

Users' fintech services acceptance: A cross-sectional study on Malaysian Insurance & takaful industry

Abstract

The emergence of fintech services in the insurance industry has been a transformative force, reshaping how insurance companies operate, how policies are sold, and how customers interact with their insurers. Financial technology developments, also known as “fintech,” are changing how financial services are offered, presenting novel possibilities for the insurance industry worldwide. However, in the Malaysian insurance and takaful industry a good number of customers are still dependent on conventional channels like agents and brokers continue to be important sources for purchases and payments related to insurance instead of using Fintech services. The insurance industry's success and growth are highly dependent on adopting technological services offered by companies to make the process efficient and profitable. So, this study aimed to empirically identify the determinants influencing Malaysia's insurance and takaful industry customers to accept the fintech services for insurance-related transactions and activities. The research combined two prominent technology adoption models UTAUT2, and Delone and Mclean IS Success, and proposed a new research framework. The data for the research has been collected from the insurance and takaful industry customers through Google Forms. Finally, 350 responses were received. The PLS-SEM method was utilized to investigate the data by Smart PLS 3.2.9 software. The result of the study revealed that effort expectancy, information quality, service quality, system quality, and perceived risk impact behavioral intention to use fintech services (BI). In addition, the actual use of fintech services is impacted by behavioral intention. Nevertheless, no impact was found in the case of performance expectancy and social influence on BI. The findings of the study are helpful for academicians, researchers, and insurance companies to explore determinants for fintech services acceptance.

Keywords

Delone and Mclean IS success model; Fintech services acceptance; Malaysia's insurance and takaful industry; Perceived risk; UTAUT2