

# Techniques and Technicalities of Selling Takaful to The Insuring Public in Nigeria

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**Abstract-** This study discussed sales strategies and technical components of operations used by the Takaful insurance companies in Nigeria, and analyzed their suitability in encouraging people to utilize them in the Nigerian insurance sector. This research was inspired by the fact that Takaful penetration in Nigeria has remained very low in spite of its ethical nature and its demographic applicability. A quantitative research design was also taken, but in form of cross sectional surveys conducted on Takaful operators, sales agents and policyholders. The explanatory variables were sales techniques and the technicalities of operations whereas the dependent variable was the public adoption. The data were analysed using descriptive statistics, correlation analysis, and multiple linear regression, which helped to test the study objective. The findings also indicated that both sales methods and technicalities in the operations had positive and significant impacts on citizens adopting Takaful insurance in Nigeria. Nevertheless, the sales methods showed greater effect on the adoption results compared to operational technicalities, which implies that the selling interface is in the first place when influencing consumer behavior. The results indicated that the limitations of Takaful uptake were significantly limited by the lack of agent communication, engagement strategies, and explanatory depth even in the cases of having operational structures. The research established that it could not be only the regulatory or structural restrictions that led to low adoption of Takaful in Nigeria but market facing practices played a major role in influencing the adoption of Takaful. The research demonstrated the strategic relevance of professionally engaged sales and open communication of operations as the key in increasing the uptake of Takaful in Nigeria.

**Keywords:** Takaful Insurance, Sales Techniques, Operational Technicalities, Public Adoption, Nigeria

## I. INTRODUCTION

The modern insurance environment of Nigeria has remained marked by an inordinately low insurance penetration rates in relation to the population size, increasing income heterogeneity, and growing risks between households and firms a situation that has

elicited over the recent years a consistent scholarly and policy interest (Fadun, 2015). In the given context, Takaful insurance has become a faith-based compliant substitute of traditional insurance, being based on the principles of mutual cooperation, shared responsibility, and ethical risk sharing, but with little presence in the market compared to the potential of theoretical attractiveness and its target audience in Nigeria (Ismail, 2015). This low adoption of Takaful is especially counterintuitive to the fact that Nigeria has a large Muslim population, there is an increasing interest in the Islamic financial instruments, and Takaful markets in similar economies like Malaysia and in some Middle Eastern nations were proven to be expanding (Fauzi et al., 2016). This inconsistency between the possible demand on one hand and actual adoption on the other hand prefigures the necessity to study the processes of Takaful product presentation, communication, and operationalisation of Takaful products among the Nigerian insuring population with strong rigour (Saleh, 2016).

There has been a predominance of research on Takaful in Nigeria focusing on the shortcomings of regulation, legal pluralism and institutional constraint within an orthodox insurance framework and comparatively little focus has been on the micro level of selling, marketing and operational engagement with potential policy holders (Saleh, 2016). Regulatory harmonisation and supervisory clarity are certainly key to the long term sustainability of Takaful, however, the long term reluctance of the Nigerian population to take Takaful products even where these are legally allowed and commercially viable cannot be reduced to regulatory harmonisation and the supervisory clarity alone (Kehinde and Sharofiddin, 2021). Insurance is an intangible financial product and nature, and its adoption depends heavily on the trust, perception, cultural resonance, and the credibility of intermediaries which are mediated by sales techniques

and operations technicalities instead of being mediated by regulatory texts (Ochieng, 2013). As a result, the sale process is a key interface point between the Takaful operators and the insuring population, which determines how Takaful is understood as an effective risk management tool in the Nigeria pluralistic socio economic context, not just in awareness, but also in how the population perceives it (Ismail, 2015).

The general distrusts that are prevalent in the Nigerian insurance market are due to the experience of historical claims settlement, poor enforcement, and poor consumer education, which have negatively influenced conventional insurance as well as Takaful (Fadun, 2015). Nevertheless, Takaful also has to deal with other issues caused by misunderstandings that represent it as a strictly religious product that is only offered to Muslims or a symbolic repositioning of traditional insurance without significant operational difference, which are habitually justified or poorly managed by current sales policies (Kehinde and Sharofiddin, 2021). In this sense, the tools used by Takaful sales agents, such as messaging schemes, client segmentation, ethical positioning, and expository profundity, play a conclusive role in deciding whether Takaful will be perceived as a universal financial tool or a religious tool (Herawati et al., 2024). The technicalities involved in the functioning of these techniques, including the structuring of contributions, explanations of surpluses, governance transparency and claims procedures, also affect consumer confidence and adoption behaviour (Mazahir et al., 2017).

Although it is recognized that these factors are rather significant, there are minimal and disjointed empirical studies on how the providers of Takaful in Nigeria distinguish between selling their products and how they operationalise their interactions with the public, were they not subsumed in larger frameworks about awareness or acceptance (Kehinde and Sharofiddin, 2021). The issue with this lacuna is that the sale methods do not pass information only but make meanings around the risk, morality, and financial responsibility, specifically where the religious and ethical beliefs interact with the process of making economic decisions (Uddin, 2023). In Nigeria, whereby the religious identity and the practical financial issues are mutually exclusive, the success of

the Takaful sales strategies relies on the potential of addressing the interconnectedness of these two rationalities without sacrificing the ethical values of Islamic insurance (Ismail, 2015).

It is against this background that the key purpose of this research is to examine the sales methods and technical aspects of operations applied by the Takaful insurance companies in Nigeria and to determine their efficiency in encouraging people to adopt. Such a goal is one and clearly targeted, which relates to the assumption that the result of the adoption is not uniquely based on the level of consumer awareness or regulatory sufficiency but is substantially predetermined by the strategic decisions of Takaful operators in positioning, marketing, and selling their products to the insuring population (Saleh, 2016). Focusing on the sales and operations practices allows the study to advance the idea that poor performance of the Nigerian Takaful market is partially endogenous due to suboptimal engagement practices that do not match the product features with consumer expectations and behavioural realities (Fadun, 2015).

In theory, the research is based on the institutional trust theory and diffusion of innovation theory as complementary approaches to researching the insurance adoption behaviour in the emerging financial markets (Herawati et al., 2024). Diffusion of innovation theory focuses on the importance of communication channels, opinion leaders and perceived relative advantage when influencing the rate and extent of sales of new financial products, which are the variables directly mediated by sales techniques (Rogers, 2003). In the Nigerian Takaful setting, the sales agent is one of the most important diffusion agents whose credibility, framing approaches, and explanatory competence determines the perceived benefit and compatibility along with the perceived understanding of Takaful among potential adopters (Kehinde and Sharofiddin, 2021). With the existence of latent demand, ineffective sales communication therefore limits diffusion.

The institutional trust theory also clarifies the impact of operational technicalities in the formation of adoption decisions as it emphasizes the way the trust in financial institutions is formed by stable, transparent, and equitable practices and not formal

assurances (Mazahir et al., 2017). In the case of Takaful providers, trust is both a claim of Sharia compliance and a claim of operational integrity in such areas as surplus management, claims settlement, and governance disclosure, which are presented and perceived through the selling process (Fauzi et al., 2016). When the sales methods are more focused on the use of the religious validity than sufficient explanations about technicalities, they may develop scepticism towards both the Muslim and non Muslim buyers who tend to focus on the practical usefulness rather than the representational conformity (Uddin, 2023).

The Nigerian experience also indicates that the Takaful sales practices tend to be modeled on the traditional insurance marketing paradigm with little adjustment to the ethical and participatory ethos that defines the idea of Takaful conceptually, which negatively affects the value propositions (Saleh, 2016). It is a mimetic strategy that is responding to more widespread institutional pressures in a traditional regulatory setting but indicates a strategic inability to capitalize on the unique aspects of Takaful as a cooperative risk sharing method (Mazahir et al., 2017). The study therefore takes a critical approach, questioning the existence but more importantly, whether sales techniques have theoretical consistency with Takaful principles and foundational effectiveness in terms of their influence on adoption results in Nigeria (Fadun, 2015).

The study will be valuable to the literature by repositioning the sales methods and operational technicalities in the centre of the analysis of Takaful adoption as an interactive process defined by communication strategy, operational transparency and consumer interpretation instead of as a passive reaction to awareness campaigns or regulatory reforms (Herawati et al., 2024). This reframing can be applied specifically to Nigeria, in which the socio religious diversity, historical mistrust of insurance, and skewed financial literacy require subtle and contextual selling tactics (Ochieng, 2013). This introduction, therefore, preconditions the analytical background of a quantitative study of the effect of current sales practices on adoption measures to provide the groundwork of a rigorous methodological and

empirical evaluation in the ensuing sections (Kehinde and Sharofiddin, 2021).

## II. METHODOLOGY

The research used a quantitative research approach as a way of rigorously testing the effectiveness of the sales methods and operational technicalities used by Takaful insurance companies in Nigeria in fidelity with the aim of producing statistically verifiable evidence as opposed to narrative explanations (Bhattacharyya, 2006). The quantitative methodology was identified to be suitable as the research aimed at quantifying the relationship between observable sales practices and measurable predictors of public adoption, which made it possible to generalize empirically and test hypotheses in the context of the insurance sector in Nigeria (Goundar, 2012). The methodological orientation was based on positivist research paradigm, which presupposes that social phenomena like adoption of insurance can be measured and analysed objectively with the help of the statistical means when a set of variables is clearly defined and observed in a systematic manner (Kothari, 2004).

The study design used was a cross sectional survey design, which helped to capture numerical data on a specified population at a particular time and was used to analyze the correlation between methods of sales, technicalities of operations and adoption results (Rajasekar and Verma, 2013). The reason why this design was chosen was that it allowed capturing the current sales practices and consumer reactions without the distortions that longitudinal recall bias caused and further, it is efficient in the analysis of large sample sizes in a geographically diverse country like Nigeria (Patel and Patel, 2019). The design also conformed to the focus of the study in examining existing practices and not assessing experimental interventions and thus was able to maintain the naturalistic environment of Takaful operations (Daniel and Sam, 2011).

The sample size of the research consisted of registered operators of Takaful insurance, licensed insurance sales agents working with Takaful windows or full fledged Takaful companies and policyholders who had been exposed to Takaful sales explanations in Nigeria, a demarcation that captured both supply side and

demand side of the selling process (Goddard and Melville, 2004). The sampling approach used was a multi stage sampling; a purposive sampling was performed on the states with the active operation of Takaful and a stratified random sample sampling of respondents within each category was done to ensure proportional representation and minimize sampling bias (Gupta and Gupta, 2022). The last sample was calculated based on the typical statistical power analysis to make the inferential analysis robust and sufficient to multivariate modelling (Bhattacharyya, 2006).

The structured questionnaire created to generate measurable responses on the sales techniques, operations technicalities, and adoption outcomes was used to collect primary data, which is highly recommended in quantitative business research due to its reliability and scalability (Davidaviciene, 2018). A Likert type scale was utilized to measure the questionnaire items to obtain the level of agreement, frequency, and perceived effectiveness and convert the subjective perceptions into analysable numerical data (Patel and Patel, 2019). The content validity of the instrument was checked against the purpose of the study with the help of the expert review and internal consistency validity was evaluated based on Cronbach alpha coefficients to verify that the measurement constructs maintain the same stability (Kothari, 2004). Sales methods were operationalised as a composite independent variable that included the dimensions of clarity of product explanation, ethical framing, credibility of agent, customer targeting strategy and intensity of communication, each of which was measured using several indicators (Rajasekar and Verma, 2013). A second independent construct, measuring operational technicalities, was an indicator of the level of respondents evaluation of transparency in contribution, explanation of surplus distribution, clarity with which claims are settled and disclosure of governance of Takaful operations, which are operational aspects of operation as manifested by sales interactions (Bhattacharyya, 2006). The dependent variable was public adoption and was quantified in terms of purchase decision, intention to renew, referral behaviour and overall acceptance of Takaful as a risk management solution, which is in line with quantitative practices of adoption measurement (Goundar, 2012).

The data was analyzed through descriptive and inferential statistics in order to approach the study objective in a systematic way (Daniel and Sam, 2011). An empirical overview of the Nigerian Takaful selling environment was provided through descriptive statistics such as means, standard deviations and frequency distributions to summarise respondent characteristics and provide an overview of the patterns of sales practices and adoption levels at the base level (Goddard and Melville, 2004). Then, inferential analysis was used to determine the strength and significance of the relationships among the independent variables and the use of public adoption, which then goes beyond description to explanation (Gupta and Gupta, 2022).

The main model of analysis utilized was a multiple linear regression, which was formulated in order to determine the impact of sales methods and technicalities of operations on the adoption of Takaful insurance by the people of Nigeria which is a suitable model to determine the effect of several predictors on a single outcome variable (Kothari, 2004). The overall functional form of the model was put as:

$$\text{Public Adoption} = \beta_0 + \beta_1 \text{Sales Techniques} + \beta_2 \text{Operational Technicalities} + \epsilon,$$

where  $\beta_0$  represented the intercept,  $\beta_1$  and  $\beta_2$  denoted the estimated coefficients of the explanatory variables, and  $\epsilon$  captured the stochastic error term (Bhattacharyya, 2006). This model specification allowed one to determine the distinct contribution of individual predictors in the presence of the other, and thus, the analytical accuracy was improved (Rajasekar and Verma, 2013).

All assumptions made by the regression model such as linearity, normality, homoscedasticity, and the lack of a multicollinearity factor were checked even before interpretation to assess the validity of statistical inferences, which aligns with the accepted quantitative research principles (Patel and Patel, 2019). Variance inflation factors and residual analysis were used to determine that the estimated parameters were not biased by the violation of the classical regression assumptions (Gupta and Gupta, 2022). The level of statistical significance was assessed at standard levels of confidence and this allowed objective

determination of the effectiveness of sales and operation practices in the determination of the adoption outcome (Daniel and Sam, 2011).

During the research, ethical considerations were noted, such as informed consent, data confidentiality, and data non manipulation, and these are some of the best practices in quantitative research methodology (Saharan et al., 2024). Even though the research did not use experimental control, the study preserved ethical rigor in order to save the respondent autonomy and data integrity, thus enhancing the validity of the findings (Goddard and Melville, 2004). This methodological strategy therefore made sure that the conclusions made by the study in terms of effectiveness of Takaful sales techniques in Nigeria was based on empirical analysis which was both statistically sound and ethically responsible (Bhattacharyya, 2006).

### III. RESULTS

This study provides the empirical findings of the quantitative analysis of the sales methods and technicalities of operations used by Takaful insurance companies in Nigeria and their efficacy in encouraging the population to adopt them. The results are presented in a systematic sequence of descriptive statistics to inferential analysis with the focus put on the statistical interpretation of the results as opposed to the narrative description associated with the study purpose and methodological orientation (Bhattacharyya, 2006). The findings are structured under a set of well tabulated abstracts, which sum up key statistical findings, and a subsequent discussion of the implication of the findings on the adoption of Takaful on the Nigerian insurance market (Kothari, 2004).

Table 1 shows the descriptive statistics of the core study variables, which are sales techniques, technicalities in its operations and public acceptance of Takaful insurance. The average sales technique score showed the medium effect and implied that even though Takaful providers used a structured approach in selling products, the technique was not most effective in persuading the sampled population (Patel and Patel, 2019). The standard deviation of this variable was relatively large and it indicated a substantial difference in perception of respondents,

which suggests inconsistency in the agent performance and sales messaging in various firms and regions in Nigeria (Goundar, 2012). Operational technicalities made a relatively lower mean score, which means that the respondents identified the lapses in the clarity and transparency of operation explanations in the process of sales interaction, especially related to excess distribution and claims procedures (Rajasekar and Verma, 2013). The mean value of public adoption was lower than the mid-point of the scale, which is statistically significant to support the message that Takaful uptake in Nigeria is not ideal despite its availability in the market (Bhattacharyya, 2006).

Table 1: Descriptive Statistics of Study Variables

Variable	Mean	Standard Deviation
Sales Techniques	3.21	0.84
Operational Technicalities	2.97	0.91
Public Adoption	3.05	0.88

The findings of the descriptive analysis suggest that the adoption outcomes were parallel to the evaluation of respondents on the selling effectiveness and operational clarity, hence, the potential to infer on the causal relationship between these variables (Daniel and Sam, 2011). The comparatively large standard deviation of the mean scores also indicated that the process of adoption was quite different in respondents, which is why regression analysis is needed to separate the statistical contribution of each explanatory variable (Gupta and Gupta, 2022).

The direction and strength of the association between the sales techniques, operational technicalities, and the public adoption were analyzed in the form of a correlation analysis, the results of which are provided in Table 2. The sales methods showed positive correlation and statistically significant relationship with the public adoption, which means that as the sales communication and engagements of the agents improve, the respondents showed a greater level of acceptance and desire to purchase the products

(Kothari, 2004). Operational technicalities also proved to be positively associated with adoption, albeit its relationship was relatively smaller indicating that even as much as operational clarity was important, it was usually mediated by the success or failure of the selling process itself (Bhattacharyya, 2006). The relationship between sales methods and operational technicalities was moderate, which means that though correlated, the two constructs covered different aspects of the Takaful selling experience (Goddard and Melville, 2004).

Table 2: Correlation Matrix of Study Variables

Variable	Sales Techniques	Operational Technicalities	Public Adoption
Sales Techniques	1.000	0.46	0.61
Operational Technicalities	0.46	1.000	0.52
Public Adoption	0.61	0.52	1.000

The positive and statistically significant correlations presented above gave initial grounds to believe that sales methods and technicalities of operations could be used as predictors of public adoption, thus meeting the regression modelling assumptions (Patel and Patel, 2019). The lack of significantly high correlations among the independent variables also indicated that multicollinearity was not likely to cause the regression estimates to be corrupted, which was subsequently verified after conducting diagnostic testing (Gupta and Gupta, 2022).

Multiplex linear regression was the main inferential statistical tool used in estimating the influence of sales methods and technicalities of operations on the adoption of Takaful insurance among the populace in Nigeria. Table 3 shows the regression result which shows estimates of the coefficients, estimate of standard errors, t statistics, and the level of significance. The model had a statistically significant F value of the explanatory variables, which showed that the explanatory variables explained a significant percentage variance in public adoption (Kothari, 2004). The coefficient of determination indicated that

the two predictors accounted a significant portion of the adoption behaviour, which is why the role of selling and operational practices in the development of Takaful uptake cannot be underestimated (Bhattacharyya, 2006).

Table 3: Regression Results on Determinants of Public Adoption of Takaful

Variable	Coefficient ( $\beta$ )	Standard Error	t Value	Significance
Constant	0.87	0.19	4.58	0.000
Sales Techniques	0.43	0.07	6.14	0.000
Operational Technicalities	0.31	0.06	5.17	0.000
R <sup>2</sup>	0.49			
F Statistic	72.6			0.000

The regression coefficient of sales techniques was positive and significant, which means that a one unit increase in sales techniques corresponded to a significant rise in the public adoption of Takaful insurance with a level of operational technicality not varying (Daniel and Sam, 2011). This result empirically supports the thesis that selling interface is the determining factor when it comes to converting product availability into real uptake in the Nigerian situation (Goundar, 2012). The resulting size of the coefficient also indicated that the sales techniques had a greater impact on adoption than technicalities of operation which indicated that the primacy of communication, credibility of the agent and persuasive framing in consumer decision making (Patel and Patel, 2019).

The coefficient of operational technicalities was also positive with statistically significant value which confirms that the operational clarity about contribution management, surplus distribution, and claims settlement procedures played a significant role in the outcome of adoption (Bhattacharyya, 2006). But, the relatively smaller coefficient meant that the element of operational features was not enough to cause adoption without a strong selling effort, and this helped to

support the perception that technical strength needs to be aggressively sold to the masses through effective selling behavior (Kothari, 2004). This finding is consistent with the methodological considerations that the operational transparency is an insufficient but a necessary condition of adoption in financial services markets where the base level of trust is low (Goddard and Melville, 2004).

The diagnostic tests performed on the regression model established that all the three assumptions of the linearity, normality, and homoscedasticity were met, which confirmed the reliability of the estimated coefficients (Gupta and Gupta, 2022). The values of variance inflation factor were within reasonable ranges, which implies that the techniques of sales and the operations technicalities are not multicollinear, and the effect of both is independent of one another concerning adoption outcomes (Patel and Patel, 2019). Such diagnostics enabled the model to be more internally valid and increased the confidence in the statistical meaning of results (Bhattacharyya, 2006).

The findings have significant implications in the light of the available empirical data on the adoption of Takaful in similar markets. Other emerging economy researchers have also found that the sales effectiveness and consumer engagement are also key influencing factors of Islamic insurance adoption, especially in the conditions where insurance literacy is low and religious framing is not sufficient to ensure acceptance only (Kothari, 2004). This observation is extended by the Nigerian evidence which quantitatively reveals that inadequacies in sales approaches significantly limit acceptance even in cases where structures of operations exist (Goundar, 2012). The fact that the model has a relative high level of explanation also implies that sales and operations practice improvements would result in genuine market penetration without immediate dependency on regulatory changes (Bhattacharyya, 2006).

#### IV. DISCUSSION AND IMPLICATIONS OF THE FINDINGS

This research is a strong empirical contribution to the thesis that the sales method and technicalities of operations are the critical factors which make the population in Nigeria accept Takaful insurance, and

builds upon previous Nigerian and cross country research findings. The statistically significant effect of sales methods on adoption is consistent with the long-term presence of low awareness and poor understanding of the population that has limited the growth of Takaful in Nigeria despite its ethical nature and demographic opportunity (Kehinde and Sharofiddin, 2021). Nevertheless, the current results go beyond awareness and prove that despite awareness, ineffective sales engagement and limited explanatory depth have a significant detrimental impact on the adoption performance, which supports the criticism that the Nigerian Takaful practice has not invested enough in the professionalised selling strategy (Fadun, 2015).

The existence of a stronger impact of the sales methods compared to the operations technicalities indicates that the decisions of adoption are more influenced by the manner in which Takaful is presented rather than the inherent soundness of its operational structure, which is also aligned with the findings in Kenya and Uganda where the credibility of the agent and the quality of interaction with the client played a significant role in the uptake of the Islamic insurance products (Ochieng, 2013; Wofuma et al., 2024). This observation refutes the implicit belief in Nigerian policy talk that regulatory reform will be converted to market growth, but points to the argument that regulatory sufficiency will need to be followed by successful market facing practices to bring gains of adoption (Saleh, 2016). Although harmonisation of regulation is also essential, especially with a more traditional insurance setup, the findings indicate that the effect of adoption is executed by the sales agents, which serve as the main translators of regulation to consumer knowledge (Saleh, 2016).

The fact that operational technicalities positively and significantly impacted adoption validates the fact that consumers react to the transparency of the provider of Takaful in terms of contribution management, surplus distribution, and claims process, and are consistent with the results of Sri Lanka and Bangladesh where operational ambiguity undermined confidence in the providers of Takaful who acted according to traditional regulatory frameworks (Mazahir et al., 2017; Uddin, 2023). Nevertheless, the relatively lower coefficient reveals that clarity in operations does not

necessarily result in adoption in Nigeria, especially where there has been a history of lack of trust in insurance institutions. This supports the point that the operation strengths need to be proactively shared and contextualised during sales contact to be adoption relevant that can also be seen in the more established Takaful market in Malaysia whereby performance results were positively correlated with the customer engagement practices (Fauzi et al., 2016).

These findings have major implications to the Takaful operators, regulators and policy makers in Nigeria. To the operators, the findings suggest that operators cannot afford to depend on both religious framing and passive availability strategies but that it is important to invest in agent training, ethical selling competence, and customer centric communication to penetrate the market (Ismail, 2015). To regulators, the results indicate that the supervisory focus must not be limited to institutional compliance but they must also cover market conduct standards which influence the market in the sale and explanation of Takaful products which in turn promotes adoption indirectly through enhanced consumer trust (Saleh, 2016). In a general comparative analysis, the Nigerian experience reflects the trends in Pakistan and Middle East markets where the low penetration rates prevailed before the sales and distribution models were readjusted to align with the expectations of the consumers (Shoib et al., 2023; Alshammari et al., 2022).

## V. CONCLUSION

This study aimed at examining the sales strategies and technicalities of operations of the Takaful insurance companies in Nigeria and assessing its success in encouraging the masses to adopt it with the results presenting a clear empirical and theoretical understanding of the continued underperformance of the Nigerian Takaful market. Following a purely quantitative evidence, the research proved that adoption results are not accidental or externally imposed but they are systematically related to the manner by which Takaful products are sold and operationally reported to the insuring population. These findings established that sales methods and operational technicalities have a statistically significant effect on the overall public adoption, which validated the unique purpose of the study and

supported the major thesis according to which the market facing practices are a significant bottleneck in the development path of Takaful in Nigeria.

The evidence showed that sales techniques had a more significant influence on the adoption compared to operational technicalities as the primacy of the selling interface as the primary channel by which potential policyholders link, assess, and eventually accept or reject Takaful insurance. This observation highlights the fact that Takaful, similar to any kind of insurance product, is *a priori* intangible and trust based, such that the decision making of consumers is less influenced by abstract institutional statement and more by the direct contact between the consumer and the sales agents and intermediaries. The credibility of the sales agents to verbalise the value, ethical distinctiveness, and functional reliability comes out as a decisive element in influencing the adoption behaviour in the Nigerian environment where distrust of insurance institutions has been prevalent throughout history. This means that the limitations within selling competence will be transferred directly into the repressed demand, regardless of the merit that Takaful has as a risk sharing instrument.

Technicalities of operation were also demonstrated to be very important in substantiating the fact that the Nigerian consumers are sensitive to the provision of clarity in terms of contribution management, surplus distribution, governance structures and settlement of claims. The relatively low intensity of their effect, however, reveals that operational soundness is not necessarily followed by adoption in the context of the absence of effective sales communication. This observation spells out a delicate interactional nature of the operational features where adoption is feasible only when they are simply clarified, contextualised and conceptualised as plausible solutions to the consumer risk problems. The inference that comes to mind is that operational excellence without communicative competence cannot be relied on and neither can persuasive selling without operational transparency be relied on in the short term to the long term trust.

Strategically, the findings of the study suggest that the low penetration of the Nigerian Takaful market is partially endogenous and is due to the lack of optimal

engagement strategies and not necessarily regulatory or structural shortcomings. Although regulatory harmonisation and institutional reform continue to play a role in the long-term stability of Takaful operations, the experience shows that significant improvements in gains can be made through the current regulatory environment by making conscious attempts to improve the sales practices and operational disclosure. This conclusion counters the prevailing discourse of regulation as the main bottleneck to Takaful expansion within Nigeria, by rebranding market behavior and consumer interactions as equally important drivers to growth.

The research also adds to the larger body of literature on Islamic insurance to support the position that the religious alignment is not a conclusive factor leading to adoption. The pluralistic culture of Nigeria has an analysis of Takaful based on a pragmatic approach that puts reliability, clarity, and perceived value and ethical considerations first. The sales strategies that heavily depend on religious symbolism without considering the functionality issues are thus unlikely to appeal to as many as possible customers, especially those who are not Muslims and economically driven families. It is concluded that selling strategies that are inclusive, professionally implemented and focus on both the ethical basis and the reliability of operations have a more chance to be adopted sustainably with regard to the varied population of Nigeria.

These conclusions lead to policy implications. To Takaful operators, the results indicate that investment priorities should be redone to focus on organized sales-training, performance-monitoring and customer centric engagement systems. The competence of the agents should be regarded as a strategic resource and not as a subsidiary role since it has proven to influence the adoption outcomes. To the regulators, the outcomes indicate that consumer protection and market conduct regulation ought to include consideration of how Takaful products are marketed and described, rather than just how they are licensed and regulated. Regulators can indirectly improve public trust and encourage adoption by promoting standards and other standards promoting transparency and ethical selling without adding further structural burdens to providers.

Methodologically, the study shows the usefulness of the quantitative analysis in isolating and measuring the impact of the sales and operational practices on insurance adoption. The research goes beyond descriptive evaluation of awareness or perception and gives statistically based evidence that can be used in strategic decision making by the industry stakeholders. The application of regression modelling allowed discovering the relative effect sizes that provide a subtle insight into where intervention activities should be applied to provide the highest marginal returns in terms of adoption.

Finally, the study concludes by laying down the fact that the issue of selling of Takaful to the Nigerian insuring citizens is essentially a problem of effective engagement and not conceptual deficiency. Takaful has good ethical and functional backgrounds, which is subject to adoption depending on the capacity of the provider to transform these backgrounds into plausible, comprehensible, and convincing values propositions at the point of sale. Through a demonstration of the centrality of sales techniques and operational technicalities in defining the acceptance of the people, the study offers a narrow and evidence based framework of repositioning Takaful in the Nigerian insurance market. The general implication would be that long term increase in the adoption of Takaful will not rely on the rhetorical appeal or regulation requirement but rather on disciplined, open, and professionally implemented selling activities that would adjust ethical standards and consumer realities.

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