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Assessment of determinants of intention to purchase Takaful products and services among MSMEs in Yobe State

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Article Info

Abstract

This study examined the attitude, subjective norms and religiosity of MSMEs owners and their intention to purchase Takaful products and services. The study adopted a descriptive survey research design in which cross sectional data is collected, the population of the study is 784,044 MSMEs, the sample size of the study is 382 MSMEs obtained from Krejcie and Morgan (1970), The use of self-administered questionnaire is adopted, multiple regression is used to test the hypotheses of the study. The findings reveal that attitude, religiosity and subjective norm significantly influence intention to purchase takaful products and services among MSMEs in Yobe state. The study recommends the need for (NAICOM) and takaful companies to improve the attitude of people through organizing workshops, symposiums and seminars. The study also recommends the need for religious leaders to mobilise a massive advocate to members of their communities through organizing educative programs. Lastly, the study recommends leaders i.e., traditional and religious leaders to enlighten members of their communities to purchase takaful products and services.

1. Introduction

Over the past three decades, the Islamic insurance (*Takaful*) has established itself worldwide, both in Muslims and non-Muslim countries. Based on the Global *Takaful* Report (2017) the total global *Takaful* contribution was estimated at U$$14.9 billion in 2015 representing a double-digit growth rate of 14% in 2015. This is based on *Takaful* contribution in the following market such as South East, Asia, Malaysia, Indonesia and Brunnie (Ariffin & Yazid, 2018) [17].

Islamic insurance (*Takaful*) has its appeal for the strong ethics of the system of fairness, transparency, distribution of wealth leading to social goodness and environmentally friendly focus for generating economics activity. It discourages creating money from money and hence prohibit interest. It links deposits and investment to real underlying assets, with these principles the Islamic financial institution has managed to maintain more consistent returns even during the economic downturn (Bhatty, 2010). For economic development, investments are necessary. Investments are made out of savings. A *Takaful* operating company is a major investment for the mobilization of savings of people, particularly from middle and lower incomes groups. These savings are channeled into investment for economic growth. Job creation, is yet another contribution to the Nigerian economy through the *Takaful* mechanism (Yusuf, 2012) [81].

Islamic insurance (*Takaful*) is an alternative to conventional insurance which use Islamic principles as the basis (Husin & Rahman, 2016) [45]. *Takaful* insurance is an arrangement by a group of people with common interest to guarantee and protect themselves from certain define misfortunes such as premature death, disability, ageing, sickness, and property damages, fire and so on (Ayuba, 2014) [19].

Small and medium scale enterprises are important jobs creators, contributing to the social stability of the area in which they activate. The sector is the main sources of forming the middle class with a decisive role in maintaining the social economic stability in a country. It increases the competitive state of market, being sources of competitiveness which in return making a better satisfaction of consumer's needs. The MSMEs contributes in forming goods and services.

The idea of implementing Islamic insurance (*Takaful*) in Nigeria by the National Insurance Commission (NAICOM) is to serve the needs of Muslim population and other individuals who need ethical financing with a view to enhancing patronage level of insurance (Yaqub & Dandago, 2015) [79]. *Takaful* is an innovative form of Islamic Insurance that has been permitted to operate in Nigeria as an alternative to that of the conventional insurance. *Takaful* was first introduced in Nigeria by African Alliance Insurance Company Limited in 2003 by introducing a product called family *Halal Takaful*. Later in 2005 Niger Insurance Company joint the market trend by introducing Niger Mutual *Halal* Plus.

The contribution of insurance industry in Nigeria to the Gross Domestic Product (GDP) is below 1% (NBS, 2017). This is as a result of the low performance of the conventional insurance in Nigeria as found by previous researchers. The oil boom of 1970 has enormously contributed to the economic development of Nigeria in various sectors including banking, manufacturing, mining, commerce and trade. The National Bureau of Statistics (2017) has shown a positive growth in the insurance industry, but contribution to the growth of the Nigerian economy is less compared to the other sectors.

The emergence of *Takaful* industry where the level of development and patronage in Nigeria and the actual participation in *Takaful* schemes is still low, even though the concept of *Takaful* in Nigeria was first introduced in the year 2003 (Nwachukwu, 2015) [66]. With registration of three insurers; the African Alliance Insurance Plc, that operated through its window of its conventional insurance; similarly, the cornerstone insurance plc through its division; *Halal Takaful* Nigeria Limited that entered the market and offered general *Takaful* products, where the Niger Insurance Plc also has been in market in 2009 respectively competing directly with these companies, followed by issuance of the *Takaful* Regulation Policy in 2013 (Nwachukwu, 2015) [66]. In view of the above, this research study attempts to assess the intention to purchase *Takaful* products and services among MSMEs in Yobe State, Nigeria.

One of the most efficient ways that MSMEs could prepare for the outcome of a possible risk, is by purchasing insurance policy (Shajahan, 2017) [74]. However, MSMEs in Yobe state are worst affected by different form of calamities such as fire outbreak, flood and pest invasion and Boko haram insurgency (SEMA, 2019) [72]. By implication, this has weakened them in term of business plan, management structure and decision making.

In case of fire outbreak incidence, in Bade Local Government of Yobe state, 20 potash shops and goods worth 200 million Naira were destroyed by fire (SEMA, 2019) [72], in the same vein Nguru main market was also affected by fire and the destruction was estimated at 149 shops and properties worth 51 million Naira (SEMA, 2017) [73].

The National Platform for Disaster, Risk Reduction in Nigeria (2017) reported that Farmers are also facing a lot of unforeseen contingencies such as flooding and pest invasion across some local governments in Yobe state which led to loss of over 124 million Naira. Furthermore, Boko haram insurgency activities that include looting harvested crops and cattle among others also prevented farmers from fully engaging in agricultural activities in some part of the state (Lake Chad Basin Crisis Respond and Strategy Report, 2019).

According to Billah, (2004) comparing Islamic and conventional insurance contract, in a study that surveyed *Takaful* activities in various Asian countries including Malaysia, Singapore, Indonesia, Saudi Arabia and Kuwait, the study concluded that *Takaful* has growth prospect. It is our belief that understanding the nature of *Takaful* as well as comprehension of the arguments advocating it are necessary if these useful services are to gain wider acceptance.

Also, in line with a previous study of Ayuba, (2014) [19] which focused at exploring the non–economic factors determining *Takaful* services consumptions in Kano metropolis, Nigeria. The existence of gap that need to be bridged because it was conducted when there was no single company that operated full–pledged Islamic insurance.

In view of the above studies, the researcher found out that no any existing Islamic insurance company operates in the Yobe State, and in the area of Islamic finance there is no research on the willingness or rather intention to purchase Islamic insurance (*Takaful*) particularly in Yobe State. This study is looking toward attitude, subjective norms and religiosity of MSMEs owners and their intention to purchase *Takaful* products and services which the researcher identified it as a gap to be filled.

Objectives of the study
The aim of this study is to assess the intention to purchase Islamic insurance (*Takaful*) products and services among MSMEs in Yobe State while the specific objectives of the study are as follows;
1. To examine the effect of attitude on intention to purchase *Takaful* products and services among MSMEs in Yobe.
2. To investigate the effect of religiosity on intention to purchase *Takaful* products and services among MSMEs in Yobe.
3. To determine the effect of subjective norms on intention to purchase *Takaful* products and services among MSMEs in Yobe.

Hypotheses
In order to achieve the above-mentioned objectives, the following hypotheses are raised in null form to guide the study.

Ho1: Attitude do not significantly affect intention to purchase *Takaful* products and services among MSMEs in Yobe.

Ho2: Religiosity do not significantly affect intention to purchase *Takaful* products and services among MSMEs in Yobe.

Ho3: Subjective norms do not significantly affect intention to purchase *Takaful* products and services among MSMEs in Yobe

Empirical Literature Review
Study by Gopi and Ramayah, (2018) [42] examined the application of TPB in predicting intention to trade online. They identified factors that influence the intention to use internet stock trading among investors who are aware of

internet stock trading in Malaysia. Finding showed that attitude, subjective norms and perceived behavioral control has a direct positive relationship towards behavioral intention to use internet stock trading. The theory of planned behavior can be used to explain variations in behavioral intention and actual usage.

Aziz, Husin and Husin (2017) [20] studied conceptual framework of factors determining intentions towards the adoption of family *Takaful*. The study developed a theoretical framework on the basis of Decomposed Theory of Planned Behavior (DTPB). DTPB was used in many disciplines to explain the intention behavior relationship. The original construct of the theory is based on attitude, subjective norms, and perceived behavioral control. The research provided the antecedents of these constructs, which was adopted according to the attributes of family *Takaful*. Their study adopted existing model of DTPB from family *Takaful* perspective.

Ardo and Saiti (2017) [16], analyzed *Takaful* practice in Nigeria, its history, present and future. They provided the basics explanation of the nature, concept of *Takaful* with an overview on the current status of *Takaful* in Nigeria as well as hindrances and legal flaws in the regulation of *Takaful* in Nigeria. They adopted a qualitative library research method which they aimed of achieving the non-needed revitalization of the Nigerian financial systems. They identified six cardinal problems hindering rapid development of *Takaful* in Nigeria which are legal/regulatory flaws, inadequate manpower, unacceptability by non-Muslims, low customer awareness, limited *sharia*h compliance investment avenues and inadequate re-*Takaful* capacity.

Azizi, Nazjmi and Yusuf (2017) [21] investigated the relationship between attitude subjective norm, perceived behavioural control, level of knowledge or awareness and religiosity with customer's intention in choosing Islamic home financing products. In addition, this study also hoped to identify the most influential factors that affect the customer's intention in choosing Islamic home financing products. The result of the study revealed that there is a significant relationship between attitude, subjective norm, perceived behavioural control, level of knowledge or awareness of religiosity with customer's intentions in choosing Islamic home financing products. This research also verified that religiosity is the most important factor that affect the customer's intention in choosing Islamic home financing products.

Lajuni and Wong (2017) [52] examined the determinants of intention to use Islamic banking products in an emerging and vibrant market. The findings showed that attitude, government support, and social influence possess explanatory and predictive capacity to envisage customer's intention to use Islamic banking products.

Another study on entrepreneur's attitude toward Islamic banking in Kano metropolis, Ayub, Umar and Baita, (2017) [18] which aimed at evaluating the attitude of entrepreneurs towards Islamic Banking products as a dependent variable against independent variables (capability, perception, attitude, readiness, age education and experience). It was discovered that awareness, perceptions and readiness have a significant positive relatioinship with the entrepreneurs' attitude toward Islamic banking in Kano metropolis. It was concluded that the entrepreneurs in Kano metropolis have high level of awareness of the Islamic banking products and have good perceptions towards them and they are also ready to patronize Islamic banking products.

Research was also conducted by Ali, et al., (2016) [14] which investigated the determinant toward Islamic Takaful Insurance acceptance in Somalia. The study tried to explore knowledge, attitude perception and awareness of Mogadishu residence toward Takaful services. The study adopted convenient sampling procedure. The data was collected in February and March 2016 by using questionnaire. The study concluded that, attitude, perception, awareness and knowledge are influential predictors of Islamic insurance adoption and acceptance. The study also provided an eye opener into the understanding of determinants leading to the customers' adoption of Islamic insurance.

Saleh (2016) [71] examined the challenges in *Takaful* application within conventional insurance framework in Nigeria, the imperative for legislative harmonization of regulatory instruments. The study examined the provisions of the Insurance Act especially the delineating section and the section conferring supremacy in the Act, among others, as those inimical to the efficient and effective application of *Takaful* within conventional insurance practice in Nigeria. The study used doctrinal, qualitative data, and was based purely on library study covering books, statutes, law reports, and internet sources from renowned databases and websites. Interviews were structured and semi-structured, and purposive to collect empirical data from targeted participants. Analyses of responses from interviews conducted suggested that ignorance, mistrust and apathy are largely responsible for the lack of participation and stunted growth of conventional insurance. The study found, among numerous other findings, the need for a wholesome *Takaful* legislation that will harmonize all the regulatory discrepancies, establish regulatory certainty and build trust in the struggling insurance industry. The study concluded that enacting a wholesome *Takaful* Act like the current Islamic Financial Services Act (IFSA), 2013 of Malaysia, it will engender regulatory certainty that will positively influence the revival of trust in the insurance industry.

Research was conducted by Maiyaki and Ayuba (2015) [55] on consumer attitude toward Islamic insurance services (Takaful) patronage in Kano metropolis, Nigeria. The research was aimed at examining the factors that influence the consumer's attitude toward Takaful service. Patronage using consumers' awareness, perception of Takaful services and the trust and confidence as variables. A structured questionnaire was distributed to 384 target respondents using judgmental sampling technique. The research discovered significant relationship between independent variable (awareness, perception, trust and confidence) and dependent variable (consumers' attitude toward Takaful services patronage). The study recommended intensive marketing campaign to create awareness of Takaful services and its operations.

Reni (2015) [70] investigated the constructs of TRA, add variable religiosity on Islamic banking selection. The result showed attitude, subjective norm, and religiosity have statistically significant effect on intention to select Islamic Bank in Indonesia.

Likewise, in research by Hashem (2015) [44] on participants or insured preferences and motivation about Takaful products and services in Saudi Arabia, the researcher found out that the most important factor in motivating participants to buy Islamic insurance in Saudi Arabia was profit or returns rather than religion. The result indicated that, there is a need for the *Takaful* operators to educate their participants or insured

about the main purpose behind their contribution to the Takaful fund.

In another study conducted by Ayuba (2014) [19] on Non – economic factors influencing the Islamic insurance (Takaful) services consumption in Kano metropolis, Nigeria, it was found that the independent variables public awareness of *Takaful* services, public attitude, public perception, public trust and confidence upon *Takaful* operator's capacity and competence of *Takaful* operators, have significant effect on the dependent variable (*Takaful* service consumption) in Kano metropolis.

Mahmoud, Abdul and Abduh, (2014) [53] examining the role of awareness and the applicability of the Theory of Reasoned Action (TRA) in predicting the intention of people to patronize Islamic Bank in Mauritania. A total of 227 respondents were involved and structural equation model was used to measure the relationship between the exogenous and endogenous variables in the model. The result has shown that TRA is a valid model in prediction the intention of Mauritania to patronize Banks in Mauritania. Attitude and subjective norm were found to have a positive influence upon the intention to patronize Islamic banks. It was also proven that awareness has a positive and significant influence upon the attitude and thus influenced the intention of Mauritanians to patronize Islamic Bank.

A study on the non-financial factors influencing the performance of Islamic insurance in Kenya was conducted by Nabil (2013) [58]. The study aimed at determining the non-financial factors influencing the performance of Islamic insurance in Kenya. The independent variables being studied were legal and regulatory framework and unethical practice while the dependent variable was performance of Islamic insurance. The study concluded that the Shariah boards were considered to have a strong authority on the performance of Islamic insurance and they determine the extent and limit of its operations. While the flexibility of the insurance market on allowing intermediaries to plays much makes sure of the agents and brokers have used these avenues to exploit customers hence affecting the performance of the insurance companies.
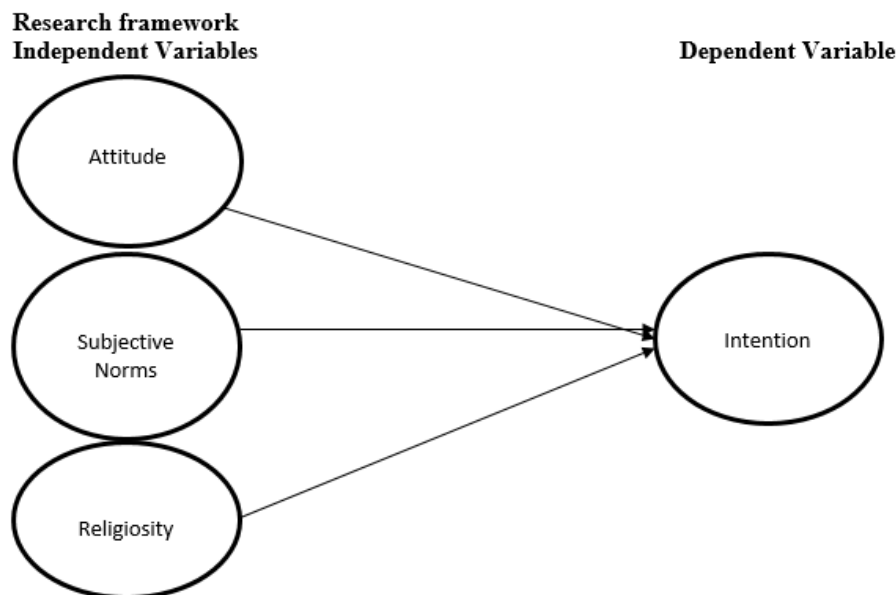
Source: Ajzen & Fishbein, (1980)

Fig 1: Research Framework

The Figure 1 model above presents the hypothetical framework about the argument in this research, it consists of three determinants, attitude, subjective norms and religiosity as the independent variables while intention to purchase *Takaful* products by MSMEs in Yobe State is the dependent variable. This model will be used to determine significant relationship between the independent and dependent variables.

Research Design

The study adopted a descriptive survey research design in which cross sectional data will be collected. The idea behind survey design is to study a large population through representative sample in order to achieve the objectives on the study. The design is adopted because the study involves drawing generalization based on analysis of data collected from fraction of a large population. Also, survey research leads to a valid conclusion about the relationship between independent and dependent variables (Nkpa, 2000) [64].

Population of the Study

In this study, the target population consists of all officially recognized micro, small and medium scale entrepreneurs which are located in the three (3) geo-political zones of the seventeen (17) local government's area of Yobe State. The total number of the registered MSMEs is seven hundred and eighty four thousand and forty four (784,044) (MSMEs, 2020). Below is the Table representing the population of the three (3) geopolitical zones?

Table 1: Population of the Study

S/N	Geopolitical Zones	No. of MSMEs
1	Zone 'A'	273,854
2	Zone 'B'	251,754
3	Zone 'C'	258,436
	Total	**784,044**

Source: National Survey of Micro, Small and Medium Enterprises, (2020).

Sample Size and Sampling Techniques

The sample size represents the portion of the population to be studied. It is also a subgroup representing total population in order to draw conclusion on the population. The sample size of the study is 382 MSMEs obtained from Krejcie & Morgan (1970) table for determining sample size based on the population of the MSMEs of 784,044.

The target population of this study are the registered MSMEs, judgmental sampling technique is adopted to capture the target respondents and distribution of questionnaires is proportionally based on the target population in each of the selected three (3) geo-political zones of Yobe state; namely Zone 'A', 'B' and 'C'. The target population is seven hundred and eighty four thousand and forty four (784,044) across the state and the sample size is three hundred and eighty two (382). In zone 'A' the sample is concentrated in Damaturu which is the state capital and a central head office of the zone. In zone 'B', Potiskum, is chosen as the center, it is the central head office of the zone and finally zone 'C' Nguru is chosen to serve as the center target to the zone.

Table 2: Summary of sample size proportion distribution

S/N	Geopolitical Zones	No. of MSMEs	Proportion of sample size
1	Zone 'A'	273,854	133
2	Zone 'B'	251,754	123
3	Zone 'C'	258,436	126
	Total	**784,044**	**382**

Source: National Survey of Micro, Small and Medium Enterprise, (2020)

Instruments for Data Collection

The use of self-administered questionnaire is adopted. The survey method in this study is selected for the purpose of collecting a sufficient amount of primary data. The use of questionnaire is the widest source used for data collection technique in a survey (Enofe *et al.,* 2013) [36].

The questionnaire is divided into two sections, Section A is on the demographic information of the respondent, section B measured the variable of the study namely Intention as the dependent variable and follow by independent constructs viz; attitude, subjective norm and religiosity respectively. The main objective of this study is to assess the determinants of intention to purchase *Takaful* products and services among MSMEs in Yobe State. A structured questionnaire is adopted and modified from Gopi and Ramaya (2018) [42] and Johana and Ridzwan (2017) [47].

Techniques for Data Analysis

This study used descriptive and inferential statistics. Data analysis for this study employed the multiple regression using the ordinary least square (OLS) as done in previous studies conducted by Shajahan (2017) [74]. Descriptive statistical techniques that will be used are tables, frequencies, and percentages as well as mean and standard deviation are used to analyze the demographical variable of the respondents while inferential statistics will be used to determine the influence of independent variables (attitude, subjective norm and religiosity) on the dependent variable (intention to purchase *Takaful* products and services among MSMEs). The study used SPSS version 22.0 to analyze the data.

Model Specifications

The following models are used in explaining the relationships between (Attitude, Subjective norm and religiosity) and Intention to purchase Takaful products and services. Previous study conducted the regression model is presented in the form:

$$(Y) = F(X) \qquad (1)$$

$$(Y_t) = F(ATT, SBJ_t, RLG_t,) \qquad (2)$$
$$(INT_t) = \beta_0 + \beta_1 ATT + \beta_2 SBJ + \beta_3 RLG_t + e_t \qquad (3)$$

Where:
INT_t = Intention
ATT_t = Attitude
SBJ_t = Subjective norm
RLG_t = Religiosity.
β_0 = Intercepts/ autonomous variable. It depicts the degree of the dependent variable even without the existence of independent variables.
β_1, β_2 and β_3 = are parameter estimates or coefficient of independent variables, it depicts the degree of intention to purchase *Takaful* products and services by applying the independent variables (ATT, SBJ and RLG).
e_t = the error term or other possible factors that could influence dependent variable that are not captured in the model.

Descriptive Statistic Analysis

This section deals with demographic characteristics of the respondents, and descriptive statistics

Demographic Characteristics of the Respondents

The survey questionnaire that is distributed to targets respondents required them to answer seven demographical questions reflecting their gender, age groups, level of education, religion, location of business, length of business and their knowledge about *Takaful*. Out of the 382 (three hundred and eighty two) copies of the distributed questionnaire, 368 (three hundred and sixty eight) were retrieved which represented 96% of the total responses rate and hence legitimizes representation in this study.

Table 3: Respondents Profile

Variables	Category	Frequency	Percent
Gender	Male	321	87
	Female	47	13
	Total	368	100.0
Age	18-25 years	53	14.4
	26-35 years	47	12.7
	36-45 years	142	38.5
	46-55 years	105	28.6
	56 and above	21	5.8
	Total	368	100.0

Level of Education	SSCE	95	25.8
	OND/NCE	75	20.4
	HND/B.Sc/B.A	43	11.7
	Undergraduate	12	3.3
	Others	143	38.8
	Total	368	100.0
Region	Muslim	325	88.3
	Christian	43	11.7
	Total	368	100.0
Location of Business	Damaturu	132	35.9
	Potiskum	121	32.8
	Nguru	115	31.3
	Total	368	100.0
For how long have you been in business?	0-5	147	39.9
	6-10	102	27.7
	11-15	85	23.1
	16-Above	34	9.3
	Total	368	100.0

Source: Field Survey (2021) and computed using SPSS version 22

Table 3 above demonstrates that 321 of the respondents are males which is equivalent to 87%, and only 47 (13%) females' respondents. This signifies the dominance of males in the study and that is due to the socio-cultural setting of the respondents that businesses within the market's premises are dominated by males.

Table 3 above shown that 53 of the respondents which is equivalent to 14.4% are within 18-25 age group, while 26-35 age bracket consists of 47(12.7%) of the respondents and 142(38.5%) respondents fall within 36-45 years, also 105(28.6%) are within 46-55 age bracket and lastly 21(5.8%) of the respondents fall within 56 years and above. This entails that majority of the respondents are young entrepreneurs that fall within 36-45 age bracket.

Table 3 above reveals that 95(25.8%) of the respondents have obtained their SSCE certificate and 75(20.4%) acquired either OND/NCE certificate or its equivalent, while 43(11.7%) of the respondents were able to acquired HND/B.Sc./B. A certificate, twelve (3.3%) of the respondents are undergraduate, and lastly 143(38.8%) of the respondents attended other category of schools i.e., Islamiya and Tsangaya schools.

In terms of Religion, Table 3 revealed that 325 of the subjects (88.3%) are Muslim while only 43 (11.7%) are Christian.

Table 3 above also showed that 132 which is equivalent to 35.9% of the respondents are from Damaturu, while 121(32.8%) of the respondents reside in Potiskum and lastly 115(31.3%) of them are from Nguru. This signifies that majority of the respondents came from Damaturu.

The analysis of the years in business in Table 3 reveals that 147(39.9%) of the respondents had 0-5 years in the business, while 102(27.7%) of the subject had 6-10 years in business, while 85(23.1%) of the subjects acquired 11-15 years in business and only 34(9.3%) of the respondents spent 16 years and above in their businesses.

Reliability Test
The results indicate that the Cronbach's Alpha reliability coefficients for all variables are all above 0.6. Generally, reliabilities of less than 0.6 are considered to be poor, those of ≥0.6 are deemed acceptable, those above 0.7 are good, while the closer the reliability coefficient to 1.0, the better.

Table 4: Cronbach Alpha

Variables	Number of Items	Cronbach's alpha
Attitude	5	0.938
Religiosity	8	0.926
Subjective Norms	4	0.821
Intention	5	0.622

Source: field survey (2021) and computed using SPSS

Table 4 indicates that level of attitude reliability is 0.938, while religiosity reliability test reveals a value of 0.926 and subjective norm Cronbach alpha value is 0.821 and lastly intention internal reliability is 0.622. The internal consistency reliability of the variables used in this study is considered good and excellent because it is all above 0.6. Hair et al., (2010)

Assessment of Normality
Before proceeding to main analysis of the study, there is need for normality taste, normally is pre-requisite for many inferential statistical techniques, because, result may be bias or even invalid if the variable departs significantly from its normal distribution. The table 5 below shows normality test of the study.

Table 5: Normality Test

Variable	Statistic	df	Significant	Skewness	Kurtosis
Attitude	.298	367	.765	0.982	-0.334
Religiosity	.711	367	.543	0.949	0.774
Subjective Norms	.465	367	.065	0.963	-0.597
Intention	.136	367	.072	0.917	0.739

Source: field survey (2021) and computed using SPSS version 22

The Table 5 above demonstrates that all the variable of the study are normally distributed, since shapiro-wilk significant value is greater than 0.05. and also, the data for the variables of the study does not exceed the recommended value of -1 to +1 (Skewness) and -2 to +2 (Kurtosis) respectively.

Multicollinearity Test
Multicollinearity refers to a situation in which two or more independent variables become highly correlated.

In this study variance inflated factor (VIF), tolerance value condition index was examined to detect multicollinearity problem, multicollinearity is a concern if VIF value is higher than 5 and tolerance value is less than 0.20, Table 6 shows the VIF values, tolerance values for the independent variables.

Table 6: Tolerance and Variance Inflation Factors (VIF)

Variable	Check for Collinearity	
	Tolerance	VIF
Attitude	.986	1.014
Religiosity	.970	1.031
Subjective Norms	.960	1.042

Source: Field Survey (2021) and computed using SPSS

Table 6 indicates that multicollinearity did not exist among the independents variables as all VIF values were less than 5 and tolerance values exceeded 0.20, as suggested by Hair *et al.* (2006). Thus, that none of the variables is highly correlated as such the data is free from multicollinearity.

Test for Homoscedasticity and Linearity
To validate the homoscedasticity assumption, the present study utilizes the scatterplot also referred to as standard residuals. The scatterplot is a process in which errors of residual (standardized values) are produced in relation to standardized value of the predicted variable of the study (Hair et al., 2010). For a data to fulfil the absence of homoscedasticity residual are expected to be fairly distributed.
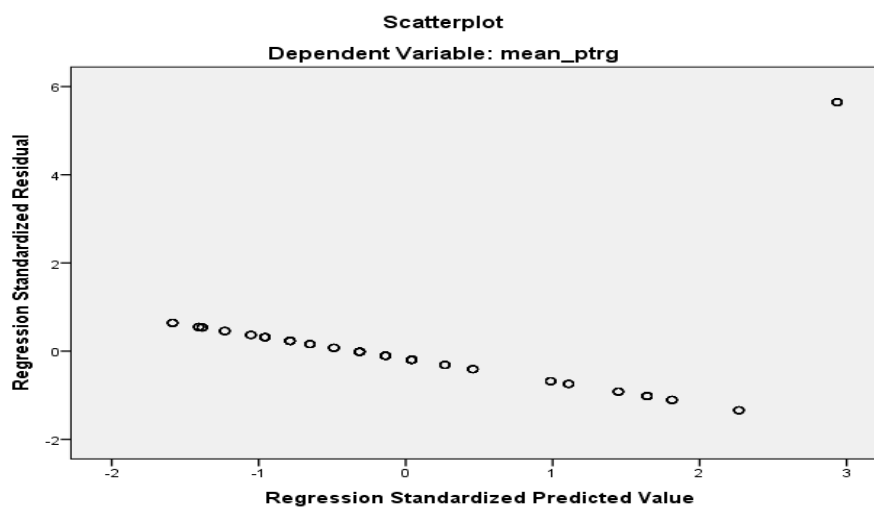

Fig 1: Standardized Residuals against the Standardized Predicted Value

This scatter plot reveals a linear relationship between X and Y: for a given value of X, the predicted value of Y will fall on a line. The plot further reveals that the variation in Y about the predicted value is about the same (+- 2 units), regardless of the value of X. Statistically, since the data are homoscedastic, then the usual regression estimates can be used.

Descriptive Statistics of Variable of the study
This section provides summary of statistics for the variables used in this study. The summary statistics include measures of central tendency, such as mean, measures of dispersion (the spread of the distribution) such as the standard deviation, minimum and maximum of both the dependent variable and explanatory variables. This section shows the summary statistics of the variables in order to comprehensively appreciate the nature of data as well as the results therein.

Table 7: Descriptive Statistics

Variable	N	Mean	Std.Dv.	Min	Max
Attitude	368	4.7823	.28824	1.00	5.00
Religiosity	368	4.8175	.63173	1.00	5.00
Subjective Norms	368	4.3482	.75039	1.00	5.00
Intention	368	3.9143	.20568	1.00	2.00

Source: Source: Field Survey (2021) and computed using SPSS

Descriptive summary Table 7 above indicates that, the average attitude was at 4.7823, the result shows a level of

dispersion within the study period; and the dispersion can be clearly rate at 0.28824 and also with the maximum and minimum of 5 and 1 respectively. This signifies that respondent have relatively high attitude toward *Takaful* patronage

Similarly, the mean score for level of religiosity within the data framework of the study is 4.8175 with standard deviation of 0.63173 and also with the maximum and minimum of 5 and 1 respectively. This entails that respondent's level of religiosity is relatively strong

The mean score for subjective norm of the respondents is 4.3482 with standard deviation of 0.75039 and also with the maximum and minimum of 1 and 5 respectively. This entails that respondent's subjective norm is also relatively high.

In term of intention, the mean is 3.9143 with standard deviation of 0.20568 and also with the minimum and maximum of 1 and 5 respectively. This shows that respondent's intention is also relatively moderate.

Result of Regression Analysis
Regression analysis is a powerful statistics method that allows one to examine the relationship between two or more variables of interest. While there are several types of regression analysis but they all examine the influence of one or more variables on dependent variable. Thus, the study proposed multiple regression to analyse the influence of three independents variables, namely, attitude, religiosity, subjective norm on dependent variable intention to purchase

of *Takaful* products and services among the MSMEs.

Table 8: Result of R-square

R-Square	
R²	0.21

***Source*:** Field survey (2021) and computed using SPSS version 22

The result from Table 8 Above reveal that R-square indicates the estimate of the predictors of intention to purchase *Takaful* products and services explains (0.21 = 21 Percent) of its variance. In other words, the error variance of intention to purchase *Takaful* products and services is approximately 79 percent. This signifies that attitude, religiosity and subjective norm influence intention to purchase *Takaful* products and services by 21 percent while other 79 changes in intention to purchase *Takaful* products and services is cause by other variables that are not stated in the model which are represent by error terms.

Result of Coefficient of the Regression
In this study multiple regression is used to analysed the relationship between the dependent and independent variables, this section presents the statistics test used to test the hypotheses of the study.

Table 9: Parameter Estimates

Variables in the Equation					
		β	Sig.	95% C.I.for EXP(B)	
				Lower	Upper
Step 1ª	Attitude	0.45	0.000	0.023	0.214
	Religiosity	0.34	0.024	0.063	0.916
	Subjective norm	0.79	0.032	1.836	1.534
	Constant	-390.25	0.002		

***Source*:** field survey (2021) and computed using SPSS version 22

The above Table 9 indicates that attitude and *Takaful* patronage have positive relationship meaning, one percent increase in attitude cause a change in intention to purchase *Takaful* products and services by 45 percent, also if religiosity goes up by one percent the intention to purchase *Takaful* products and services increase by 34 percent. In case of one unit increase in subjective norms, intention to purchase *Takaful* products and services increased by 79 percent. hence subjective norm is the most influential factor that determines intention to purchase *Takaful* products and services among MSMEs in the model then follow by then follow by attitude and lastly religiosity.

Test of Hypothesis
In this sub-section the analysis of hypothesis that earlier formulates in chapter one is presented

Attitude and intention to purchase *Takaful* products and services
The first hypothesis was formulated as: attitude has no significant influence on intention to purchase *Takaful* products and services. The result in Table 9 above shows that attitude in prediction of intention to purchase *Takaful* products and services is 45 percent and statistically significant (β=0.45 & P-value=0.000), therefore, the null hypothesis is rejected, hence attitude statistical influence intention to purchase *Takaful* products and services Among MSMEs in Yobe State this finding is consisted with the

studies of Gopi, and Ramayah, (2018) [42], Azizi, Nazjmi and Yusuf (2017) [21] and Lajuni and Wong (2017) [52].

Religiosity and intention to purchase *Takaful* products and services
The second hypothesis was formulated as: religiosity does not have significant influence on intention to purchase *Takaful* products and services. The result in Table 9 reveals that religiosity influence on intention to purchase *Takaful* products and services is 34 percent and statistically significant (β=0.34 & P-value=0.024), therefore, null hypothesis is rejected and the result is statistically significant. Hence, religiosity positively influence on intention to purchase *Takaful* products and services among MSMEs in Yobe state. This finding is consisted with previous findings of Gopi, and Ramayah, (2018) [42], Azizi, Nazjmi and Yusuf (2017) [21] and Lajuni and Wong (2017) [52].

Subjective Norm and intention to purchase *Takaful* products and services
The third hypothesis was formulated as: subjective norm does not have significant influence on intention to purchase *Takaful* products and services. The result in Table 9 above shows that explanatory power of subjective norm on intention to purchase *Takaful* products and services is 79 percent and statistically significant (β=0.79 & P-value=0.032). Therefore, null hypothesis is rejected, hence, subjective norm positively influence intention to purchase *Takaful* products and services among MSMEs in Yobe state. This finding is consisted with finding of Gopi, and Ramayah, (2018) [42], Azizi, Nazjmi and Yusuf (2017) [21] and Lajuni and Wong (2017) [52].

Conclusion
The primary aim of this study is to assess the determinants of intention to purchase *takaful* Products and services among MSMES in Yobe State. The specific objectives of the study are to assess whether attitude, religiosity and subjective norm have significant effects on intention to purchase *takaful* products and services among MSMEs in Yobe State. To address this, relevant data is collected and analyzed and the following conclusions were drawn:
Subjective norm makes the highest significant and positive impact on intention to purchase *takaful* products and services among MSMEs in Yobe State.
Attitude makes the second highest significant and positive impact on intention to purchase *takaful* products and services among MSMEs in Yobe State.
Religiosity is the weak variable in the model that makes significant and positive impact on intention to purchase *takaful* products and services among MSMEs in Yobe State.

Recommendations
Based on the findings i.e., the results from the data analysis and the conclusions thereon, the following recommendations are made in order to provide adequate measure to complement the impact of attitude, religiosity and subjective on intention to purchase *takaful* products and services among MSMEs in Yobe State.
1. The study recommends the need for National Insurance Commission (NAICOM) and *takaful* companies to coming up with different strategies that will improve the attitude of people toward *takaful* products and services through organizing workshops, symposiums and seminars.

2. The study also recommends the need for religious leaders to mobilise a massive advocate to members of their communities with the aim of encouraging those highly religious and attract those that are less religious through organizing educative programs on *takaful* products and services.

3. The study also recommends the need for leaders both traditional and religious at all levels to enlighten members of their communities to purchase *takaful* products and services.

Suggestion for Further Study

This study was able to assess the determinants of intention to purchase takaful products and services among MSMEs in Yobe state, however there is need to Widen the scope of the study beyond Yobe state in order to verify as well as compare and contrast the findings and be able to make proper generalization. Lastly, the possibility of introducing new independent, mediating or moderating variables by testing it effect in the used model through analyzing it reliability and validity.

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