally, factors that contribute to the adoption of a family takaful scheme are likely to vary among consumers. Thus, in the family takaful scheme context, additional explanatory factors are needed beyond the attitude, subjective norm and perceived behavioural control constructs. Therefore, in this study, the authors identified four exogenous factors in order to provide a better understanding of the relevant factors that may influence consumers’ behavioural intention. All the exogenous factors are discussed below.

4.4.1 Demographic variables. According to Ajzen (1991), demographic variables are able to modify behavioural intentions through their influence on the major attitudinal, social and situational constraints. Measuring the impact of customer demographics on behavioural intention gives birth to newer marketing strategies for insurance and takaful operators by identifying target customers and their needs. Demographic characteristics were associated with customer behavioural intentions to purchase (Robinson and Smith, 2002) and one of the most popular and well-accepted bases for segmenting markets and customers (Kotler and Armstrong, 1991). Therefore, in order to fully understand consumers’ intentions to engage in life as well as a family takaful scheme, demographic factors have to be taken into account. Among the variables that are important in association with customer behaviours are age, gender, education and income (Kaynak et al., 1991; Metawa and Almossawi, 1998). Previous research also found that age, gender, education level and income are able to influence consumer intention in the marketing of bank/financial services (Phau and Woo, 2008; Wan et al., 2005; Worthington, 2006). Thus, these four relevant demographic factors are often used as variables or socio-demographic features.

The first demographic factor is age. Age has been found to affect behavioural intentions (Hai and See, 2011; Jeddi and Zaiem, 2010). In general, as one grows older, they are expected to be more experienced, better educated, which then leads to a greater awareness (Lo et al., 2011; Sherrick et al., 2004). Instead of age, gender differences also have an impact on behavioural intention (Hai and See, 2011; Jeddi and Zaiem, 2010). In another study, Lo et al. (2011) identified that men are more interested in participating in insurance. A reason for this is that women have less financial knowledge compared to males (Chen and Volpe, 2002; Worthington, 2006). Besides, females are basically better in their role as wives, mothers and homemakers rather than dealing with issues that involve financial matters (Worthington, 2006). The difference in gender also has been stated by Lo et al. (2011), as they noted that male customers with a university education and who were married are more likely to buy insurance.
Concerning the level of education, most research seems to agree that consumers with a higher level of education have more intention to participate in insurance (Beck and Webb, 2003; Browne and Kim, 1993; Li et al., 2007). Empirical evidence has been found which indicates that knowledge on conventional and Islamic finance is higher for the more educated consumer (Bley and Kuehn, 2004). A higher level of education is related to the ability to understand the benefits of risk management and long-term saving, thus leading to greater precision in risk assessments and positively correlated with the demand for any insurance products (Beck and Webb, 2003; Lo et al., 2011; Sherrick et al., 2004). Jeddi and Zaiem (2010) also found that educational level has some impact on consumer intention.

The final demographic factor is income. Various studies have pointed out that income is one of the factors that govern life insurance purchase (Beck and Webb, 2003; Browne and Kim, 1993; Li et al., 2007; Outreville, 1992; Outreville, 1996; Truett and Truett, 1990). There are few reasons for these situations. First, life insurance is a luxury good: increasing in income enables the consumer to invest in related life insurance products (Beck and Webb, 2003). In addition, while increasing in income broadens the expected loss of expected utility for the dependents in the event of the income earner’s death and increases affordability of income earners to purchase life insurance products, it results in a positive relationship of income and life insurance consumption (Li et al., 2007).

Based on the above reasoning, this study postulates that taking demographic characteristics into consideration allows insights to be provided on how age, gender, education and income have an impact on behavioural intentions.

4.4.2 Knowledge on family takaful scheme. Understanding the buyer decision process or buyer strategies to buy is one of the useful factors in understanding consumer behaviour. Consumers usually build a certain set of cognitions, or pieces of information and knowledge about the product offering before deciding to buy or not to buy the product. In other words, lack of knowledge on takaful may affect consumers’ decisions to buy it or not. Various researches have documented that lack of knowledge is one of the most frequently cited reasons for consumers not to participate in insurance (Oldenboom and Abratt, 2000; Omar, 2007; Omar and Frimpong, 2007). For instance, Ghazali et al. (2011) and Ahmad et al. (2010) stressed that awareness, knowledge and understanding of life insurance products in Malaysia is still low, which affects the consumer’s intention as well as consumption of the services.

4.4.3 Situational factors. Next to these demographic factors, situational factors also have a moderating effect on the relationship between “attitude”, “subjective norm”, “perceived behavioural control” and consumers’ intention to participate in family takaful schemes. For the purpose of this study, only the most relevant situational factors are discussed, which include “budget constraint”, “time restraint” and “lack of effort”. To most consumers, budget constraint is one of the reasons for not participating into insurance (Fletcher and Hastings, 1984; Kunreuther and Pauly, 2005; Oluyemi, 1995). The reason for this is that consumers who do not participate in insurance, especially life and family takaful schemes, were confronted with varies kind of expenses, leaving them with no extra money to pay for the insurance premium.

Another situational factor is time restraint and lack of effort (Kunreuther and Pauly, 2005). To most consumers, their tight working schedule means they are unable to participate in takaful due to the time constraints associated with gathering information...
and searching for the best deal among takaful companies. Thus, although one might have a positive attitude, subjective norm and perceived behavioural control toward participating in a family takaful scheme, the restriction in time prohibits them from doing so. Hence, the existence of situational factors moderates the intention to participate into the scheme. In regards to this, the agent must play an important role in approaching the potential consumer and online services may be relevant due to time saving facilities and their accessibility 24 hours a day.

4.4.4 Level of religiosity. In order to fully understand consumers’ intentions to participate in a family takaful scheme, level of religiosity must also be taken into account. The strength of consumers’ religiosity affects certain aspects of the person’s psychological and physical wellbeing (Moschis and Ong, 2011; Sandikci, 2011). McDaniel and Burnett (1990, p. 103), defined religion as “a belief in God accompanied by a commitment to follow principles believed to be set forth by God”, while religiosity is related with how an individual expresses a supreme being and builds up a relationship in society. Mokhlis (2009) stated that religiosity is an intricate concept and covers behaviours, attitudes, beliefs, feelings and also experiences.

There are thousands of different religions being practiced around the world; however, over three-quarters of the world’s population belong to one of six major religions which are Islam, Buddhism, Christianity, Confucianism, Hinduism and Judaism (Assadi, 2003). One of these religions with elements of haram prohibitions is Islam. It is a religion governed by rules and customs built on five pillars, which every Muslim must observe: shahadah or witnessing; salat or prayer; zakah or charity; sawm or fasting; and hajj or pilgrimage. Therefore, a Muslim who has knowledge of Islam and a strong affirmation of its truth with tongue and accepts it by heart is believed to fulfil all the good practice of the Islamic teachings. The authors argue that Muslim consumers seek high involvement in Islamic products, due to their faith and prefer to forgo their economic satisfaction when it clashes with any of the demands of the Islamic spirit (Siddiqi, 1992; Wilson and Liu, 2010). Besides, a rational Islamic individual would try to behave at their maximum effort, in accordance to the Islamic norms (Siddiqi, 1992). However, purchase decisions vary between individuals because different levels of religiosity determine cognitive and behavioural differences (Assadi, 2003). Besides, even though customers’ choices are generally influenced by their religious environments, the degree of influence may vary according to the degree of observance.

The influence of religion and consumer behaviour, as well as consumer intention has been validated in various studies (Bonne et al., 2007; Dixon and Abbey, 2000; Kurpis et al., 2006; Metawa and Almossawi, 1998; Pettinger et al., 2004; Skarmeas and Shabbir, 2011; Wilson and Liu, 2011). Selectively, Bonne et al. (2007) investigated the determinants of halal meat consumption within a Muslim migration population in France and found that Muslims and religiosity have a positive relationship with the intention to eat halal meat. Further, Wilson and Liu (2011) claimed that Muslim consumers, with high level of religiosity seek high involvement in Islamic products, due to their faith. Indeed, in comparison to those who do not consistently and cautiously performing Islamic teaching, Muslims with a higher level of religiosity would be more religious and their intention to participate in a family takaful scheme is stronger, which will subsequently turn into a favourable response towards the consumption of Shariah approved products and services, including a family takaful scheme.
Hence, the authors suggest that religiosity strengthens or alters the relationship between the independent variable (attitude, subjective norm and perceived behavioural control) and dependent variable (behavioural intention). In other words, this study proposes that level of religiosity exerts a moderating effect rather than indirectly influencing the behavioural intention among Muslims.

5. Inhibiting factors
Although participating in family takaful schemes offers participants many benefits, not only in short-term, but also for long-term, most Malaysians still do not have takaful protection. In this section, the authors identify most of the inhibiting factors which prohibits consumers from participating in a family takaful scheme.

Kunreuther and Pauly (2005) state that the unwillingness to spend time, effort and costs associated with the process of decision-making are among the reasons why individuals do not purchase insurance. Fletcher and Hastings (1984) and Sandikci (2011) also claim that budget constraints are one of the factors not to buy insurance. However, there are some individuals who believe that participating in such life and family takaful schemes is simply a waste of money (Hastings and Fletcher, 1983).

In addition, Thaler (1985) and Omar (2007) stress that some individuals have their own mental accounts for uncertainties, in other words, they have their own savings, self-allocation and planned expenditures of income for emergency use. Omar (2007) also claims that consumers have less faith and trust towards the insurance companies because they believe that they are not highly exposed to unforeseen risk such as death, disability, critical illness and so forth.

People’s intention to participate in life and family takaful schemes sometimes contradicts their cultural beliefs. Culture plays a key role to shape perceptions. It would appear that cultural and religious beliefs do affect consumption of Islamic products and services (Wilson and Liu, 2010, 2011). This is confirmed by Omar and Frimpong (2007) who state that conflicts with cultural beliefs and out of necessity are two factors, among others, which inhibit the purchase of life insurance. Table I summarises the inhibiting factors which influence consumers to avoid participation in insurance and takaful.

6. Implications and limitations of the study
6.1 Implications for researchers
From a theoretical standpoint, these research results contribute to existing literature in several ways. First, the authors enhance takaful literature by providing insights into the factors that seem to affect consumers’ intention to participate in family takaful schemes. The authors also posit that demographic variables, knowledge about the scheme, situational factors and consumers’ level of religiosity moderate the relationship. The authors, therefore, extend the work of, for instance, Echchabi and Olaniyi (2012), Razak and Abdhu (2012), Siang and Weng (2011), Amin and Chong (2011), Rutherford and DeVaney (2009) and Taib et al. (2008) in a different takaful context.

Second, the authors also provide a list of dimensions and components that influence each of latent variables that includes, but does not limit itself to, participation in family takaful schemes. This provides a better understanding of the specific factors that influence participation in the scheme which benefits both future researchers and practitioners in structuring the theory and recognising the most influential factors affecting participation in the scheme. However, further surveys and research
6.2 Implications for practitioners
The framework proposed is of relevance to marketers since it enables them to assess the features that specifically attract consumer’s intention to participate in family takaful schemes. Understanding factors that encourage participation in a family takaful scheme is one of the major strategies in segmenting the schemes to the appropriate target market by tailoring towards consumer needs with the right marketing strategies. For instance, our framework shows that consumers’ intention toward participating in family takaful schemes is not only influenced by attitudes, but also subjective norm and perceived behavioural control. Next to this, other factors such as consumer level of religiosity also affect their intention towards participating in family takaful schemes. Furthermore, the authors stated that conflicts with cultural beliefs, lack of knowledge and budget constraints are among some of the reasons societies have yet to participate in family takaful schemes. Thus, in order to promote participation in family takaful schemes, the takaful operator must enhance the promotional campaign by increasing awareness among societies on the benefits of having family takaful protection. The authors, therefore, suggest different methods for marketing communications:

- billboard advertising to enhance potential customer’s awareness and develop strong name recognition;
- a form of print advertisement such as pamphlets and flyers to cater for demographic segments such as Muslims and working personnel;

Table I.
Inhibiting factors

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<tr>
<th>Factors</th>
<th>Researchers</th>
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<tr>
<td>Out of necessity</td>
<td>Oluyemi (1995)</td>
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<tr>
<td>Lack of knowledge</td>
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<td>Lack of confidence</td>
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<td>Companies’ bad reputation</td>
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<td>Socio-cultural characteristics (relying on family for help in emergencies)</td>
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<tr>
<td>Though not exposed to risk</td>
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<tr>
<td>Intrust the insurance company</td>
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<tr>
<td>Time, effort and cost restraint (unwillingness to spend time, effort and costs associated with the process of decision making)</td>
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<tr>
<td>Have own mental account</td>
<td>Thaler (1985), Omar (2007)</td>
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• develop word of mouth advertising by requesting satisfied clients to promote product among their friends; and
• use influential or credible people in testimonial advertising.

6.3 Limitations
As with any conceptual model, our model also has its limitations. First, although our framework is based on a combination of results from many different studies in the financial service context, the question can be raised for future research concerning whether other variables need to be introduced into the framework. However, the authors are confident that we have given an overview of the most relevant factors in this context.

A second limitation of this study is that the authors proposed a framework based on the extensive study on the literature review and has never been tested using experimental evidence. Therefore, some caution should be taken in adapting our framework into the empirical evidence. Finally, due to limited publication, only a limited number of previous researches on intention determinants to engage in financial services including in insurance and takaful context were discussed in this study.

Notwithstanding the above limitations, this study contributes towards a better understanding of the factors influence consumer intention to participate in a family takaful scheme.

7. Conclusion
In this study, the authors adapted DTPB to provide a better understanding of the factors that drive consumers’ intention to participate in family takaful schemes. Based on the extensive literature search, the authors identified relevant determinants of attitude, subjective norm and perceived behavioural control, and proposed moderating factors which influence consumers’ intention. To the best of the authors’ knowledge, this is the first study to identify relevant factors influencing participation in family takaful schemes using DTPB. Our review suggests that the DTPB, although originated in the information systems background, appears to be a relatively general model for explaining consumer behaviour across different contexts and cultural groups and can be adapted into other settings, including a financial service context.

References


**About the authors**

Maizaitulaidawati Md Husin is Lecturer at the School of Professional and Continuing Education, Malaysia University of Technology, International Campus. Her research interests are Takaful, Islamic Economics, Banking and Finance. Maizaitulaidawati Md Husin is the corresponding author and can be contacted at: maizaitulaidawati@ic.utm.my

Asmak Ab Rahman (PhD) is Senior Lecturer at the Academy of Islamic Studies, University of Malaya. Her works have appeared in *African Journal of Business Management, European Journal of Social Sciences, Arab Law Quaterly, World Applied Sciences Journal* and other journals. Her main research interests lie in Takaful, Islamic economics, Islamic legal maxims and Waqf.

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