The Determinant of Takaful Acceptance: Theory of Reasoned Action Approach

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Abstract

Indonesia has great potential for Islamic insurance (takaful) based on the ratio of GDP. But still very few Indonesians, who have used Islamic insurance as a form of risk management and financial planning. This can be seen from the data, Indonesia has low literacy index and financial inclusion, mainly on conventional insurance (15.8% literacy, 12.1% inclusion) and Islamic insurance (2.51% literacy, 1.92 inclusions). This study aims to reveal why the low of Islamic insurance acceptance in Indonesia. This research uses quantitative method, using Theory of Reasoned Action Approach (TRA). The TRA construct identifies the effect of Attitude and Subjective Norms on Behavior through Intention. TRA constructs can be measured using the Structural Equation Modeling method with Partial Least Square (SEM-PLS). The results found that acceptance of Islamic insurance are influenced by attitude and subjective norms. Technically, either directly or indirectly, attitude variables affect the behavior through intention (sig. 0,000) or subjective norms variable affect to behavior through intention (Sig. 0,003).

Keyword: Islamic Insurance, Acceptance, TRA, SEM-PLS

INTRODUCTION

It is a fitting that every human activity is risky. Risk is an undesirable event that if it happens will cause loss. To avoid losses that occur humans have several ways that can be used. Individuals can retain those risks by saving a certain amount of money so that when the risk of losses can be replaced with funds owned. On the other hand individuals also have other options by transferring those risks to other parties. Due to the transfer of risk to another party, the individual will pay the amount of funds that can be used in lieu of the losses. One of the parties who received the risk transfer was the insurance company.

Although there are parties who accept the risk transfer of insurance companies, not all individuals are willing to transfer the risk that may be faced by the insurance company. Distrust of this insurance is reflected in the low number of insurance users in Indonesia. Based on survey results from OJK related to literacy and financial inclusion, especially in the insurance sector, the number of insurance users in Indonesia only reached 10%, only 1% difference from pawnshop/ fiduciary service users.

In other hand, if viewed from the eyeglasses of ASEAN, Indonesia actually has great potential in the development of the financial industry, especially in insurance. As reported by ASEAN Insurance Pulse 2017, Indonesia has economic stability from GDP growth until 2022 at 5.4% level. This means that in the forecast Indonesia is in third position in achieving the highest GDP ASEAN so it is potentially in the development of the financial industry, especially insurance.

**Graphic 1: ASEAN GPD forecast**
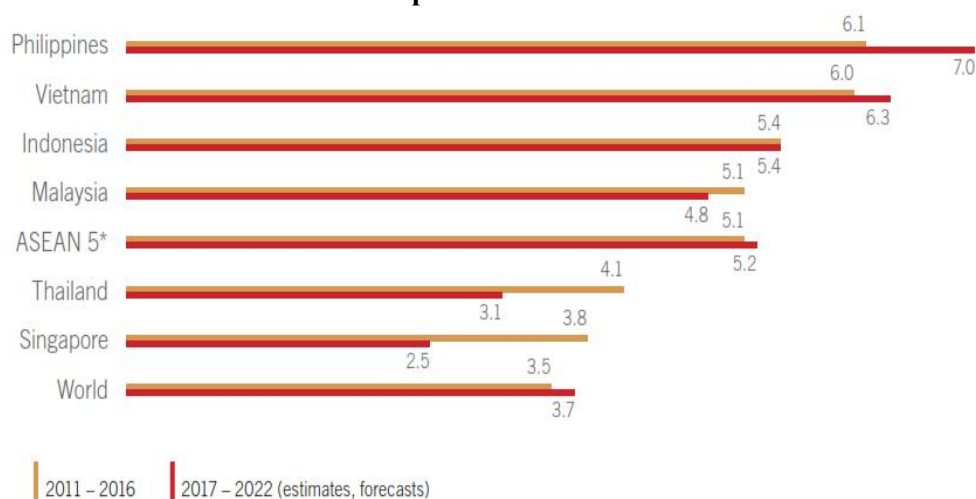
This is reinforced by Indonesia occupying the third position of ASEAN in terms of collecting insurance premiums. According to ASEAN Insurance pulse 2017, Indonesia has 23 percent of insurance premiums, below Thailand 26 percent and Singapore 24 percent of the total ASEAN members. To achieve such competitive advantage, it is necessary to support the increase of literacy and financial inclusion, especially in the insurance sector. So far, the increase in literacy and inclusion is still limited to the banking industry. It would seem futile if the potential is not appreciated in the effort to raise public awareness about the importance of insurance.

Graphic 2: Financial Literacy and Inclusion Index
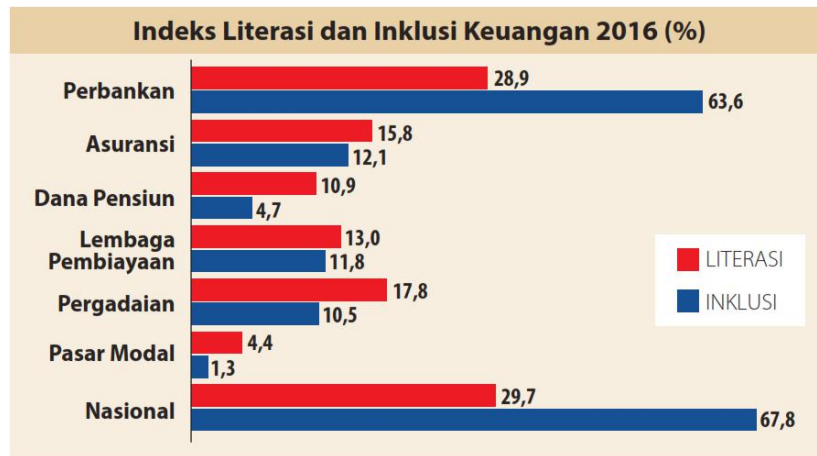
According to the Master Card Literacy Index survey, the Asia Pacific region of Indonesia is still lagging behind with Singapore being the top index of literacy with a score of 71 in 2016. Indonesia only reached a score of 62 where for the ASEAN level is still inferior to Malaysia and Thailand is packing a score of 67. Still low level of literacy and financial inclusion in Indonesia, will impact on the user of insurance in Indonesia. Based on the OJK report for the year 2017 among 10% percent of insurance users, the new market share of Takaful insurance reached 5.98%. This means that almost 94% of insurance management is entrusted to the conventional insurance sector.

Graphic 3: Islamic Financial Literacy and Inclusion Index
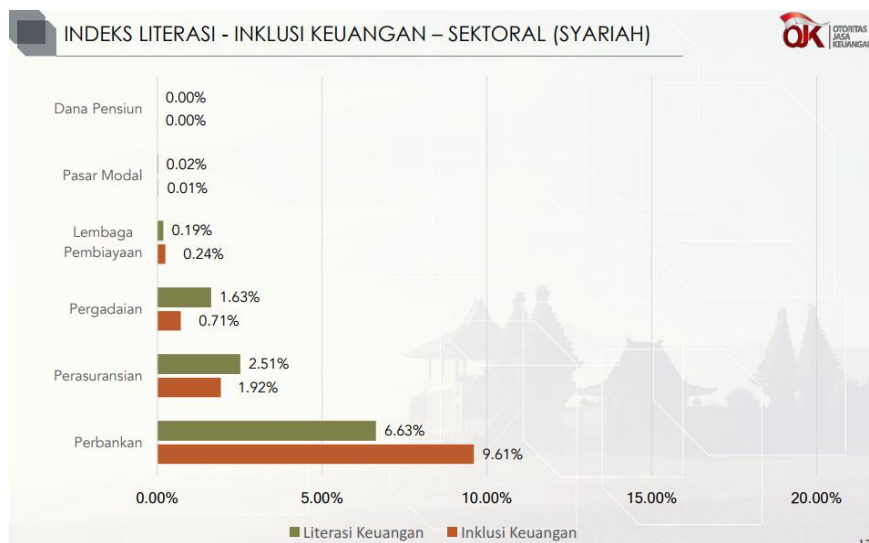
Based on the graph above, inclusion index and Islamic financial literacy in Indonesia are still very low. Sharia insurance literacy index only reached 2.51% while the inclusion index

only got 1.92%. This means that the index of literacy and inclusion of Islamic insurance is still far behind with the index of literacy and inclusion of conventional insurance which is more than 10%. This means that the government through OJK, should be aggressively educate the Takaful products to the public. Takaful insurance becomes less popular than conventional insurance, whereas Indonesia majority is Muslim.

Based on this, and then attract researchers to conduct research on community acceptance of Takaful Insurance. Is it only because the public knowledge of sharia insurance is still low where seen from the index of literacy so that the impact on the low participation in the use of Takaful insurance? Or there is another possibility where there is a priori society against Takaful Insurance.

Islamic Insurance (Takaful)

By definition, the noun takaful is derived from takafala which means literally translates to "looking after one another" (Hamid and Othman, 2009). It is visualized as a pact among a group of members or participants who agree to jointly guarantee among themselves, against loss or damage that may be inflicted upon any of them as defined in the pact (Yusof, 1996). Participants mutually agree to guarantee each other against defined loss or damaged by contributing funds known as the as tabarru' (Billah, 2001).

Takaful (*ta'min*, *takaful*, *tadhamun*) according to the National Sharia Council (DSN-MUI) is an effort to protect each other and help people among the parties through investments in assets and / or tabarru' that provide a pattern of return to face certain risks through akad (engagement) in accordance with the provisions of sharia. Therefor, the Islamic insurance premium is the amount of funds paid by participants consisting of savings and tabarru' funds. Savings funds are deposits from insurance participants and will get a profit share (mudharabah) from the investment income earned annually. Savings funds and revenue sharing will be returned to participants if the participant submits a claim, either a cash value claim or an insurance benefit claim. While tabarru' fund is charity/ donation or a benevolent fund given and expressed by the participant if at any time will be used to pay the cost of claim or general insurance (Suma, 2006). So for the funds tabarru' is not returned (given / distributed) again to the participants, because in this case the fund has been willing participants to alms and help

others. Tabarru' funds will be managed by sharia insurance companies to be developed, so that the funds become large and can be to assist other affected parties.

Broadly speaking the principle of muamalah can be divided into two products namely on the basis of saving and non-saving. For saving funds, the premiums paid by participants will be allocated to the investment account. Profit return on investment after deducting the insurance expense (claims and re-takaful premiums) will be distributed to participants and companies on the profit-sharing principle (mudharabah). For non-savings funds, any premiums paid by participants will be included in the "tabarru'" account. Tabarru account is a collection of funds that have been devised by the participants as a contribution and a virtue (donation) for the purpose of helping each other and helping each other, and paid when the participant has an accident or agreement has expired. The accumulation of these funds will then be invested in accordance with Islamic law (Sula, 2004).

Theory of Reasoned Action (TRA)

Theory of Reasoned Action (TRA) was first introduced by Martin Fishbein and Ajzen in Jogiyanto (2007). This theory connects between belief, attitude, intention and behavior. Intention is the best predictor of behavior, meaning if you want to know what someone will do, the best way is to know the intention of the person. An important concept in this theory is the focus of attention, which is to consider something that is considered important. Intention is determined by subjective attitudes and norms (Jogiyanto, 2007).

Jogiyanto (2007) argues that Intention is the function of two basic determinants, namely the attitude of the individual to the behavior (a personal aspect) and the individual's perception of the social pressure to perform or not to engage in behavior called subjective norms. In short, practice or behavior according to Theory of Reasoned Action (TRA) is influenced by intention, whereas intention is influenced by subjective attitude and norms. The attitude itself is influenced by the belief in the outcome of past actions. Subjective norms are influenced by the belief in the opinions of others and the motivation to obey the opinion. More simply, this theory says that a person will do an act if he views the deed is positive and if he believes that others want him to do it.

Graph 4: Construct Theory of Reasoned Action
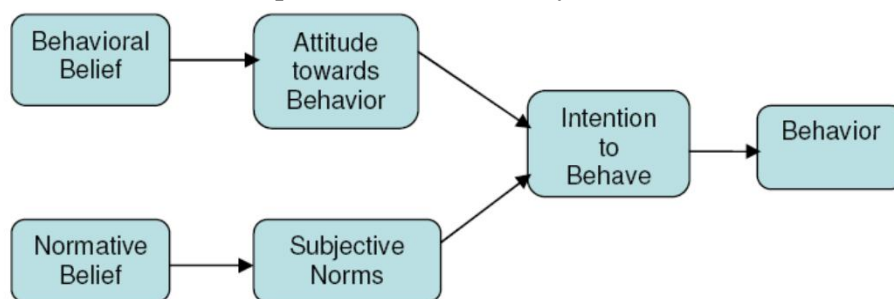
The purpose and benefits of this theory is to forecast and understand motivational influences on behavior that is not under control or individual's own will. To identify how and where directing strategies for behavior change and also for explains on every important aspect of some human behavior as to why someone buys a new car, chooses a candidate in the election, why not coming to work or why doing prenuptial relationships. Fishbein and Ajzen (1975) describe several components in Theory of Reasoned Action (TRA), including:

a. *Behavioral Belief* is referring to one's belief in a certain behavior. One will consider the profit or loss of the behavior (outcome of the behavior), besides it is also considered the importance of the consequences that will occur to the individual when he did the behavior (evaluation of the outcome).

b. *Normative Belief* reflect the impact of normative beliefs, reflecting the impact of subjective norms and social norms referring to one's beliefs about how and what people think of as important by the referent persons and the motivation of a person to follow the behavior.

c. *Attitude toward the behavior* is a function of belief about the consequences of a behavior and an assessment of the behavior. Attitude also means a general feeling that expresses a person's affinity for an object that drives his response. Behavioral factors are the determinants of behavioral changes that are shown by a person's attitude change in dealing with something. Changes in attitude can take the form of acceptance or rejection.

d. *Importance Norms* are the norms prevailing in society. The influence of socio-cultural factors prevailing in the society in which a person lives. Socio-cultural elements such as prestige that can also bring a person to follow or leave a behavior.

e. *Subjective Norms* are the norms adopted by a person (family). The encouragement of family members, including close friends, also influences a person's acceptance of certain

behaviors, followed by advice, suggestion and motivation from family or friends. The ability of family members or close friends affects an individual to behave as they expect from the individual's experience, knowledge and judgment of a particular behavior and his belief in seeing the success of others behave as suggested.

f. *Behavioral Intention/ intention to behave* are the intention determined by attitudes, important norms in society and subjective norms. The first component refers to attitudes toward behavior. This attitude is the result of consideration of profit and loss of the behavior (outcome of behavior). Besides, it is also considered the importance of the consequences that will occur to the individual (evaluation of the outcome). The second component reflects the impact of subjective norms and social norms that refer to a person's beliefs about how and what people think is important to one's motivation to follow that thought.

g. *Behavior* is an action one has chosen to display based on an established intention. Behavior is a transition of intent or will into action.

Previous Research

Rahim and Amin (2016) aimed at investigating the factors influencing the Islamic insurance acceptance among Malaysian bank customers. It focuses on the relationships among attitude, subjective norms, amount of information (AOI) and acceptance of Islamic insurance. For the purpose, the study used existing theory to identify factors, which are of paramount importance to explain the Islamic insurance acceptance. Multiple regression analyses are employed in order to confirm the relationship of the antecedents involved. We collected 176 valid survey responses. The study found that that attitude, subjective norms, and AOI are influential predictors of Islamic insurance acceptance. The study provides an insight into the understanding of factors leading to the customers' acceptance of Islamic insurance. Importantly, it is also of interest for future planning of Islamic insurance products.

Adamu (2016) examined determining the variables influencing consumers' patronage of insurance services in northern Nigeria, and review the variables to evaluate the level of influence. The attitudes and awareness, most often negative, are found to be the cause of low patronage of insurance services. It is also found that, religious values, subjective norms and behavioral control factors does not account for poor acceptability and patronage. The role of poor marketing strategies plays an important role in the persistent of such negative surge, as

illustrated from the theoretical perspective. The findings present different demographical factors and their attitudes towards insurance companies and their services.

Ayinde and Echchabi (2012) examined the Malaysian customers' willingness to adopt Islamic insurance services as well as the factors that may influence their behavior. A total of 200 questionnaires were randomly distributed to Malaysian customers. The data analysis was done through Structural Equation Modeling and t-test. The findings indicate that the Malaysian customers are willing to adopt Islamic insurance services, and their decision is depending on two factors i.e. compatibility and awareness. The findings have great implications to the theory, to the policy makers and regulations as well as to the practitioners.

Amin (2012) testing the effects of attitude, subjective norms and amount of information on the Islamic insurance participation. Drawing upon the theory of reasoned action (TRA), this study proposes a model to examine the factors within the Islamic insurance participation context. The model is tested using survey data from 206 respondents. Importantly, the results suggest that attitude, subjective norms and amount of information provide the best fit to the data and are of value to be considered as the indispensable factors in determining the Islamic insurance participation. The findings of this study shed some light on the consumers' acceptance level of an Islamic insurance. It also provides valuable insights for takaful operators to manage the Islamic insurance services effectively.

Ishak (2017) reviewed several determinants of customer satisfaction based on the existing literature. Result, it is important for the Takaful operator to focus on a right marketing strategy. This will help the company able to compete and to develop at par or better than the conventional insurance. Customers today are looking for a valued for money product/services and a good after purchase relationship. In identifying some of the antecedent that lead towards the creating of customer satisfaction in the Takaful industry in Malaysia, this study will contribute in providing an extend knowledge in the field of literature and also at the same time help the Takaful player to lower their cost and start focusing on the right method to achieve customer satisfaction.

Yazid *et.al* (2017) determined find out the other factors contributing to the purchasing decision of family Takaful in the Malaysia context. The objective of this study is to examine whether the factors of reputation and image, products and services, as well as marketing and advertising affecting the policyholders purchasing decision of family Takaful. Besides, this

study also aims to investigate the effect of education as a moderator on the relationship between reputation and image, products and services and marketing and advertising on purchase decision in family Takaful. The result revealed that all factors in this study are significantly related to the purchasing decision of family Takaful. As for moderating effect of education, this study discovered that education significantly moderated the effects of reputation and image, products and services, as well as marketing and advertising on purchase decision in family Takaful.

Recently, acceptance of Takaful as an Islamic financial product has been declining in African Muslim-dominated countries such as Kenya, Tunisia, and Nigeria. In understanding the causes of this trend and proffer a possible solution, Mas'ud (2016) examines the effects of individuals' attitude towards Takaful, perceived behavioral control, individual's risks vulnerability on Takaful acceptance intention in Nigerian Frontier Market. It also examined the moderating effect of individual's risks vulnerability on the relationship between attitudes towards Takaful, perceived behavioral control, and Takaful acceptance intention. Through a quantitative methodology employed for the purpose, the results revealed that attitude towards Takaful, perceived behavioral control and individual's risks vulnerability are significantly related to Takaful acceptance intention. Moreover, individual's risks vulnerability moderates the relationship between attitude towards Takaful, perceived behavioral control, and Takaful acceptance intention. In line with these findings, theoretical and practical implications, as well as the direction of future research, were highlighted.

METHOD

Type of Research

This type of research uses field survey. The survey method was chosen because the purpose of this study was to measure the individual reasons in the community in using Islamic insurance products. This research is also a quantitative descriptive study. The variables in this study adopted from the theory of reason action approach introduced by Fishbein and Ajzen (1975). This study uses primary data because the quantitative data is taken directly from the respondents. After obtaining the data, the next step is to process the data using statistical tests and interpret the results (Cooper & Schindler, 2011).

Population and Sample

This research is used to see how big the society in using Islamic insurance product. Therefore, samples selected were randomly sampled for 100 people. Respondents consist of elements of civil servants (PNS)/TNI/Polri/BUMN, private employees, entrepreneurs, students and others.

Method of collecting data

The method used in this study using direct field survey method using a questionnaire, which directly answered by the respondents research (Cooper and Schindler, 2011). The questionnaire contained closed and open questions to measure how much public interest the financial literacy would have, resulting in financial inclusion for the category of insurance, especially Islamic insurance. The end result is to know the public interest towards Islamic insurance.

Structural Equation Model (SEM) with Partial Least Square (PLS)

SEM (Structural Equation Modeling) is a statistical technique capable of analyzing patterns of relationship between latent constructs and their indicators, latent constructs with each other, and measurement error directly. SEM allows the analysis between some dependent and independent variables directly (Hair *et al*, 2006).

Structural Equation Modeling (SEM) is one of the methods currently used to cover the existing weaknesses of the regression method. The research methodologists classify SEM into two approaches. The first approach is called Covariance Based SEM (CBSEM) and the other approach is Variance Based SEM or better known as Partial Least Squares (PLS). SEM-based covariance generally tests the causality or theory while PLS is more predictive model. In modeling with prediction objectives it has consequences that testing can be done without a strong theoretical basis, ignoring some assumptions and parameters of the prediction model accuracy seen from the coefficient of determination (Monecke & Leisch, 2012).

Structural model testing in PLS is done with the help of SmartPLS software ver 3 for windows. The steps that must be done in Partial Least Square (PLS) are: 1. Designing Structural Model (inner model); 2. Designing the measurement model (outer Model); 3. Model Evaluation (line coefficient estimation, loading and weight, goodness of fit); and 4. Hypothesis Testing

    a. **Structural Model (Factor Analysis)**

        SEM using PLS only allows the relationship model between variables that are recursive (unidirectional) only. This is similar to the path analysis model, not the same

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as the Covariant-based SEM that allows for non-recursive (reciprocal) relationships as well. In the structural model, also called the inner model, all latent variables are related to one another by the theory of substance. The latent variable is divided into two, namely exogenous and endogenous. Exogenous latent variables are causal variables or variables without being preceded by other variables with arrow marks leading to other variables (endogenous latent variables). This study used a modified approach from Theory of Reason Action (TRA). The variables used are Attitude toward Behavior (ATT), Subjective Norms (NORMS), Intention to Behave (INT) and Behavior (BHVR). Each variable is measured using question items with Likert scale. Questionnaire items were adapted from prior studies, which are described as follows Rahim and Amin (2011). Based on the theory, and then constructed this research construct as follows:

Graphic 4: TRA Construct Modeling
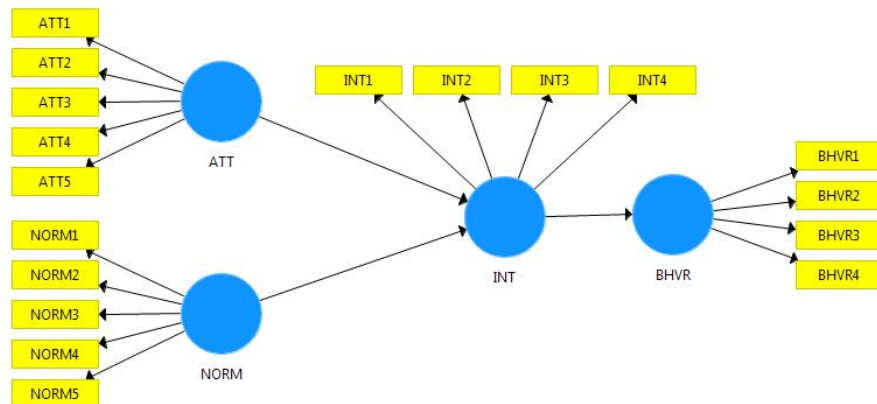
b. Measurement Model (Outer Model)

Outer models are often also called outer relations or measurement models that define how each indicator block corresponds to its latent variables. The outer model is used to assess the validity and reliability of the model. The validity test is conducted to find out what the instrument's ability to measure what should be measured (Cooper and Schindler in Jogiyanto and Abdillah 2009). While reliability test is used to measure the consistency of measuring instruments in measuring a concept or can also be used to measure the consistency of respondents in answering items statement in the questionnaire or research instrument.

c. **Evaluation of Structural Model (Inner Model)**

The structural model (inner model) is a structural model to predict the causality relationship between latent variables. Through the bootstrapping process, the t-statistical test parameters were obtained to predict a causality relationship. The structural model (inner model) is evaluated by looking at the percentage of variance described by the R-square value for the dependent variable by using the Stone-Geisser Q-square test (Stone, Geisser, 1974).

d. **Hypothesis Testing**

According to Hartono (2008) in Jogiyanto and Abdillah (2009) explains that the size of significance of hypothetical support can be used comparisons of t-table and t-statistic values. If t-statistics are higher than the t-table value, the hypothesis is supported or accepted. In this study for a 95 percent confidence level (alpha 95 percent), the t-table value for the one-tailed hypothesis is> 1.68023. Analysis of PLS (Partial Least Square) used in this study was conducted using SmartPLS program version 3 which is run with computer media.

RESULT AND DISCUSSION

Demographic Respondent

Respondents who successfully obtained in the study amounted to 100 people consisting of various backgrounds. The descriptive statistics are presented in the following table:

Table 1.
Respondent Summary

Attribute	Demographic Distribution	
	f	%
Gender		
Male	48	48 %
Female	52	52 %
Occupation		
PNS/TNI/Polri/BUMN	15	15 %
Private Employees	13	13 %
Entrepreneurs	19	19 %
Students	36	36 %
Others	17	17 %
Education		
Elementary	4	4 %
Junior High School	4	4 %
Senior High School	40	40 %
Undergraduate	46	46 %
Postgraduate	6	6 %
Saving Ownership		
Yes	87	87 %
No	13	13 %
Insurance (include BPJS) Ownership		

Yes	46	46 %
No	54	54 %
Islamic Insurance Ownership		
Yes	6	16 %
No	94	84 %

SEM Calculation Result

a. Structural Model (Factor Analysis)

By statistic calculation, the latent variable to be tested is behavior. Behavior is the dependent variable of structural building in Theory of Reason Action (TRA). In this test, the purpose of the researcher is to know what are the factors that influence behavior. Behavior in question is the public interest in using Islamic insurance. While the corresponding independent variables in the Theory of Reason Action (TRA) are attitude and subjective norms. So in this case, testing is done to measure how much attitude and subjective norms in affecting behavior moderated by intention. The structural calculation results are as follows:

Graphic 5: Factor Loading of TRA Construct
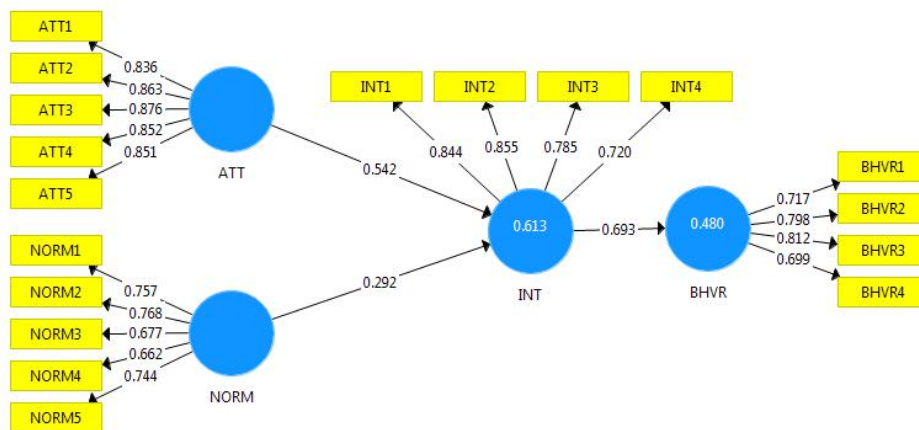
b. Measurement Model (Outer Model)

Outer model measurement can be done by testing Convergent Validity, Discriminant Validity and Unidimensionality. Based on the result of structural calculation above, to determine the Convergent Validity by looking at loading factor value. The results found all loading factors worth more than 0.6 so that the test outer model is valid. In addition to the value of the loading factor, Convergent Validity can also be seen from the Average Variance Extracted (AVE).

Graphic 6: Convergent Validity Testing
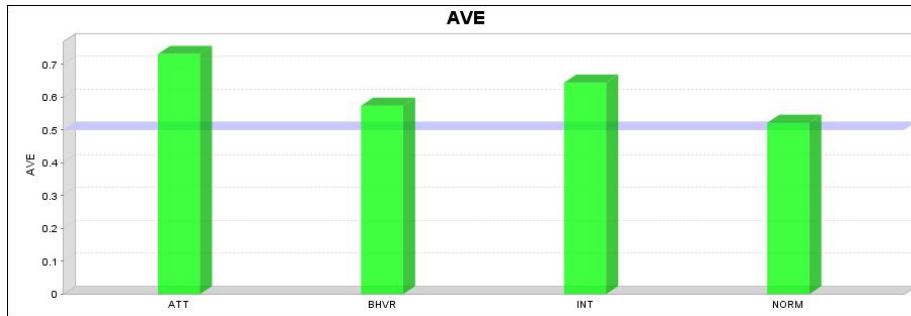
In this study the AVE value of each construct is above 0.5. Therefore there is no convergence problem of validity in the model under test. Because there is no problem Convergent Validity, then the following are tested is the problem associated with Discriminant Validity. The criterion for Discriminant Validity is to compare the roots of Average Variance Extracted (Root AVE) for each construct with a correlation between constructs with other constructs in the model. The model has sufficient discriminatory validity if the AVE Root for each construct is greater than the correlation between the other constructs.

Table 2: Discriminant Validity Testing

	ATT	BHVR	INT	NORMS
ATT	0,856			
BHVR	0,709	0,758		
INT	0,758	0,693	0,803	
NORMS	0,740	0,715	0,693	0,723

Based on the output above, it is known that the square root value of AVE (0.856, 0.758, 0.803 and 0.723) is greater than the correlation of each construct so that there is no problem with discriminant validity.

To ensure that there are no measurement-related issues then the final step in the outer model evaluation is to test the Unidimensionality of the model. The Unidimensionality Test was performed using Composite Reliability and Alpha Cronbach indicators. For both of these indicators the cut-off value point is 0.7.

Graphic 7: Reliability Testing
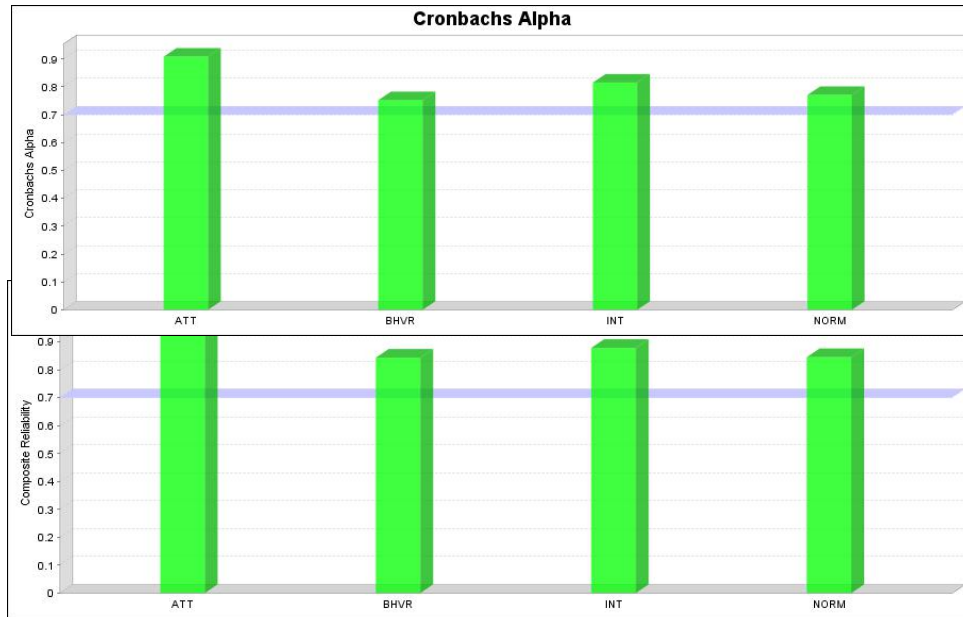
The table above shows that all constructs have composite reliability values above 0.7. Therefore, there is no reliability/ unidimensionality problem in the established model.

c. Evaluation of Structural Model (Inner Model)

Inner model evaluation can be done in three ways. These three ways are with a view of R^2, Q^2 and Goodness of Fit (GoF). The value of R^2 is as follows:

Table 3: Determinant Coefficient Testing

	R^2
BHVR	0,480
INT	0,613

Based on these data, Inner model testing can be done by looking at the value of Q2 (predictive relevance). To calculate Q2 can be used the formula (Tenenhaus, 2004):

$Q^2 = 1- (1-R1^2) (1-R2^2)$
$Q^2 = 1- (1-0,480) (1-0,613)$
$Q^2 = 0,798$

The last one is to find the value of Goodness of Fit (GoF). GoF value on PLS-SEM must be searched manually by the formula (Tenenhaus, 2004):

$$GoF = \sqrt{average\ (AVE)\ x\ average\ (R^2)}$$

$GoF = \sqrt{0,621\ x\ 0,547}$
$GoF = 0,583$

According to Tenenhaus (2004), GoF small value = 0.1, GoF medium = 0.25 and large GoF = 0.38. From testing R^2, Q^2 and GoF it is seen that the model formed is robust. So that hypothesis testing can be done

d. Hypothesis Testing

Partial test or also called t-test in multiple linear regression analysis aims to determine whether the independent variable (X) partially (individually / each variable) has a significant effect on the dependent variable (Y). In this research there are 4 variables, where attitude and subjective norms act as predictor, and intention act as mediator and behavior as criterion. The summary of SEM-PLS regression result is as follows:

Table 4: Hypothesis Testing

	Original Sample	Sample Mean	Standard Error	T Statistic	P Value	Decision
ATT > BHVR	0,375	0,382	0,072	5,240	0,000	Accept
ATT >INT	0,542	0,554	0,094	5,785	0,000	Accept
INT > BHVR	0,693	0,700	0,055	12,594	0,000	Accept
NORMS > BHVR	0,202	0,212	0,067	3,026	0,003	Accept
NORMS > INT	0.292	0,289	0,096	3,058	0,002	Accept

To test the indirect effect is done by using the theory formulated by Kenny and Baron (1986). According to Kenny and Baron, in testing the indirect effect is known three kinds of variables. The three variables are predictor, criterion and mediator. To test the indirect effect can be done through four stages. The first stage examines the direct influence of the predictor to the criterion. Based on the above table it is known that predictor (Attitude and Subjective Norms) have significant effect on Behavior (ATT> BHVR; t = 5,240; p <0,05 and NORMS> BHVR; t = 3.026; p <0,05).

Then proceed with the second and third steps of seeing if the predictor has an influence on the mediator and the mediator has an influence on the criterion. At the stage of predictor influence on mediator be known Attitude and Subjective Norms have an effect on Intention (ATT> INT; t = 5,785; p <0,05 and NORMS> INT; t = 3,058; p <0,05). While in the stage of the influence of mediators on the criterion is the Intention effect on Behavior (INT> BHVR; t = 12,594; p <0.05). Following the steps of Kenny and Baron (1986) shows that Intention mediates the influence of Attitude and Subjective Norms on Behavior.

Table 5: Moderation Type

	Original Sample	Sample Mean	Standard Error	T Statistic	P Value	Decision
ATT > BHVR	0,255	0,230	0,154	1,658	0,098	Full Mediation
NORMS > BHVR	0,375	0,395	0,115	3,252	0,001	Quasy Mediation

To see if the Intention provides a full mediation or partial mediation effect, then it can be continued in step four. The fourth step is to look at the influence of predictors (Attitude and Subjective Norms) on the criterion (Behavior) by including the influence of the mediator (Intention). From the test it appears that when the influence of the mediator is included in the model it appears that predictors (Attitude and Subjective Norms) have a significant influence on Criterion (Behavior). However, if the influence is separated, the direct influence between Attitudes (predictor) to behavior is not significant (Sig. 0,098) so that it can be concluded that the effect of moderation is full mediation. While the influence of Subjective Norms (Predictor) to behavior (Criterion) significant (Sig. 0,001) so that it can be concluded is partial mediation (quasy mediation).

Discussion

Based on the results of SEM-PLS note that Attitudes and Subjective Norms directly influence intention, then intention effect on behavior. Based on the calculation found that attitude and subjective norms influence the behavior.

In the discussion of this study. It was found that a person's attitude in acceptance of Islamic insurance, influenced by attitudes and subjective norms. Attitude which according to Jogiyanto (2007) influenced by the experience of self in the past. This means that Indonesians are still low in accepting and using Islamic insurance (see Islamic insurance inclusion index of 1.92%), because individuals have no historical and empirical experience about the use of Islamic Insurance. Some respondents obtained in this research revealed not interested in insurance, including insurance of Islam. Respondents at least argue that many needs have to be met so it is not possible to insure. Premiums cannot be reissued if there are no claims so people feel disadvantaged. Distrust with the insurance backdrop because during this reference people only see the phenomenon of BPJS is sometimes difficult in filing claims. The trauma to the ever insured due to insurance agent factors that are sometimes only profit-oriented, thus offering products not based on usefulness but the most profitable products for agents. People

prefer to invest or save money in the bank compared to insurance. Some people are afraid of not being able to pay the premium because the unexpected costs sometimes appear larger as part of the cost of culture. Partly there is also the belief that insurance product (life insurance) contrary to belief (religion). The effect of these empirical and historical traces is what causes the individual to form an apathetic attitude towards insurance, especially Islamic insurance.

Besides the second factor is subjective norms, where still according Jogiyanto (2007) states that subjective norms influenced by perception of people around. In this study found that almost all respondents (majority of respondents) stated that no one provides recommendations for insurance. While the minority of respondents stated, their desire is insured because they have literacy information related to financial planning. Based on the OJK release, Indonesia's literacy rate on insurance in general is 15.8%, while Islamic insurance only touches 2.51%. This proves that the public needs to be educated about the importance of insurance and the benefits that will be obtained later.

Therefore, this study recommends the theoretical set up by TRA that Islamic insurance institutions have to work hard to provide education related to the importance of doing financial planning, especially risk management through insurance. At least OJK has intensively conducted socialization related to the financial literacy of various sectors, ranging from banking to pawnshops. The goal is to improve the index of financial inclusion, so that people are literate with the knowledge of financial use. However, it should also be accompanied by an increase in the quality of insurance services to attract intention from the community. If insurance management can be done optimally, excellent service, able to give positive contribution for customer, hence it is not impossible if this information will become reference of society in doing insurance. Theoretically, individual experience will shape the attitude of the individual so as to bring the intention to use the insurance product. If deemed to provide benefits it will automatically create a behavior for the individual. The empirical experience can also be transmitted to others, thus forming subjective norms that will eventually collectively form common behaviors in the use of insurance products, particularly Islamic insurance.

Islamic insurance should be able to branding owned products, one of which is the compliance of sharia as one of the advantages of Islamic insurance. Insurance Islam must also dare to head to head with conventional insurance, so this competition will maximize

performance in winning the hearts of people. Takaful insurance is expected not only able to attract Muslim customers, but non-Muslims though. As the development in Europe, the majority of non-Muslims there already saturated with conventional systems and switch to the system of sharia. This shows that sharia is a system of rahmatan lil 'alamin.

CONCLUSION

The low interest of the Indonesian people towards Islamic Insurance is caused by the lack of popularity of Insurance as a model of risk management and financial planning. In the TRA construct, the behavior to perform insurance transactions is influenced by Attention and Subjective Norms mediated by Intention. This means the intention is raised by strengthening the Attitude and Subjective Norms.

The attitude here is the empirical experience felt by individuals in using insurance. The findings in this study, the majority of respondents are not interested in doing insurance because there are two factors, namely internal factors and external factors. Internal factors, the outline of individuals feel they do not benefit from premiums paid. This is indicated by the reason of not being able to pay, more interested in the bank, feel aggrieved because if there is no risk of happening then the claim can not be filed and the nature of traditionalism is hard to accept new things, especially in financial management. While external factors, in general need to increase the capacity and capabilities of insurance institutions and government in service and education to the community. This is evident from the reason that the public claims that the claim is difficult, does not match the products offered by the agent to the individual needs, and the government's targeting is still focused on fixing the literacy and financial inclusion for the banking sector.

In the view of subjective norms, it is related to the influence of others on the individual for insurance. In general, inclusion Insurance is still very low so that macro will affect the lack of "word to mouth" to socialize insurance against individuals. Although the people of Indonesia is very potential, but Insurance has not had a significant branding, then travel insurance will always see a steep road. No share experience causes the lack of public knowledge about the benefits of Insurance, so the intention of the community to establish insured behavior is very low. Proven that of 100 resonden, still less than 5% who already have insurance, both conventional insurance and Islamic insurance. It means that extra attention is

needed to ground insurance, and to form the habit of the people to do insurance. The key is with literacy, inclusion, education, and service.

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