

CUSTOMER PERCEPTION TOWARDS RELATIONSHIP MARKETING PRACTICES IN
TAKAFUL INDUSTRY**Marhanum Che Mohd Salleh**

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Abstract

In certain business organization, acknowledging public perception towards their business practices may give a positive impact towards the future business performance. Similarly, to ensure the sustainable of Takaful industry as an alternative Islamic insurance, getting customers' perception towards their marketing practice is important. It is so because without effective marketing practices, the Takaful products could not reach the public with the sole purpose as was planned in the earlier stage. This research thus proposes three constructs of relationship marketing and investigates the customers' perception regarding the Takaful agents' relationship marketing practices. It includes their Islamic ethical behaviour, product knowledge, and information communication. To achieve these objectives, this research adopted self-administered survey questionnaire and distributed it to the Takaful customers in Klang Valley area. Result from data analysis based on SPSS version 19 regards that the public particularly Muslim in rural area not totally agreed with the relationship marketing practices of their Takaful agent. This research contributes to strengthen the Takaful industry in reaching the same level with the conventional insurance particularly their effective marketing channel.

Key words: Takaful, agent, marketing practices, public perception

1. Introduction

Generally, as reported by Bank Negara Malaysia, there are five channels of marketing in the Malaysian Takaful industry which are direct marketing, agency force, bancaTakaful, brokers, and other channel. The two most beneficial distribution channels as experienced by the industry are through agency and banks (Bancatakaful). It was recorded in 2005 that Bancatakaful contributed 20.4% of the Takaful contribution and at the same time the agency force contributed about 19.3% (Bank Negara Malaysia, 2005). Both channels of marketing basically utilise marketing personnel to approach the public. This indicates that the industry still needs human capital or marketing agents to attract public's attention. This is proven via a study by Hairul Azlan, Saiful Azhar, and Hafiz Majdi (2004) and Htay and Hanna (2012) that the agency system is the most beneficial model for the operators and customers.

Existing researches on the other hand have put exhausted efforts in comparing Takaful with conventional insurance. For the most part, marketing practices of the Takaful industry have mirrored the practices of conventional insurance operators. Perhaps Takaful agents overtly focus on selling Takaful products and services rather than promoting the Takaful objectives. That is the aim of this research; to explore the Takaful agents' relationship marketing practices from the perspective of their customers which would enhance the customer future behaviour. In short, it is structured in the following manner; after the introduction, there is a review on related literatures. It is covered the definition on relationship marketing, the importance of relationship marketing practices in Takaful industry, differences between transaction-based and relationship-based marketing, and measure of relationship marketing in this research. Later, this research presents the methodology adopted to achieve the research objectives, the overall results, and the finally the conclusion. The research ends with the discussion on future research possibility together with the limitation of this research.

2. Literature review

2.1 Relationship Marketing

The definitions of relationship marketing were vary among researchers and appear to be without end until the recent decade (Blois, 1996). The most prominent definition is given by Morgan and Hunt (1994: p. 20) who express relationship marketing as "establishing, developing and maintaining successful relational exchanges". In this context, Kotler (1991: p. 7) illustrates an exchange as "the act of obtaining a desired product from someone by offering something in return". Meanwhile Berry (2002: p. 61)

describes relationship marketing as “the process of attracting, maintaining, and enhancing relationships with the key people”. It can be said that the aim of relationship marketing in the context of business is to create and enhance relationship with other parties including customers, suppliers, and the other stakeholders.

Accordingly, it can be achieved based on three pillars which are marketing, customer service, and quality (Eiriz & Wilson, 2006). In terms of duration, the effects and benefits of relationship marketing exceed the actual period of collaboration between the parties (So, 2007; Murphy et al., 2007; Boone & Kurtz, 2004). It thus, ensures the future retention of customers (Shamsudin et al., 2010; So, 2007). This is parallel with the majority of marketing researchers who has acknowledged that the main target of relationship marketing is to ensure customer retention (Hennig-Thurau & Klee, 1997; Thomas, Blattberg, & Fox, 2004; So, 2007; Shamsudin et. al, 2010).

2.2 The importance of relationship marketing practices in Takaful industry

While most businesses focus on building good relationships with their customers, not all customers are inclined toward building relationships with business entities. This differs from financial services like insurance or Takaful industry that offer intangible services and complicated products that require a business intermediary or consultant to explain to customers their products and services. Such a predicament emphasises the responsibility of the sales agents as a consultant. In the Takaful industry, the relationship between agents and their customers is automatically developed because the agent’s role to market the products together with their knowledge need them to interact and communicate with customers which at the end may generate good or poor relationship.

Many researchers studying the financial industry have amply demonstrated how relationship marketing significantly generates customer commitment, loyalty, retention, trust, and other positive outcomes. For example, a study in the Malaysian banking industry by Shamsudin, Kassim, Hassan, & Johari (2010) revealed that relationship marketing can enhance customer satisfaction and brand loyalty. Meanwhile Maznah and Mohd Noor (2010) also emphasized that relationship marketing is not only to attract customers but to maintain the existing customers. Furthermore, Bugel, Buunk, & Verhoef (2010) who studied five different sectors namely the banking industry, health insurance, supermarket, mobile telecom providers and the automotive industry has revealed that enhance customer satisfaction and building close relationship with them would generate their commitment and loyalty to company.

2.3 Differences between Transaction-based and Relationship-based Marketing

Traditionally, marketing activities are based upon transaction-based marketing. Among the major factors motivating the transformation from transaction-based marketing to relationship marketing is the idea that retaining customers is far more profitable than losing them (Berry, 2007; Boone and Kurtz, 2004). It has been proven that 5% increase in customer retention will generate 80% of a firm’s profit (Boone and Kurtz, 2004). Based on the nature of transaction-based marketing, which is generally characterised as being solely focused on sales, the lack of customer consideration makes it difficult to retain customers in the future. Based on this revelation, relationship-based marketing entered the marketing scene in order to enhance sales through beneficial long-term partnerships between both parties (sellers and buyers).

There are three continuums entailed in the buyer-seller relationship. The first level of relationship marketing efforts focuses on the financial aspects so as to attract the customer. The second level nurtures social interaction wherein the seller focuses on customer services and communication as a key marketing strategy. In the third and final stage, interdependent partnerships are formed whereby both parties forge a strong business partnership (Berry, 1995; Boone and Kurtz, 2004).

Table 1 in the next page compares between transaction-based marketing and relationship-based marketing. It can be observed that the objective of transaction-based marketing is only to satisfy the customer by selling goods or services contrary to relationship-based marketing which aims to create value via customer integration. Relationship-based marketing aims to generate frequent long-term customer contact in addition to focusing on quality of customer service. Consequently, it is clear that as a new approach to traditional marketing, relationship marketing has a high potential of achieving strong seller-buyer relationships together with a high commitment to the trust and satisfaction of both parties.

In regards to maintaining continuous healthy relations between agents and clients, Takala and Uusitalo (1996) conclude their review on the philosophy of RM as essentially resting on communication. In addition to this, they explain that since relationships imply dependence and commitment, mutual trust must be a main factor in long-term relations which necessarily involves keeping the promises made. Ultimately, the crux of the matter is defined by the objectives of the seller. The seller's objectives ultimately determine the type and form of agent-customer relations.

Table 1: The difference between transaction-based and relationship-based marketing

	Transaction-based marketing	Relationship-based marketing
Objective	To make a sale (sale is the end result and measure of success) Customer needs satisfaction (customer buys values)	To create a customer (sales is beginning and its followed by relationship creation) Customer integration (interactive value generation)
Time orientation	Short-term	Long-term
Customer service priority	Relatively low	Key component
Customer contact	Low to moderate	Frequent
Customer understanding	Anonymous customer Independent buyer and seller	Well-known customer Interdependent buyer and seller
Degree of customer commitment	Low	High
Marketers task and performance criteria	Assessment on the basis of products and prices Focus on gaining new customers	Assessment on the basis of problem-solving competence Focus on value enhancing of existing customers
Basis for seller-customer interactions	Conflict, manipulation	Cooperation, trust
Source of quality	Primarily from production	Companywide commitment

Sources: Jutter and Wehrli (1994: 57) and Boone and Kurtz (2004)

2.4 Measure of relationship marketing practices for Takaful industry

This research proposes three constructs to measure the relationship marketing practices among the agents of the Takaful industry which are Islamic ethical behaviour, product knowledge, and information communication. The first construct which is Islamic ethical behaviour becomes the main element of relationship marketing practices that differentiate the Takaful industry from the conventional insurance. All construct used in this research is discussed below.

2.4.1 Islamic Ethical Behaviour

Islamic work ethics require businessmen to implement justice and honesty in trade, acquire related skills and technology, and make work beneficial and meaningful to others (Yusuf, 2001). Only ethical behaviour will win the confidence of the people, strengthen social bonds, and stimulate people to focus on reaching their main responsibilities in this world (Ali & Al-Owaihian, 2008). Ethically based activities are a vital requirement for nourishing a healthy economy and a strong business society (Ali & Al-Owaihian, 2008). In Surah An-Nisa' verse 36, Allah (God the Almighty) commands Muslims to worship Him and behave ethically with others (all people):

Worship Allah and associate nothing with Him, and to parents do good, and to relatives, orphans, the needy, nearest neighbours, the neighbour farther away, the companion at your side, the traveller, and those whom your right hands possess. Indeed, Allah does not like those who are self-deluding and boastful.

(Qur'an, An-Nisa': 36)

The study proposes Islamic ethical behaviour as one of the aspects that is important to be practiced in an Islamic industry like Takaful. Past researchers have successfully indicated that Islamic ethical behaviour may enhance the relationship marketing practice to achieve customer satisfaction. Among them are Shamsudin et al. (2010), Hassan et al. (2008), and Roman (2003). The marketing practices of the sales agent are seen as key to evaluate the degree of customer satisfaction (Bejou, Ennew, & Palmer, 1998). The ethical behaviour would generate high level of customer satisfaction (Hansen & Sand, 2008). Most obviously, Roman and Ruiz (2005) found that ethical sales behaviour significantly influences the quality of the buyer-seller dyad as it positively affects customer satisfaction, trust and commitment to the salesperson. This study thus, strongly hypothesizes that;

2.4.2 Product Knowledge

As traditional marketing practice has been complemented with relationship-based marketing, the task of sales agent has changed from merely selling products to offering solutions to customers' needs (Agnihotri, Rapp, & Trainor, 2009). The majority of customers prefer to deal only with a specialised officer who has the most knowledge about business operations (Rosenblatt et al., 1988). In this context, it is realised that knowledge is important to determine the effectiveness of agent in confronting

customers (Boles, Johnson, Barksdale, & HC, 2000). In the insurance industry, the agents must become experts in the knowledge of human nature and psychology as well as experts in insurance products, its institutions, competitors and the entire financial market (Das, 2004).

Using a sample of 254 salespersons in the pharmaceutical industry, Agnihotri et al. (2009) found that knowledge is very important to ensure customer satisfaction through effective information communication. This becomes even more crucial when it involves a complex product whereby a sales agent becomes the main source of information of customers. Accordingly, Rapp, Ahearne, Mathieu, and Schillewaert (2006) when surveying salespersons from the same industry in the United States, found that a salesperson who is more knowledgeable will demonstrate behaviour that influences customer service and satisfaction and in the end will increase sales performance.

The knowledgeable sales agent basically familiarises himself with the company's products and services, attempts to understand customers' needs and expectations as well as studies specific information about his customers (Rapp et al., 2006). Current research on Takaful by Farah (2011) has indicated that knowledge or assurance as one of quality dimensions of services in the industry may influence future behaviour of customers.

2.4.3 Information Communication

Information communication is defined as information disclosure. From the perspective of relationship marketing, it is defined as information sharing (Min et al., 2005; Barrat, 2004; Tam & Wong, 2001; Boles, Johnson, Barksdale, & HC, 2000). It involves providing updated information on products and clear discussing on comparisons between products and advantages to the customers (Ahearne, Jelinek, & Jones, 2007). However, all aspects of communication with customers must be done in a truthful manner without any intention of deception or cheating (Kalthom & Mohd Ismail, 2010). In the Qur'an, surah Al-Imran verse 104, Allah (God the Almighty) has revealed that:

And let there be [arising] from you a nation inviting to [all that is] good, enjoying what is right and forbidding what is wrong, and those will be the successful.

(Qur'an, al-Imran: 104)

A *hadith* by Hakim bin Hizam states:

The Prophet said: "The seller and the buyer have the right to keep or return goods as long as they have not parted or till they part; and if both the parties spoke the truth and described the defects and qualities (of the goods), then they would be blessed in their transaction, and if they told lies or hid something, then the blessings of their transaction would be lost."

(Sales and Trade Hadith no: 293, Sahih Muslim)

Communication is the central process in relationship marketing (Takala & Uusitalo, 1996; Gronroos, 2004). It can be regarded as a bridge that connects the salesperson to the customer. Most researchers agree that communication is the main medium of interaction between buyer and seller (Mitrega & Katrichis, 2010; Whipple, Lynch, & Nyaga, 2010; Hansen & Riggle, 2009). A consumer's evaluation of the quality of relationship will clearly be dependent on the quality of the interaction with a salesperson (Bejou et al., 1998).

A key aspect of human behaviour is passing information from one party to another (Wetzel & Buckley, 1988). It is important to ensure the flow of information in building a relationship (Anderson & Narus, 1990). For any financial services institution, providing information and giving advice to customers are primary activities of relationship enhancement (Ennew, Kharouf, & Sekhon, Trust in UK Financial Services: A Longitudinal Analysis, 2011). It provides customers with information on new services, delivery problems, and how organizations solve a certain problem. Findings by Agnihotri et al. (2009) indicate that information may significantly affect customer satisfaction.

3. Methodology

3.1 Sample

This research used a convenient sample of 53 Takaful customers in Klang Valley area. Majority of the respondents are female (60%) while 20 of them (38%) are in the young age group (26-30 years). Obviously, 80% are married and 72% of the respondents work at the government sector. Overall, the sample chosen in this research is relatively competitive as the distribution among them in terms of group of income is comparatively (2001-3000-26%, 3001-4000-24%, 4001-5000-26%). In terms of the selection of Takaful agent and scheme, one-third of the respondents preferred Prudential Bsn-Takaful, and it is followed by Etiqa (26%), and Takaful Ikhlas (24%). The other Takaful operators that is choose by the respondent of this research are Syarikat Takaful Malaysia Berhad (5 respondent), Great Eastern Takaful (3 respondent), CIMB Aviva (1 respondent), and HSBC Amanah (1 respondent). Table 1 below indicates the details about the respondent background.

Table 1: Demographic Information

Demographic Information		Frequency	Percent (%)
Gender	Male	21	39.6
	Female	32	60.4
Age Group	26-30 years	20	37.7
	31-35 years	17	32.1
	36-40 years	10	18.9
	41-50 years	6	11.3
Marital Status	Single	11	20.8
	Married	42	79.2
Occupation sector	Government	38	71.7
	Semi-government	6	11.3
	Private	9	17.0
Income	<1000	2	3.8
	1001-2000	1	1.9
	2001-3000	14	26.4
	3001-4000	13	24.5
	4001-5000	14	26.4
	>5000	9	17.0
Takaful Company	Takaful Ikhlas Sdn. Bhd.	13	24.5
	Syarikat Takaful Malaysia Bhd.	5	9.4
	Etiqa Takaful Bhd.	14	26.4
	Prudential Bsn Takaful Bhd.	16	30.2
	CIMB Aviva Takaful Bhd.	1	1.9
	Great Eastern Takaful Sdn. Bhd.	3	5.7
	HSBC Amanah Takaful Sdn. Bhd.	1	1.9

3.2 Instrument

The practice of relationship marketing for the Takaful industry proposed in this research involves the Islamic Ethical Behaviour, product knowledge, and information communication. The Islamic ethical behaviour is measured through the attitude of the Prophet Muhammad (peace be upon him) as stated in the Qur'an. It includes truthfulness (Az-Zumar: 33, An-Najm: 4), responsibility (An-Nisaa': 58, Ali-Imran: 76), honesty (Al-Maidah: 8, An-Najm: 3), trustworthiness (Al-Fath: 10 and Ali-Imran: 76), and justice (Al-Maidah: 8 and Al-Mumtahanah: 8). Basically, these measures of Islamic Ethical Behaviour have been tested by marketing scholars including Ennew et al. (2011), Wood, Boles, Johnston, and Bellenger (2008), and Ahearne et al. (2007) even though they are not declared as Islamic ethical behaviour in their studies. These measures are suitable to the study's context because the target is to examine the Islamic marketing practices in the Islamic insurance industry. For that purpose, the customers of Takaful will be asked to rate their level of agreement about the agents' Islamic ethical behaviour such as honesty, responsibility, fulfilling promise, taking care of relationship with customers, and others. Initially, there are 7 statements prepared to measure the Islamic Ethical Behaviour.

Besides the Islamic Ethical Behaviour, the other aspect that is important in the practice of relationship marketing is product knowledge. The importance of knowledge is revealed through

Qur'anic verses such as Al-Baqarah: 247, Al-Kahfi: 108 and Al-Ankabut: 49. Therefore, to reflect the empirical perspective, the measure of product knowledge is adapted from Behrman and Perrault's (1982) study. There are six statements that embarked upon the perception of respondents towards the product knowledge of the agents including their knowledge on Takaful benefits, latest Takaful products or information, and also knowledge about conventional insurance. They are given a 6-point rating scale ranging from strongly agree (1) to strongly disagree (6). All statements are begin with '*I know that my Takaful agent....*'.

Finally, to evaluate the Takaful agents' relationship marketing practices, this research asked the customers on the agents' information communication practice. The agents basically are responsible to communicate to their customers the information or knowledge about the Takaful products. Once the customers receive accurate information about the products, this would assist them to make decisions about their financial protection needs. This would eventually raise the customers' satisfaction and confidence towards the agents and the industry. In this regard, three aspects of communication are thought to be of particular significance including accuracy, explanation and openness (Ennew et al., 2011). This study adapts the information communication measurements proposed by Morgan and Hunt (1994), Ahearne et al. (2007, 1999), Jain, Jain and Dhar (2003), Stock and Hoyer (2005), and Ennew et al. (2011). Overall, 7 items are used to measure the information communication. All items begin with '*My Takaful agent.....*'.

4. Results

4.1 Exploratory Factor Analysis

Prior to conduct descriptive analyses to measure customers' perception, a reliability test using cronbach alpha was done to confirm all the measurement items for each of the three constructs. It is followed by exploratory factor analysis to ensure the measurement of the constructs belong to the same group. The results for Islamic ethical behaviour indicate that this construct achieved the minimum requirement of 7.0 of cronbach alpha, given high loadings, and also high percentage of total variance explained (73%). In addition, test of sampling adequacy show that the sample is adequate to further analysis. Please refer to Table 2 below.

Table 2: Islamic Ethical Behaviour

Statements on Islamic Ethical Behaviour	Component Matrix	Cronbach alpha
<i>My Takaful agent is...</i>		
1. An honest and trustworthy person.	0.844	0.947
2. A responsible person.	0.876	
3. Always fulfilling his/her promises.	0.877	
4. Always maintaining good relationship with me.	0.877	
5. Giving advice based on my needs.	0.831	
6. Ready to help me whenever I encounter any problems.	0.842	
7. Disclosing the truth in the product presentations.	0.798	
Total Variance explained		72.508 %
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.752
Bartlett's Test of Sphericity	Approx. Chi-Square	371.918
	df	21
	Sig.	.000

The results for the construct of 'product knowledge' signify that this construct achieved the minimum requirement of 7.0 of cronbach alpha, given high loadings (over 7.0 except for statement number one), and also high percentage of total variance explained (67%). In addition, test of sampling adequacy show that the sample is adequate given provided the value of Kaiser-Meyer-Olkin measure of sampling adequacy is 0.839 which above the minimum point. Please refer to Table 3 below.

Table 3: Product Knowledge

Statements on Product Knowledge	Component Matrix	Cronbach alpha
<i>I know that my Takaful agent....</i>		
1. Knows the Takaful products very well.	0.451	0.743
2. Knows the benefits and disadvantages of Takaful products very well.	0.908	
3. Knows latest Takaful products and its benefits.	0.930	
4. Knows about conventional insurance product.	0.787	
5. Updates the current information about Takaful industry.	0.818	
6. Has the knowledge on investment and financial sector.	0.904	
Total Variance explained		66.649%
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.839
Bartlett's Test of Sphericity	Approx. Chi-Square	233.614
	df	15
	Sig.	.000

Finally, as for the construct of 'information communication', all measurement items are reliable (cronbach alpha=0.915). Overall, the results indicate that this construct is good enough with its measurement items given to high loadings, total variance explained (67%), and measure of sampling adequacy is high (0.915). Refer to Table 4 below for the details.

Table 4: Information Communication

Statements On Information Communication	Component Matrix	Cronbach alpha
<i>My Takaful agent.....</i>		
1. Gives information about Takaful to me with honesty.	0.808	0.915
2. Explains clearly on information about the difference of Takaful with Conventional Insurance.	0.822	
3. Convinces me through understanding.	0.812	
4. Uses company brochures or/and pamphlets for his/her presentation.	0.825	
5. Tries to satisfy me with explanation on future financial preparation.	0.871	
6. Provides all the information I ask for.	0.874	
7. Provides me reliable information.	0.695	
Total Variance explained		66.789%
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.823
Bartlett's Test of Sphericity	Approx. Chi-Square	292.071
	df	21
	Sig.	.000

4.2 Customer Perception towards Relationship Marketing Practices among Takaful Agents

Relied on descriptive analysis using SPSS statistical software as a method of analysis, average score for perception towards Takaful agents' Islamic ethical behaviour are from 2.40 to 2.89. It means that, majority of the customers are slightly agreed about the practice of Islamic ethics among the Takaful agents in dealing with them. Table 2 below presents the overall results for each measurement items of Islamic ethical behaviour.

Table 5: Customer perception towards Takaful agents' Islamic ethical behaviour

Islamic Ethical Behaviour		Mean	SD
1.	An honest and trustworthy person.	2.40	1.44
2.	A responsible person.	2.45	1.58
3.	Always fulfilling his/her promises.	2.70	1.56
4.	Always maintaining good relationship with me.	2.89	1.77
5.	Giving advice based on my needs.	2.73	1.52
6.	Ready to help me whenever I encounter any problems.	2.87	1.53
7.	Disclosing the truth in the product presentations.	2.75	1.50

Scales range from 1=strongly agree, 2=slightly agree, 3=agree, 4=disagree, 5=slightly disagree, 6=strongly disagree, 7=Not sure

Meanwhile, for product knowledge, the customers have agreed that the Takaful agents update the current information about Takaful to them. However, they are somewhat agreed on the other statements of product knowledge. It include; the agents know Takaful products very well, know the benefit and disadvantages of Takaful products, know the latest products, and know about conventional products. Table 3 below presents the overall mean for each of the statements.

Table 6: Customer perception towards Takaful agents' product knowledge

Product Knowledge		Mean	SD
1.	Knows the Takaful products very well.	2.32	4.46
2.	Knows the benefits and disadvantages of Takaful products very well.	2.66	1.52
3.	Knows latest Takaful products and its benefits.	2.66	1.39
4.	Knows about conventional insurance product.	2.89	1.53
5.	Updates the current information about Takaful industry.	3.00	1.44
6.	Has the knowledge on investment and financial sector.	2.87	1.43

Scales range from 1=strongly agree, 2=slightly agree, 3=agree, 4=disagree, 5=slightly disagree, 6=strongly disagree, 7=Not sure

Finally, the relationship marketing practices was also defined through the information communication of the agents to their customers. Parallel with the previous perception on Takaful agents' Islamic ethical behaviour and product knowledge, most of the customers are slightly agreed about the information communication by the agents. Their scored are varied between 2.68 to 2.98 for each of the measurement of information communication. Please refer to Table 4 below on the details of the result.

Table 7: Customer perception towards Takaful agents' information communication

	Information Communication	Mean	SD
1.	Gives information about Takaful to me with honesty.	2.70	1.64
2.	Explains clearly on information about the difference of Takaful with Conventional Insurance.	2.98	1.78
3.	Convinces me through understanding.	2.68	1.31
4.	Uses company brochures or/and pamphlets for his/her presentation.	2.68	1.41
5.	Tries to satisfy me with explanation on future financial preparation.	2.83	1.45
6.	Provides all the information I ask for.	2.80	1.55
7.	Provides me reliable information.	2.79	1.39

Scales range from 1=strongly agree, 2=slightly agree, 3=agree, 4=disagree, 5=slightly disagree, 6=strongly disagree, 7=Not sure

5. Conclusion

There are two main objectives in this research. First, this research aims to confirm the measure of relationship marketing in the Takaful industry from the customers' point of view. Second objective is to explore the customers' perception towards the practice of relationship marketing by the Takaful agents. Serves as a preliminary analysis in the subjective of relationship marketing for the context of Takaful industry, this research propose three constructs that can be used by the Takaful agents as a baseline to build good relationship with their customers.

In this context, the measurement of Islamic ethical behaviour, product knowledge, and information communication were found to have high factor loadings given to a high total variance explained. This indicate that all the measurements items in the three constructs can be used as to gauge the practice of relationship marketing particularly for the Takaful industry. Besides that, in terms of customers' perception towards these three constructs, it is found that the Takaful agents not entirely practice the Islamic ethics, lack of product knowledge, and also not communicate with their customer to deliver information on Takaful. The customers understudy is given little agreement on the practice of relationship marketing by the Takaful agents.

In a nutshell, the results present in this research still floating and do not confirm any generalization to the topic concern. It is because; this research presents a small number of samples which does not achieve the minimum number in order to confirm the factor analysis and further statistical analysis. However, it is possibly accepted as a pilot study for the preparation of real data collection. Future research should involve larger sample size, more variables, and also advance statistical analysis in order to make any generalization.

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