

Comparing the Internet to Others Sources of Information for Acquiring Knowledge on Takaful among Prudential BSN Takaful Agents

by

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Abstract

Malaysian Takaful industry is progressively taking innovative steps to improvise their marketing efforts via the introduction of Wakala system (agency system). Agents as one of the distribution channel for the industry play a prominent role in educating the society about the objectives and concept of Takaful. This effort may increase the awareness of the society about the Islamic insurance which remain low previously. Thus, this study is an attempt (1) to explore the sources of information that influencing the knowledge of Takaful agents; (2) to compare the contribution of the Internet and other sources of information towards understanding the objectives and concepts of Takaful by Takaful agents; and (3) to analyze the relationships between the usage of the Internet and other sources with the acquisition of knowledge on objectives and concepts of Takaful. A preliminary study was conducted with 50 Takaful agents from Prudential BSN Takaful Berhad. Data were collected through survey research design using questionnaire as the research instrument. Data gathered will be analyzed using SPSS WIN 17 for both descriptive statistics (frequency, percentage, mean and standard deviation) and inferential statistics (paired t-test and step-wise regression analysis).

Keywords: Internet, Sources of Information, Acquiring Knowledge, Takaful Agents

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Introduction

The growing number of Takaful companies in recent decade can be said as ‘a mushroom grows after rainfall’. The competition and cooperation among the Takaful companies start to evolve (Lim et. al, 2010). And the achievement of the industry is proven through increasing of net Takaful income to 4,406 millions in 2010 from 1,333.7 million in 2005 (Annual Takaful Statistic 2010, Bank Negara Malaysia).

Unfortunately, the public awareness towards Takaful schemes remains low particularly among Muslim population in Malaysia. In this sense, Takaful agents play main role to educate public about Takaful. Their Takaful knowledge and related skills in marketing Takaful products becomes essential to ensure the successful of their task. Rather than that, the agents are prohibited to utilize their customers in any occasion and avoid in doing any unfairness that will scratch the sense of brotherhood and equality in society (Rice, 1999; Hassan et. al, 2008). Furthermore, with the help of technology advancement, it has assist the agents to educate and disperse the Takaful information to the society effective and efficiently.

In particular, this study is conducted to:

- (1) Explore the sources of information that influencing the knowledge of Takaful agents;
- (2) Compare the contribution of the Internet and other sources of information towards understanding the objectives and concepts of Takaful by Takaful agents; and
- (3) Analyze the relationships between the usage of the Internet and other sources with the acquisition of knowledge on objectives and concepts of Takaful.

This study is begin with an introduction about Malaysian Takaful industry and proceeds with a brief discussion on the objectives and concepts of Takaful as was agreed by *Shariah* scholars. The following sections discuss about related literatures on the concept of agency, problem with agency system, and the advantages of information technology in the current competitive edge. The study ends with a discussion on the methodology and results of data analysis.

Malaysian Takaful Industry

Figure 1: Phases of Malaysian Takaful industry

<p>Phase 1 1984-1992</p>	<ul style="list-style-type: none"> • The enactment of a dedicated regulatory law, the Takaful Act 1984 to govern the conduct of Takaful business and provide for the establishment of Shariah Committees to ensure that the business operations of a Takaful operator are in compliance with Shariah principles at all times. • The establishment of the first Takaful operator in 1985 • The primary focus was the establishment of the basic infrastructure for the industry
<p>Phase 2 1993-2000</p>	<ul style="list-style-type: none"> • The introduction of competition with the entry of another Takaful operator • Greater competition among Takaful operators in the region, including the formation of the ASEAN Takaful Group in 1995 and the establishment of ASEAN Retakaful International Ltd. in 1997 • Takaful Malaysia and Takaful Nasional jointly developed a Code of Ethics for the industry in 2000
<p>Phase 3 2001-2010</p>	<ul style="list-style-type: none"> • Introduction of the Financial Sector Master Plan in 2001 which objectives include enhancing the capacity of the Takaful operators and strengthen the legal, Shariah and regulatory framework. • Takaful Malaysia and Takaful Nasional launched an initiative in 2001 with the Life Insurance Association of Malaysia to promote best practices and greater professionalism in the industry • An increased pace of development and competition with the licencing of new operators. • The Malaysian Takaful Association was established in 2002 to further promote the development of the Takaful industry. • Liberalisation of the Takaful industry in 2009 which saw the issuance of four new family Takaful licences in 2010 to players that can offer significant value proposition to Malaysia to spur the development of the industry • Given the push for the introduction of more stringent capital requirements, Malaysia has extended the discussion on risk-based capital to Takaful (RBC). The RBC approach is expected to be implemented in 2011 or 2012 which will help to enhance the industry's capital base.

Source: Islamic Banking and Takaful Department, Bank Negara Malaysia

As in Figure 1 above, the achievement of the industry is obviously realised currently. There is a confirmation by the Central Bank of Malaysia that the industry will remain sustain for the few years ahead. According to Global Islamic Finance Forum (2011), the successful key of this industry is relies upon the product innovation, customer services, distribution channel, and towards Shariah compliant as an end-to-end process.

Prudential BSN Takaful

As an innovative and progressive company, the name of Prudential BSN Takaful has flourished in the Malaysian financial industry currently. It was founded in August 2006 with a vision to be a world-class Shariah-compliant financial solutions provider (source: website Prudential BSN Takaful Berhad). Being a joint venture between Prudential Public Limited Company (plc) and Bank Simpanan Nasional, the achievement of Prudential BSN Takaful is remarkable within a short period (5 years).

It becomes a pioneer among Takaful operator to offer a medical plan with a free medical card; the first Takaful operator to provide a No Claims Bonus (NCB) on their medical plan, and also the first Takaful operator to offer benefits such as Badal Haji, protection and savings in one comprehensive plan, PruBSN Ummah. In addition, their customer has reached over 300,000 which participating in a variety of competitive products; Takafulink, Takafulink Cerdik, PruBsn Crisis Cover, PruBsn Protect and Protect Plus, and PruBsn Ummah. Remarkably, PruBsn Takaful has five branch offices nationwide.

Besides a strong branding and identity of the partner companies, it was noticed by the director of human resource of PruBSN Takaful, Samsudin Abdul Rahman that the company has launch the PruBsn's own talent development and training module known as Young Talent Program. The programme has two objectives; to produce well-trained financial industry professionals to support the company and to support the financial industry. Moreover, the company has practiced the spirit of togetherness and family value amongst its employees, partners and customers parallel to the company motto 'We Understand, We Care'. Essentially, this study is tempt to explore the capability of agents of PruBSN Takaful in terms of knowledge which may influenced the company performance in the future basically in the competitive insurance industry in Malaysia.

The Objectives of Takaful

According to AAOIFI Standard, Standard no. 26/2, Takaful involving collusion between a group of individuals (participants) in order to get coverage (compensation) of any harms or risks to contributed based on the principal of iltizam bi al-tabarru' (intention to give donation) to form a Takaful fund. This fund will be managed by a special entity (Takaful operator) that have rights and responsibilities in terms of laws (Shakhsiyah i'tibariyyah) and willing to pay compensation to those suffering harm. Agreed with the AAOIFI Standard, Laldin (2008) and Billah (n.d) has defined Takaful as a scheme of protection which base on mutual assistance concept towards providing a financial security if any one of them face any unexpected risk.

Section 2 of Takaful Act 1984 defined Takaful as *“a scheme based on brotherhood, solidarity and mutual assistance which provides for mutual financial aid and assistance to the participants in case of need whereby the participants mutually agree to contribute for that purpose”* (Bank Negara Malaysia, 1985). The objective of Takaful is similar with the conventional insurance as to offer services to the policy holder (Mohd Noor & Zakaria, 2010). The difference between the two is the concept used in the contract whereby Takaful use co-operation concept which comply with Shariah and base on Tabarru' (donation) and Ta'awun (mutually-help) contract. The element of mutual co-operation is highlighted in Surah al-Maidah, 5:2 and hadith of Prophet Muhamamd s.a.w. as below:

“..and help ye one another in righteousness and piety, but do not help one another in sin and transgression. And have Taqwa of Allah. Verily, Allah is severe in punishment. ”

(Al-Maidah: 2)

“Believers are to other believers like parts of a structure that tighten and reinforce each other.”

(Al-Bukhari and Muslim)

“The Believers, in their affection, mercy and sympathy towards each other, are like the body- if one of its organs suffers and complains, the entire body responds with insomnia and fever.”

(Muslim)

"Whosoever removes a worldly hardship from a believer, Allah (swt) will remove from him one of the hardships of the Day of Judgment. Whosoever alleviates from one, Allah (swt) will alleviate his lot in this world and the next...."

(Al-Bukhari)

Meanwhile the element of alleviation of hardships and provision of material security and assistance for those who face unexpected risk and peril to achieve a comfortable life is shown in Surah al-Baqarah 2:201:

"But among them is he who says, "Our Lord, give us in this world [that which is] good and in the Hereafter [that which is] good and protect us from the punishment of the Fire."

Accordingly, Laldin (2008) and Obaidullah (2005) mentioned that 'akad' which been used in Takaful also gave impression that it is a good scheme whereby each participant have intention to donate their money for the Takaful fund. Tabarru' concept is encouraged in Islam to educate the Muslims with a charity attitude either in terms of gift, sodakah, or zakah for purposes of helping the needy and in order to build a good relationship among the people. The practice of Takaful practices has allows the elements of piety, brotherhood, charity, mutual guarantee and is self-sustaining, which no other financial instrument could compete with (Fisher & Taylor, 2000).

Instead offering viable products to foster Islamic brotherhood, Takaful play a vital role in the Islamic economic system such as for saving instruments, welfare scheme, create exploitation free society, and to counter poverty and deprivation (Farooq et. al, 2010). It was explained concisely by Farooq et. al (2010) pertaining to the role of Takaful in the economic system as the participants have opportunity to generate their savings with a profitable manner especially via the Islamic investment tools.

The Concept of Takaful

Generally, based on the objectives of Takaful, the concept of Takaful has been set up approximately based on the Islamic rules and principles. As has been mentioned by Saaty & Ansari (n.d) and Wan Aris et. al (2009), Takaful scheme becomes asset to the participant because they are the owners of the fund. Meanwhile Takaful operators only act as trustee on behalf of the participant whereby they do not have any right to the Takaful fund (Wan Aris et.al, 2009).

Three concepts of Takaful which are al-Mudharabah, al-Takaful, and Tabarru' has been described by Wan Aris (n.d.). Meanwhile, Awang et. al (2005) basically stand on the two fundamentals which are al-tabarru' and al-mudharabah concept in order to construct the Takaful. Indeed, the concept of tabarru' which means donation or gift has been agreed by all literatures constituted the command by Allah s.w.t to help the needy in righteousness.

Consequently, pertaining to the implementation of Takaful products, if there is any surplus exists from the operation, the company will share the surplus with the participants according to the principles of Mudharabah (Annuar, 2005). Thus, this element obviously proven that the Takaful is different from the conventional insurance where the surplus belongs to the insurance company. According to Abdul Wahab et. al (2007) and Saaty & Ansari (n.d), the participants in Wakala contract remain the actual owners of the Takaful fund. The participants make a contribution under the principle of Tabarru' (Annuar, 2005). This fund is then managed by the agent (wakil) and will be deducted first for the agency fee (Abdullah, 2009 & Abdul Wahab et. al, 2007).

Abdullah (2009) however has made a clarification that the division is based on the agreed ratio between the Takaful operator and the participants in the contract. The remaining balance in General Takaful Fund will be invested in Shariah approved investment (Abdul Wahab et.al, 2007). In that case, the Takaful operator will be entitled to a performance fee for managing the investment on behalf of the participants (Abdullah, 2009). Lastly, as was explained by Abdul Wahab et. al (2009), by the end of year, profit from investment will be distributed between the two parties according to the Mudharabah principle and any surplus after the deduction of cost (claims, retakaful, reserve) will be distributed among the participants in a defined manner.

The Role of Internet as a Source of Information

It is observe that starting 1990s the use of internet as a medium of communication and information become obvious. In order to grow with the era of technology, the Takaful player especially Takaful agents are not left behind in using this technology. In this context, technology can assist sales agents to enhance customer relationships and become professional marketer (Ferrel et. al, 2010). According to Crittenden et. al, 2010, technology is ubiquitous and anything that solves a problem (p 103). Meanwhile Sharma and Sheth (2010) have regards technology as a strategic tool to enhance sales effectiveness, improve customer service, and reduce costs (p 121).

Ahearne et. al (2008) has extend the task-technology-fit (TTF) theory and they have suggested that technology usage can improve customer service and salesperson's adaptability plus improve sales performance. Meanwhile, Agnihotri et. al (2009) through their study on pharmaceutical industry has successful demonstrated the use of technology in relationship marketing practice whereby it may amplify customer satisfaction. It thus may bring to the strong customer relationship (Ahearne et. al, 2008). In this context, Crittenden et. al (2010) has discussed the utilization of interactive digital media for current business relationship. It was further explained by the authors that in the era of digital, both consumers and salespeople are tend to interact using medium of technology such as via social networking (Facebook, Twitter, and etc), blogs, mobile device (iPhones), and personal digital assistants (PDAs). It has also release that technology plays a prominent role as a connection which prepared information for both business and consumers and consequently replacing word of mouth with word of digital exchange (Crittenden et. al, 2010).

A lot of researchers have examined the critical role of sales technology in the business perspective. For example Ferrel et. al (2010) has conducted an exploratory study on the use of technology in the direct selling industry. In their study, they have found that technology is very useful as a medium to present company material as well as to communicate with customers. The sales support by technology usage has also become a motivator to the salesperson in reaching their customers (Ferrel et. al, 2010). However, as far as the researchers concern, no study has been done to investigate the use of technology to enhance the understanding of sales agents particularly on the Takaful agents. Thus, the current study is conduct to inspect this matter.

Methodology

In an attempt to explore the sources of information that influencing the knowledge of Takaful agents, this study is conducted based on three phases. The first phase included a search of the literature pertaining to the objectives and concept of Takaful for the scales development. It implies the knowledge about the conceptual and practical application of Takaful products. The works of past studies including Farooq et. al (2010), Hamid & Othman (2009), Wan Aris et. al (2009), Abd Rahman et. al (2008), Awang & Zakaria (2005), Manab et. al (2004), Annuar et. al (2003), Mohd Zain (2000), Maysami & Kwan (1999), Saaty & Ansari (n.d), and others. Initially, a total 25 statements has been constructed to measure objective and concept of Takaful. Meanwhile, there are 12 self constructed items for the measure of sources of information that influencing the knowledge of Takaful agents.

The second phase was a refinement of the initial statements by academician and Shariah scholars. At this stage, potential wording and statements consistency issues became obvious and were resolved. Based on the comments, the items were reduced to 19 for the Takaful objectives and 21 items for Takaful concepts and using 5 point likert-scale ranging from strongly disagrees to strongly agree. For the sources of information, the 12 items were remain and using the same 5 point likert-scale. In the third phase, a total of 120 questionnaires were distributed to Prudential Bsn Takaful agents located at Damansara and Petaling Jaya Branch. A total of 50 questionnaires were returned which indicate a total of 42% of response rate.

RESULTS

Demographic Information

It was realised that most of the agents in this study are male (76%) which belong to 26-30 years of age group. In addition, 72% of the agents are married and most of them are degree holder (88%). In terms of experience, only two of them acquire experience more than 10 years, meanwhile 66% of the agents have received 1-5 years experience in the industry. In overall, the sample chosen in this study is relatively competitive as it represents the young talented agents which are needed by the Takaful industry in the current competitive edge. Thus, the end results may bring to the huge contribution for the expansion of the industry in future.

Table 1: Demographic Information

Demographic Information		Frequency	Percent (%)
Gender	Male	38	76
	Female	12	24
	Total	50	100
Age Group	21-25 years	3	6
	26-30 years	26	52
	31-35 years	14	28
	36-40 years	5	10
	41-50 years	2	4
	Total	50	100
Marital Status	Single	14	28
	Married	36	72
	Total	50	100
Tertiary Education	SPM / Certificate	3	6
	Diploma / Degree	44	88
	Masters / Phd	3	6
	Total	50	100
Experience in Takaful industry	< 1 year	12	24
	1-5 years	33	66
	5-10 yeas	4	8
	> 10 years	1	2
	Total	50	100

Objective 1: Explore the sources of information that influencing the knowledge of Takaful agents

In an attempt to find the first objective as above, compare mean analysis is conducted. The result indicate that friends and family are the most preferably as the sources of information to influence the knowledge of Takaful agent (mean = 4.34). Meanwhile, it can be said that majority of the agents did not learn Takaful subject during their study at university or college (mean = 2.06). However, the agents are agreeing with the company environment either in terms of training (mean = 4.32), employer support (mean = 4.22), and colleagues conversation (mean = 4.08) has influenced them to know better about Takaful. Table 2 below is the details of the result.

Table 2: Sources of information for Takaful agents

Sources of Information	Mean	SD
I like to discuss about any Takaful issues with my friends and family.	4.34	0.89
Trainings provided by the company have given me better understanding in the Takaful scheme.	4.32	0.89
If there are new Takaful products introduced in the market, my employer will explain to me all information related to that products.	4.22	0.79
Conversation with my colleagues has influenced me to further understand the Takaful concept.	4.08	0.99
The introduction session conducted by Takaful company has helped me to understand the Takaful scheme.	3.88	1.00
I read about Takaful in the newspaper and magazine.	3.62	0.92
Sometimes I read about Takaful in the internet.	3.46	1.11
Most of the times, mass media influenced me to search about Takaful.	3.38	1.14
Learning Arabic language sometimes help me to understand the Takaful concepts easily.	3.38	1.14
I learn about Takaful when I was in school.	2.30	1.11
My parents bought Takaful scheme when I was young.	2.10	1.11
I took Takaful subject at the university or college.	2.06	1.08

Objective 2: Compare the contribution of the Internet and other sources of information towards understanding the objectives and concepts of Takaful by Takaful agents

Objective 3: Analyze the relationships between the usage of the Internet and other sources with the acquisition of knowledge on objectives and concepts of Takaful.

There are 19 objectives of Takaful which is derived from the literatures (Table 3). It can be seen that majority of the agents are agree with objectives one ‘Takaful has been introduced because Muslims are prohibited from associating with the elements of uncertainty, gambling, and usury as practiced by conventional insurance’ and ten ‘Takaful schemes are open to Muslims and Non-Muslims’ (mean = 4.70). Meanwhile, they do not agree that Takaful is a welfare scheme (mean = 2.82) whereby the benefits are only for Muslims (mean = 1.78).

The contribution of internet in influencing the knowledge of Takaful agents particularly on Takaful objectives is shown in Table 4. In order to compare the contribution of the internet and other sources of information towards the understanding of Takaful agents on Takaful objectives, stepwise regression analysis has been performed accordingly. In this regard, pearson correlation (r) will be used to indicate the level of contribution of each sources of information towards 19 objectives of Takaful. It can be seen in the Table 4 that internet has not contribute much in influencing the knowledge of Takaful agents provided there are no significant value on the correlation r . It is clear that friends, family, and also the training provided by the Takaful company are the most significant sources of information fro agents. Thus, it can conclude that the Takaful agents tend to gain knowledge base on traditional mediums which is face to face conversation and in house training. Unfortunately, they are not keen to adapt the technology facilities as their sources of information.

Table 3: Understanding on Takaful Objectives.

Takaful Objectives	M	SD
Takaful has been introduced because Muslims are prohibited from associating with the elements of uncertainty, gambling, and usury as practiced by conventional insurance.	4.70	.707
Takaful schemes are open to Muslims and Non-Muslims.	4.70	.707
Takaful contract is based on the concept of Tabarru’ which means donations, contributions, offering, or granting.	4.68	.793
Takaful operations are based on Shariah principles.	4.66	.847
Takaful is a protection mechanism.	4.66	.717

The elements of uncertainty, gambling, and usury differentiates Takaful from conventional insurance.	4.58	.810
Takaful stemming from an Arabic word which means mutual help among the participants.	4.56	.732
Takaful is an alternative form of financial instrument to insure assets, liabilities and other personal interest.	4.54	.761
Takaful promoting Islamic values and way of life towards staffs, customers, and general public.	4.54	.645
By joining Takaful plan, participants gain an added benefit to invest money in accordance to Islamic principles.	4.50	.580
Takaful participants are encouraged to contribute money for mutual help in times of need.	4.40	.832
Takaful offering viable and competitive products.	4.40	.782
Takaful is a savings instrument.	4.26	.899
Takaful is meant to foster Islamic brotherhood.	4.20	.880
Takaful is among the most important social institution to counter poverty and deprivation.	4.00	.925
The objective of Takaful is to create an exploitation free society.	3.72	1.010
Both Islamic and conventional insurance must adopt profit maximization principle in order to survive in this competitive business environment.	3.60	1.030
Takaful is a welfare scheme.	2.82	1.350
The advantages and benefits of Takaful are only for Muslims.	1.78	1.148

Table 4: Correlation between understanding on Takaful objectives and sources of information

Takaful Objectives/Sources	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16.	17	18	19
I learn about Takaful when I was in school.	-.325*	-.175	-.060	.285*	.485**	-.171	-.190	.040	-.220	-.377**	.206	-.381**	-.292*	.000	-.145	-.188	.023	-.159	-.206
My parents bought Takaful scheme when I was young.	-.377**	-.247	-.095	.107	.690**	-.288*	-.194	-.011	-.287*	-.506**	.076	-.366**	-.355*	-.021	-.219	-.305*	.243	-.238	-.174
I took Takaful subject at the university or college.	-.485**	-.321*	-.354*	-.052	.622**	-.290*	-.240	-.115	-.323*	-.432**	.152	-.422**	-.389**	-.013	-.253	-.344*	.246	-.225	-.441**
Sometimes I read about Takaful in the internet.	-.003	.128	.053	.093	.049	.126	.147	.044	.062	-.107	.082	-.133	.111	.154	-.069	-.075	.002	.000	-.016
Most of the times, mass media influenced me to search about Takaful.	.119	.242	.228	.167	.174	.221	.227	.324*	.073	.043	.280*	.011	.205	.390**	.076	.009	.204	.019	.077
The introduction session conducted by Takaful company has helped me to understand the Takaful scheme.	.265	.163	.454**	.249	-.112	.407**	.361*	.409**	.401**	.178	.284*	.112	.407**	.005	.197	.088	.134	.088	.245
I read about Takaful in the newspaper and magazine.	.103	.055	.019	.094	-.042	.014	.053	.212	.122	.103	.097	.171	.153	.346*	.112	.102	.173	.191	-.057
Trainings provided by the company have given me better understanding in the Takaful scheme.	.480**	.360*	.439**	.276	-.409**	.769**	.667**	.396**	.567**	.447**	.429**	.397**	.673**	.203	.368**	.310*	.083	.371**	.395**
I like to discuss about any Takaful issues with my friends and family.	.519**	.370**	.388**	.306*	-.442**	.667**	.702**	.423**	.608**	.423**	.319*	.438**	.594**	.275	.453**	.297*	.102	.296*	.373**
Conversation with my colleagues has influenced me to further understand the Takaful concept.	.474**	.298*	.360*	.374**	-.327*	.570**	.555**	.412**	.482**	.328*	.183	.299*	.457**	.334*	.251	.275	.180	.380**	.321*
If there are new Takaful products introduced in the market, my employer will explain to me all information related to that products.	.230	.115	.030	.261	-.328*	.205	.212	.232	.391**	.267	.004	.207	.239	.141	.162	.152	.210	.335*	.156
Learning Arabic language sometimes help me to understand the Takaful concepts easily.	-.083	.132	.058	.097	.159	.094	.160	.130	.009	-.109	.300*	.036	.088	.248	.214	-.082	.164	.309*	.200

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

* . Correlation is significant at the 0.05 level (2-tailed).

Takaful Objectives	
1.	Takaful has been introduced because Muslims are prohibited from associating with the elements of uncertainty, gambling, and usury as practiced by conventional insurance.
2.	The elements of uncertainty, gambling, and usury differentiates Takaful from conventional insurance.
3.	Takaful stemming from an Arabic word which means mutual help among the participants.
4.	Both Islamic and conventional insurance must adopt profit maximization principle in order to survive in this competitive business environment.
5.	The advantages and benefits of Takaful are only for Muslims.
6.	Takaful operations are based on Shariah principles.
7.	Takaful contract is based on the concept of Tabarru' which means donations, contributions, offering, or granting.
8.	The objective of Takaful is to create an exploitation free society.
9.	Takaful participants are encouraged to contribute money for mutual help in times of need.
10.	Takaful schemes are open to Muslims and Non-Muslims.
11.	Takaful is a savings instrument.
12.	Takaful is a protection mechanism.
13.	Takaful is an alternative form of financial instrument to insure assets, liabilities and other personal interest.
14.	Takaful is meant to foster Islamic brotherhood.
15.	Takaful promoting Islamic values and way of life towards staffs, customers, and general public.
16.	Takaful offering viable and competitive products.
17.	Takaful is a welfare scheme.
18.	Takaful is among the most important social institution to counter poverty and deprivation.
19.	By joining Takaful plan, participants gain an added benefit to invest money in accordance to Islamic principles.

The contribution of internet towards the understanding of Takaful agents on Takaful concepts

As in Table 5 below, most of the agents are in agreement that money credited to the Takaful fund will be invested in areas approved by the Shariah (mean = 4.54). Takaful also brings the concept of shared responsibility, joint indemnity, and solidarity (mean = 4.42). It is noted that the agents do not agree that Takaful and conventional insurance is similar (mean = 2.64).

To investigate the sources of information that help the agents in understanding the Takaful concepts, Table 6 shows the result of analysis. As for the most understanding concept (concept no. 7), there are two significant sources of information which are the introduction session conducted by the Takaful company ($r = 0.284$) and also the roles of employer to educate the agents towards Takaful products ($r = 0.354$). Meanwhile, the understanding on Takaful concept no. 1 (participants are owner of the fund) has significantly contributed by family and friends ($r = 0.352$), employer ($r = 0.334$), colleagues ($r = 0.323$), and school ($r = 0.309$).

Still, the roles of internet for the knowledge of Takaful agents is limited compared to other sources. However, internet has significantly contributed to the agents' knowledge on Takaful concept no. 17 which is 'Al-Wakalah in Takaful is an agency contract' ($r = 0.359$). Consequently, internet as a source of information for Takaful agents' knowledge is regards unimportant by the agents under study. In this context, the information about Takaful might be received mostly from the company or via the environment instead of through virtual technology.

Table 5: Understanding on Takaful concepts

Takaful Concepts		M	SD
1.	Money credited to the Takaful fund will be invested in areas approved by the Shariah.	4.54	.734
2.	Takaful brings the concept of shared responsibility, joint indemnity, and solidarity.	4.42	.672
3.	Takaful products consists General and Family Takaful.	4.38	.854
4.	If there is a surplus from the operation, the company will share the surplus with the participants according to the principles of Mudharabah.	4.36	.721
5.	Al-Mudharabah in Takaful is a contract of profit sharing.	4.32	.843

6.	Takaful operators act as trustee on behalf of the participants.	4.30	.814
7.	All payment of the Takaful benefits (i.e. claims) will be paid by the Takaful fund.	4.24	.743
8.	All contributions (premium) paid by the participants will be accumulated in the Takaful fund.	4.02	.979
9.	Takaful is an asset to the participants	4.00	.925
10.	Indemnification component in Takaful is based on mutual contribution, reciprocal donation (tabarru').	3.94	.890
11.	Al-Wakalah in Takaful is an agency contract.	3.88	.961
12.	Participants are owners of the fund	3.86	1.125
13.	Compensation comes from the participant's account and 'participant's special account'.	3.84	.933
14.	The premium paid under Takaful is higher than the premium paid under conventional insurance.	3.74	1.046
15.	Al-Ujrah is used in Al-Wakalah contract.	3.64	.851
16.	Takaful entails a unilateral, charitable (tabarru') contract which is gharar tolerated in a charitable unilateral contract.	3.58	.970
17.	Takaful operators do not have any right to the Takaful fund.	3.56	1.127
18.	'Iwad or counter value is effort/undertaking of risk.	3.42	.758
19.	There is no insurer-insured relationship between Takaful operator and participants.	3.24	1.116
20.	Takaful and insurance company makes profit when there is an underwriting surplus.	3.22	1.055
21.	Contract used in Takaful is similar to conventional insurance.	2.64	1.191

Table 6: Correlation between understanding on Takaful concepts and sources of information

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
I learn about Takaful when I was in school.	-.309*	.040	-.124	-.137	-.231	-.237	-.428**	-.341*	.068	.006	.134	.114	-.174	.080	-.008	-.257	-.061	.138	.244	-.370**	-.380**
My parents bought Takaful scheme when I was young.	-.266	.000	-.147	-.062	-.358*	-.277	-.443**	-.428**	.105	-.414**	-.211	-.172	-.069	-.159	-.303*	-.405**	-.160	-.242	.094	-.170	-.428**
I took Takaful subject at the university or college.	-.397**	-.041	-.161	.022	-.175	-.222	-.506**	-.475**	.113	-.132	.042	-.231	.039	-.060	-.176	-.246	-.091	-.199	.172	-.149	-.402**
Sometimes I read about Takaful in the internet.	-.225	.079	.093	.035	.029	.185	.065	-.134	-.073	.031	.191	.154	-.107	.152	.091	.079	.359*	.049	.013	.052	-.037
Most of the times, mass media influenced me to search about Takaful.	-.117	.309*	.336*	.117	.157	.131	.042	.029	-.138	.092	.183	.331*	-.025	.204	.187	.041	.266	.144	.269	.136	-.067
The introduction session conducted by Takaful company has helped me to understand the Takaful scheme.	.003	.176	.270	.043	.252	.395**	.284*	.202	-.156	.241	.141	.014	-.083	.243	.227	.239	.218	.355*	.197	-.069	.007
I read about Takaful in the newspaper and magazine.	-.072	.286*	.182	.169	.302*	.225	.068	.118	.226	.046	.297*	.378**	-.127	.146	.229	.002	.453**	.082	.307*	.382**	-.072
Trainings provided by the company have given me better understanding in the Takaful scheme.	.270	.346*	.484**	.204	.414**	.498**	.573**	.452**	-.235	.324*	.076	.220	-.099	.334*	.486**	.540**	.356*	.451**	.185	.091	.320*
I like to discuss about any Takaful issues with my friends and family.	.352*	.394**	.445**	.252	.248	.488**	.616**	.470**	-.208	.191	.027	.387**	-.145	.513**	.470**	.502**	.333*	.378**	.164	.184	.335*

Conversation with my colleagues has influenced me to further understand the Takaful concept.	.323*	.313*	.351*	.271	.442**	.390**	.531**	.360*	- .097	.164	.042	.282*	.001	.470**	.287*	.484**	.398**	.424**	.258	.218	.278
If there are new Takaful products introduced in the market, my employer will explain to me all information related to that products.	.334*	.335*	.117	.134	.205	.429**	.354*	.324*	.064	.176	.161	.183	-.154	.280*	.207	.505**	.385**	.393**	.381**	.120	.267
Learning Arabic language sometimes help me to understand the Takaful concepts easily.	.010	.270	.204	.148	-.043	.179	-.006	.029	- .198	-.221	-.156	.166	-.281*	.204	.054	.041	.117	-.024	.001	.084	-.005

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

* . Correlation is significant at the 0.05 level (2-tailed).

Takaful Concepts	
1	Participants are owners of the fund
2	Takaful is an asset to the participants
3	Takaful operators act as trustee on behalf of the participants.
4	Takaful operators do not have any right to the Takaful fund.
5	All contributions (premium) paid by the participants will be accumulated in the Takaful fund.
6	All payment of the Takaful benefits (i.e. claims) will be paid by the Takaful fund.
7	Money credited to the Takaful fund will be invested in areas approved by the Shariah.
8	If there is a surplus from the operation, the company will share the surplus with the participants according to the principles of Mudharabah.
9	Contract used in Takaful is similar to conventional insurance.
10	Takaful entails a unilateral, charitable (tabarru') contract which is gharar tolerated in a charitable unilateral contract.
11	Takaful and insurance company makes profit when there is an underwriting surplus.
12	'Iwad or counter value is effort/undertaking of risk.
13	There is no insurer-insured relationship between Takaful operator and participants.
14	Indemnification component in Takaful is based on mutual contribution, reciprocal donation (tabarru').
15	Takaful brings the concept of shared responsibility, joint indemnity, and solidarity.
16	Al-Mudharabah in Takaful is a contract of profit sharing.
17	Al-Wakalah in Takaful is an agency contract.
18	Al-Ujrah is used in Al-Wakalah contract.
19	Compensation comes from the participant's account and 'participant's special account'.
20	The premium paid under Takaful is higher than the premium paid under conventional insurance.
21	Takaful products consists General and Family Takaful.

Conclusion

This study compares the internet to other sources of information for acquiring knowledge on Takaful among Prudential BSN Takaful Agents. Through a simple statistical analysis (mean analysis and stepwise regression), it was found that internet less contributed to the knowledge of Takaful agents understudy. They tend to choose friends, family, and work environment either training conducted by company as sources of information.

In this regards, it should be noted that internet has provides worldwide information that may influence the knowledge of Takaful agents. To become competitive with the conventional agents, the Takaful agents might have to utilize the internet either as a source of information, medium of marketing, or method to improve work efficiency.

In a nutshell, some limitation was emerged in the current study. First, in terms of sample selection, this study is present only one of Takaful operator which the result may vary with the other Takaful operators. Second, as it is an exploratory study given limited sample size, money and time consuming, future research may strengthen the results of this study particularly when large sample size is involve. Lastly, given a limited literatures from the perspective of Takaful agents, this study only relies on limited past studies. Nevertheless, the conduct of this study will certainly contribute to the empirical literatures on the subject of Islamic insurance or Takaful.

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