

Enter your search terms here



Advanced search

[Home](#) / [Journals](#) / [Journal of Islamic Accounting and Business Research](#) / [Volume 4 Issue 1](#)
 / Determinants of demand on family Takaful in Malaysia

To read this content please select one of the options below:

Add to cart



32.00€ (excl. tax)
30 days to view and
download



Access through your institution



Access and purchase options ▾

Determinants of demand on family Takaful in Malaysia

[Mohamed Sherif, Nor Azlina Shaairi](#) ▾

[Journal of Islamic Accounting and Business Research](#)

DOWNLOADS

10958

ISSN: 1759-0817

Article publication date: 12 April 2013

Standard

Serial [Permissions](#)

Number.)

Abstract

Purpose

The purpose of this paper is to identify the driving forces that influence family Takaful demand in Malaysia. The paper examines various identified and available economics and socio-demographic variables.

Design/methodology/approach

Using ordinary least square (OLS) and generalised method of moments (GMM) techniques, the paper investigates the significance of the identified economic and socio-demographic factors in determining the consumption of family Takaful. The paper first examines a full model that combines all variables; second, a model that controls for product market factors; and finally, a model that controls for socio-demographic factors. Following Anderson and Nevin, Haberman, Lenten and Rulli and Josa the paper further separates all models into linear and log-linear demand functions.

Findings

The paper demonstrates that income, Islamic banking development, education, dependency ratio and Muslim population factors are positively related to Takaful demand. On the other hand, inflation, real interest rate, financial development and life expectancy appear to be the significant factors that adversely influence the total family Takaful consumption.

We are using cookies to give you the best experience on our website, but you are free to manage these at any time. To continue with our standard settings click "Accept". To find out more and manage your cookies, click "Manage cookies".

Accept

[Manage cookies](#)

influential in explaining the family Takaful demand in

Malaysia. Possible influential variables may include government social security expenditure, price of Takaful and level of competition within the Takaful and insurance industry. Research should also be conducted on the impact of the legal system and government policies on the demand for family Takaful in the country. Finally, the study focuses solely on the determinants of demand for family Takaful. Nevertheless, the supply-side of the equation should not be neglected and should be incorporated in future studies.

Originality/value

It is obvious that there are very few studies that focus on the Malaysian market and indeed, none of them gives attention to the factors that influence demand for family Takaful. In this regard, this study contributes in filling the gaps in the scope and coverage of studies in similar area. While this study is expected to provide more understanding and awareness on the concept of Takaful and the factors that influence its demand, the authors hope that it would encourage more studies on various issues on the Takaful industry so as to help researchers to understand more aspects of this new emerging business.

Keywords

- Islamic finance
- Islamic insurance
- Family Takaful
- Islam
- Malaysia
- Finance

Citation

Sherif, M. and Azlina Shaairi, N. (2013), "Determinants of demand on family Takaful in Malaysia", [Journal of Islamic Accounting and Business Research](#), Vol. 4 No. 1, pp. 26-50. <https://doi.org/10.1108/17590811311314276>

 [Download as .RIS](#)

Publisher: Emerald Group Publishing Limited
Copyright © 2013, Emerald Group Publishing Limited