

Waqf-based Insurance Strategies in Indonesia Sharia Life Insurance Using Analytic Network Process (ANP)

Nina Mudrikah Hariyati¹, Tatik Mariyanti², Hendry Tanjung³, Jaih Mubarak⁴

¹Postgraduate student, Fakultas Ekonomi dan Bisnis, Universitas Trisakti, Jakarta, Indonesia.

^{2,3,4}Lecturer, Fakultas Ekonomi dan Bisnis, Universitas Trisakti, Jakarta, Indonesia.

E-mail: ¹nina222021802008@std.trisakti.ac.id, ²tatik.mariyanti@trisakti.ac.id, ³hendry@trisakti.ac.id,

⁴jaih@trisakti.ac.id

ABSTRACT

Waqf based insurance was introduced to the Indonesian community by National Sharia Board Fatwa No 106/2016 concerning sum assured and investment fund waqf in Islamic Life Insurance. This regulation allows participants of life insurance to waqf part of their sum assured insurance benefit and investment value through waqf organization (Nazhir) which has cooperation with sharia insurance company. Low penetration of sharia insurance and limited awareness of waqf among Indonesian causing this waqf based insurance was not developed well. This study aims to analyze problems in the development of waqf based sharia life insurance in Indonesia, solutions and formulate strategies to be implemented in the development of waqf based insurance. This research method used Analytic Network Process (ANP) that clusters the problems, solutions, and strategies. Research data was obtained through Focus Group Discussions (FGD), in-depth interviews, and questionnaire with 15 experts in the field of insurance, cash waqf and insurance waqf in Indonesia. The results showed that the main problem in the development of insurance waqf is coming from internal company, i.e. lack of management commitment to developing the waqf based insurance and low understanding of waqf among employees and agents, product and features which waqf embedded in unit link product with a high premium, limited variation of waqf payment, expensive waqf distribution, limited waqf infrastructure including manual administrative processes. External problems are the lack of waqf incentives, promotion, and education by regulators, as well as the low level of public understanding of waqf insurance. The proposed internal solution is to increase management commitment by promoting an understanding of waqf opportunities as a new market for sharia insurance as the waqf is unique and specific proposition that in line with sharia insurance concept. The external solution is education through a sustainable literacy program with the theme of economic empowerment and poverty alleviation. Strategic partnership with the moslem community by conducting 'community & digital waqf marketing through a referral program' is the main solution to distribute the waqf to moslem community. Externally increasing promotion, education, and regulations related to insurance waqf will promote the waqf to Indonesian.

Keywords: Waqf based insurance, regulations and waqf based insurance, community marketing waqf, waqf based insurance strategy

1. Introduction

Insurance is one of the financial institutions that serves the community in assisting people to anticipate and prepare if a bad thing happens in the future (risk) that affects the financial condition of an individual or family. Prepare and anticipate future financial conditions due to risks happening in the future in Islam in line and referring to Al Qur'an QS. Al-Hasyr [59]: 18 and QS. Al Maidah [5]: 2.

Based on the Fatwa of the National Sharia Board (DSN) - Indonesian Ulema Council No. 21/2016, sharia insurance (ta'min, takaful, or tadhmun) is an attempt to protect and help each other among several people/parties through investment in the form of assets, and or tabarru' which provides a return pattern for dealing with certain risks through a contract (agreement) by sharia. Contracts that are in under sharia do not contain gharar (fraud), maysir (gambling), usury, zhulm (persecution), risywah (bribes), as well as illicit and immoral goods. Sharia insurance is not only an

effort to anticipate future risks, but there is also an element of mutual assistance and help among insurance participants through tabarru funds.

2. Sharia Insurance in Indonesia

Sharia insurance in Indonesia starting in 1994 marked by establishment of Asuransi Takaful Umum (OJK.go.id).

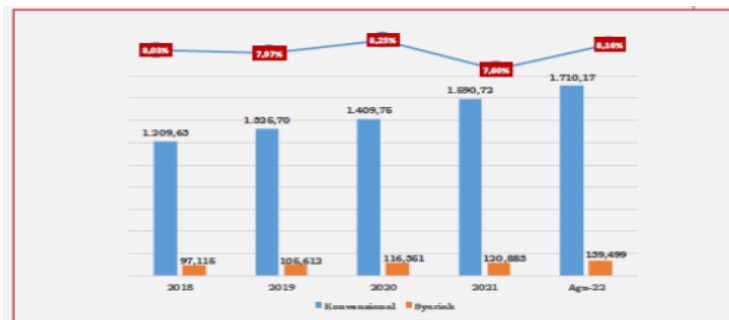


Figure 1. Market Share Sharia Insurance in Indonesia (Source: OJK August 2022)

Along with the growth of Islamic finance in Indonesia, Islamic insurance is currently showing rapid growth, marked by the growth in contributions (premiums) collected by companies offering Islamic life insurance. Based on data from the Financial Services Authority (OJK) for the third quarter (2022), the number of sharia insurance companies reached 60 in October 2022, with a market share to total insurance of approximately 8%, as seen in Figure 1. This fact shows that the sharia insurance business has the potential to develop due to the community's needs. However, the market share of sharia insurance to total national insurance is still very small, with details of sharia insurance market share of 3.78% assets, 5.25% contribution, and 3.91% investment of total insurance (AASI 2021). This data is quite unfortunate considering that the Muslim population reaches 85%, but the penetration of Islamic insurance is still small.

Since 2016, waqf sum assured and investment have been known, where sharia insurance customers can donate a portion of their insurance benefits or investment benefits. However, six years since it was introduced to the market, the growth of this insurance waqf has yet to show significant growth, one of which can be seen from one of the providers, namely Allianz, where only 4% equal to 298 policies in 2019 of customers participate in waqf insurance (Agustina, 2021).



Figure 2. Cash Waqf in Indonesia

This study aims to identify the main problems in the development of insurance waqf on Islamic life insurance in Indonesia, analyze and develop appropriate solutions to be applied, as well as analyze and develop strategies using the ANP method in developing waqf insurance on sharia life insurance in Indonesia.

3. Literature Review

Waqf is holding property that can be utilized and being ististsmar without losing the object by not selling, donating, or inheriting it. The proceeds are distributed to something permissible to the existing beneficiaries of the waqf. Insurance waqf is part of insurance compensation and investment benefits owned by sharia insurance policyholders. The insurance company cooperates with the nazhir waqf so that waqf from insurance customers is conveyed to the nazhir waqf. According to Zubaidi (2020), waqf can be applied to insurance through waqf funds, policy waqf, and waqf as sharia insurance products. Since the issuance of the Fatwa of the National Sharia Board-Indonesian Council of Ulema Number 106 of 2016 concerning Insurance Benefit Waqf and Investment Benefit Waqf in Sharia Life Insurance, insurance waqf that applies in the Islamic insurance industry can be carried out through insurance benefit waqf and investment benefit waqf.

According to the Indonesian Waqf Agency (BWI), Indonesia has a cash waqf potential of Rp. 180 trillion per year. However, the amount of waqf as of January 2021 is still relatively low, namely only Rp. 819.36 billion (IDXChannel, 2021). In 2021 the National Movement for Cash Waqf was launched, and the inaugurated the 2021 Sharia Economic Brand at the State Palace by President Jokowi. He also urged insurance companies to make breakthroughs in developing waqf in Islamic financial institutions. Even though cash waqf is being promoted, it is known that people's understanding of waqf is still quite low, as evidenced by the national Waqf Literacy Index (ILW) score of only 50.48% (Indonesian Waqf Agency, 2020). So far, people are more familiar with waqf in the form of assets such as land, buildings, and schools, so the waqf is considered as expensive product and not affordable by the community.

The low level of public understanding of insurance waqf is also mentioned in research conducted by Nengsih and Dewi (2020), Hakim et al. (2020), Habibaty and Latif (2020), Chairunissa et al. (2021), and Arifin et al. (2021). This research explains that the common public understanding (literacy) regarding insurance waqf is an obstacle faced in developing insurance waqf, supported by Arno's statement (2018) that public understanding is the key to developing insurance waqf on sharia life insurance in Indonesia. On the company side, the lack of socialization and marketing of sharia insurance products is also the cause of low public participation in both sharia insurance (Effendy, 2018) and insurance waqf (Hakim et al., 2020). This sentence is supported by Ichsan's statement (2015) that the low penetration of the Islamic insurance market is partly due to ineffective promotion and education, lack of product and service innovation, and low regard for Islamic insurance. Rusydiana(2018) also mentioned high potential of cash waqf in Indonesia while problems and main challenge on the development are system, products and regulations. Active participation from the community and right execution from the stakeholders will help the waqf growth. On the other research Rusydiana (2018) also mentioned the challenges of the waqf development ie low trust on the nazhir, the akad (sharia) issues, quality of nazhir and the system (waqf governance)

The insurance waqf product is unique and distinctive and can only be owned by sharia insurance (Sula, 2016). Insurance waqf products have strong differentiation and are different from other products in conventional insurance. Sharia insurance with the concept of tabarru' that helps each other following the concept of waqf. On the benefit side, by adding the waqf aspect to this insurance, the benefits are obtained not only globally, where the heirs will get funds when the waqf policyholder (insurance compensation) provides financial strength, but also for the policyholder because the existence of waqf this will flow the reward/investment in the afterlife that is eternal. Therefore, the potential for cash waqf is so great, as well as the goodness/benefits of waqf through insurance, but until now, insurance waqf has not been widely known to the public.

Therefore, unique strategies and solutions are needed so that this insurance waqf can grow and significantly improve people's welfare.

4. Methodology

This research will be conducted using a qualitative approach by conducting in-depth research, identifying, and investigating insurance waqf, then analyzing the factors that cause the problem so that appropriate solutions and strategies can be produced. The ANP qualitative method was chosen because ANP is structured using clusters with elements in each cluster that can influence and provide feedback between them. ANP is used to solve problems using existing alternatives and criteria. In its analysis technique, ANP uses pairwise comparisons of project alternatives and criteria (Tanjung and Devi, 2018). Qualitative research is carried out using literature studies and questionnaires given to academics, practitioners, and regulators to get an overview of the problems studied.

This research design is exploratory based (Exploration Design Research). This research is used when there are still few similar studies conducted, with the aim of gaining more insight when the research problem is still in the early stages of research (Wijananto, 2020). This exploratory research method is expected to describe a problem in developing insurance waqf products in sharia life insurance.

The method of data collection will be carried out through a review of various media, including literature studies from academic journals and reports, published materials from reliable sources, data observation, interviews (in-depth interviews) with industry players, a questionnaire filled by the expert as well as Focus Group Discussions (FGD) of an expert of sharia insurance and waqf.

Bernard (2013) in Julius Sim et al. provides direction that the sample size in qualitative research is 10-20 knowledgeable people (experts) to reveal and understand well-defined core phenomena or studies of life experiences (Heriyanto, 2021). Therefore, the number of samples needed is 15 participants taken from experts and practitioners in sharia insurance and waqf. The sample was determined using a purposive sampling or judgment method, which had several criteria under the research so that the sample obtained was more representative and could provide the desired information that met the criteria determined by the researcher. Respondents consisted of four regulators, six practitioners, and five academics.

The measurement of this research variable uses a questionnaire to obtain data that will be used in the calculations. The questions in the ANP questionnaire are in the form of pairwise comparisons between elements in the cluster to determine which one has the more significant influence and how big the difference is from one side. The 1-9 numerical scale used is a translation of the research. Table 1 compares the verbal and numerical scales on the ANP scale.

Table 1. Verbal and Numerical Scale

verbal	numeric
Terribly large level of influence	9
	8
Very large level of influence	7
	6
Larger level of influence	5
	4
A bit large level of influence	3
	2
Same level of influence	1

Source: Lestiyanti (2020)

Research stages using ANP can be seen in Figure 3.

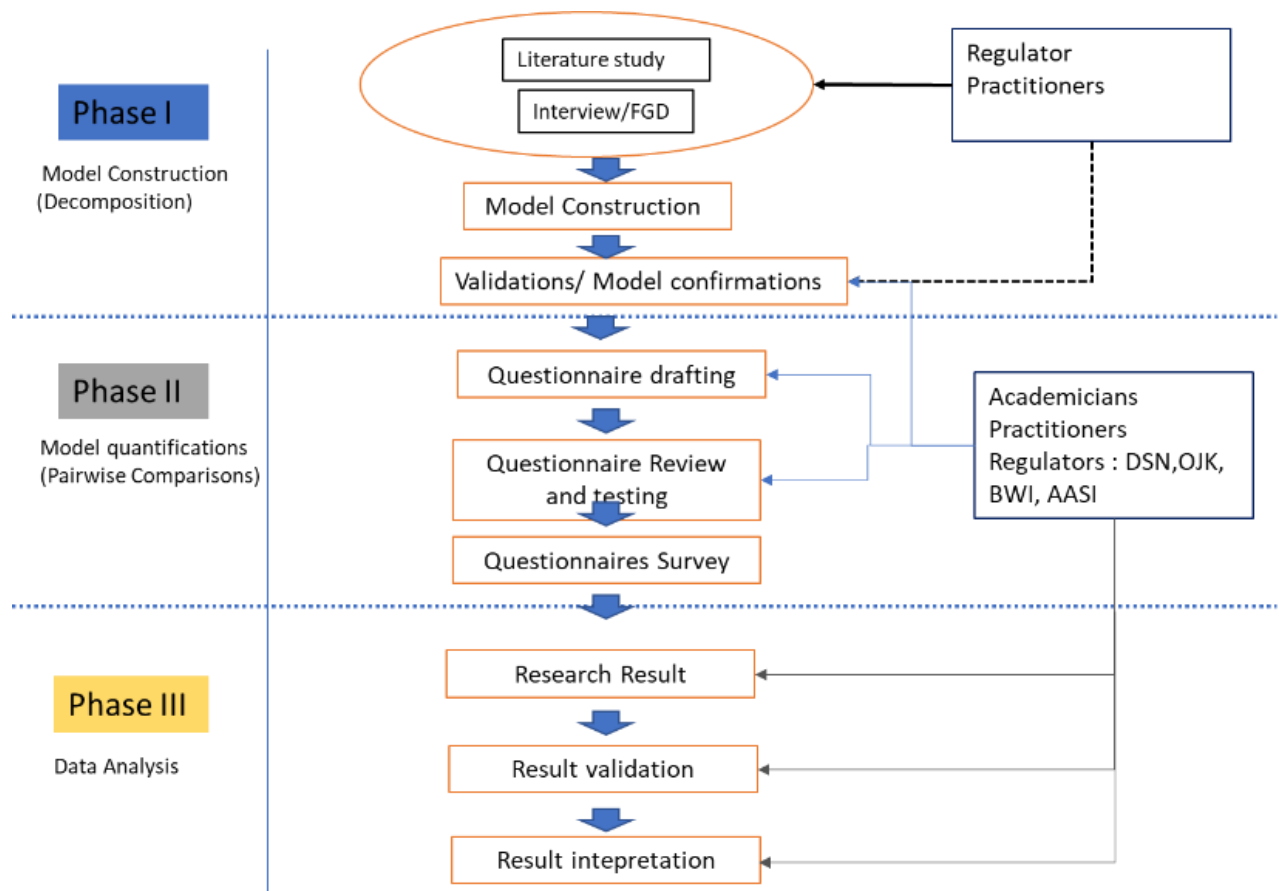


Figure 3. Research Stages using ANP (Source: Wijananto (modified))

This research is divided into 3 phases. The first phase is to carry out model construction (decomposition), namely the problem identification phase to construct the complexity of the problem into the ANP framework based on various literature and literature studies that have been conducted, questionnaire data, in-depth interviews with sharia insurance marketing practitioners and complemented by FGDs with respondents who consists of regulators and practitioners who understand the sharia insurance business and insurance waqf. The second phase quantifies the model (pairwise comparisons) by designing an ANP questionnaire according to the ANP framework created in the first phase, then distributing it to expert respondents who master the problem for measurement using a ratio scale. The third phase is processing data through a synthesis process using the ANP program and analyzing the results. In interpreting these results, respondents need feedback to find the main problems and determine the order of priority, so that the right priority solutions and policy strategies will be obtained.

Research variables consist of internal clusters and external clusters. Internal and external clusters are divided into problems, solutions, and strategies. Problems in internal clusters are products & features, human resources, and infrastructures, while external clusters are customers and regulators.

Development of waqf based insurance in Indonesia Sharia Life Insurance

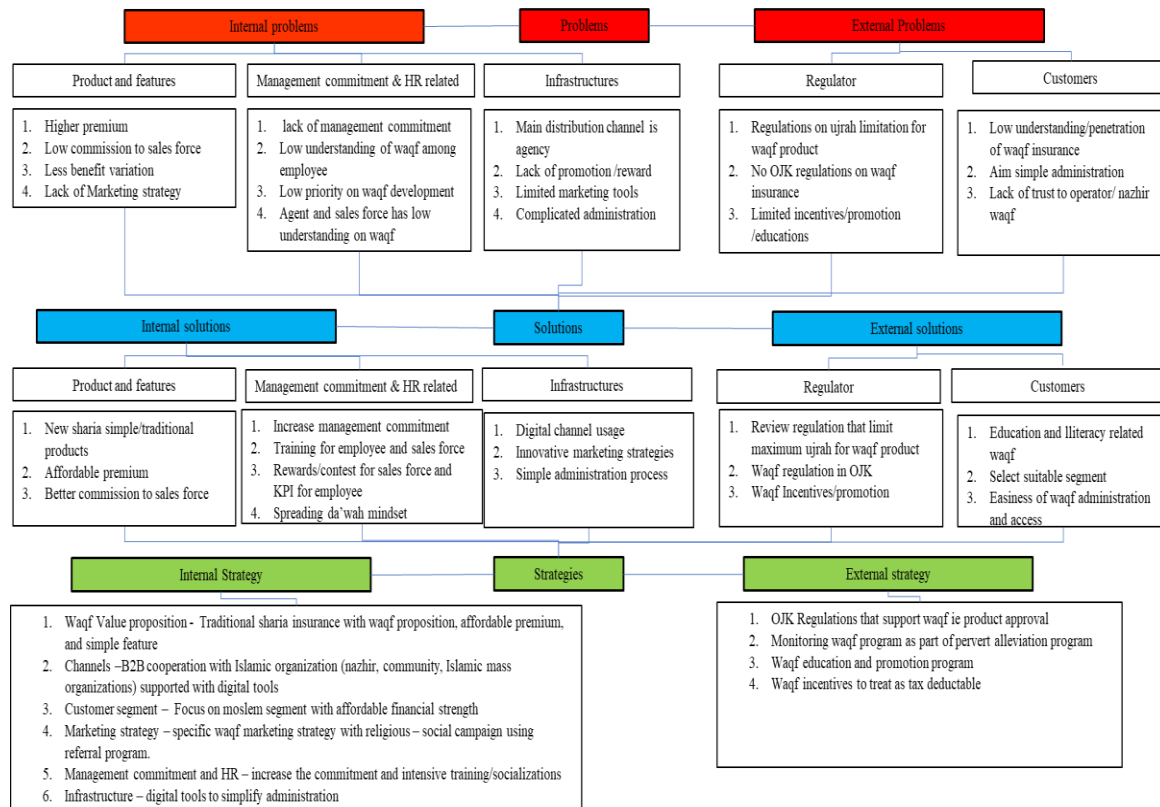


Figure 4. Research Variables and Framework

5. Result and Analysis

The ANP model was developed based on a literature review of previous research, focus group discussions, and in-depth interviews. The results of interviews with each respondent are inputted into the ANP network, which is designed in the diagram below.

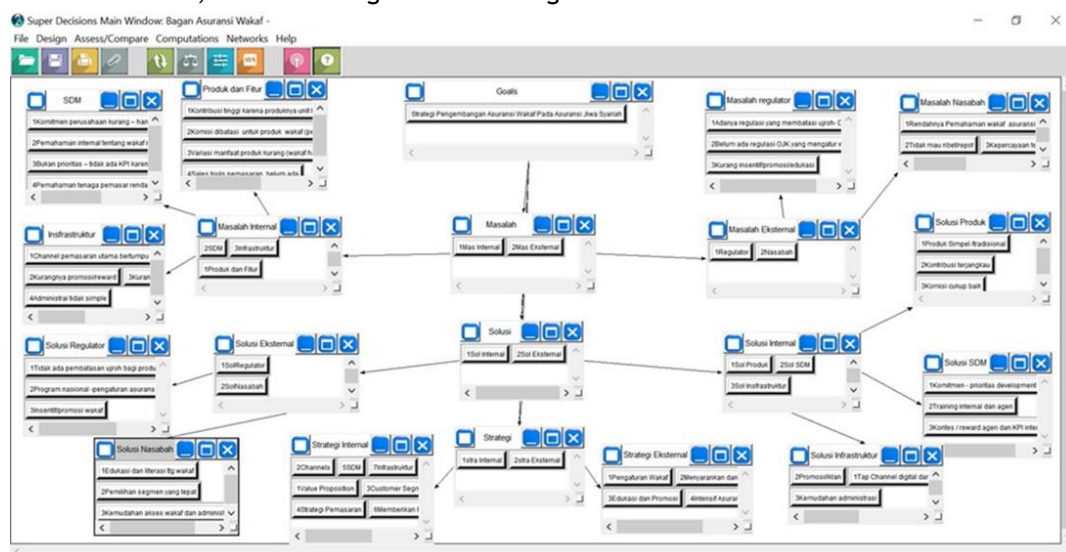


Figure 5. ANP Matrix

In this research, clusters represent the largest group in the research framework. In this case there are 3 clusters, namely problems, solutions, and strategies. The criteria are part of the cluster (one level below the cluster), while the sub-criteria are part of the criteria. The problems encountered in developing insurance waqf on sharia life insurance in Indonesia are divided into two criteria, namely internal problems, and external problems. Internal problems are those that come from sharia life insurance companies in Indonesia, while external problems are problems that arise and come from an external company.

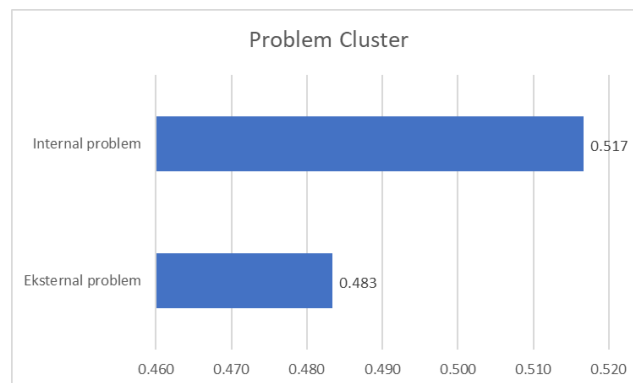


Figure 6. Problems Cluster

Problems in developing insurance waqf in sharia life insurance in Indonesia are most dominantly caused by internal problems. This internal problem is the primary indicator with an average value of 0.517, and external problems are the second indicator with an average value of 0.483. In this case, 51.7% of respondents stated that internal problems were a priority issue in developing insurance waqf in Indonesia, followed by external problems with a rate of 48.3%. Meanwhile, the rater agreement value of this cluster is 0.004 ($w=0.004$), which means that the respondents do not totally agree to determine internal issues as a priority in developing insurance waqf for sharia life insurance throughout Indonesia.

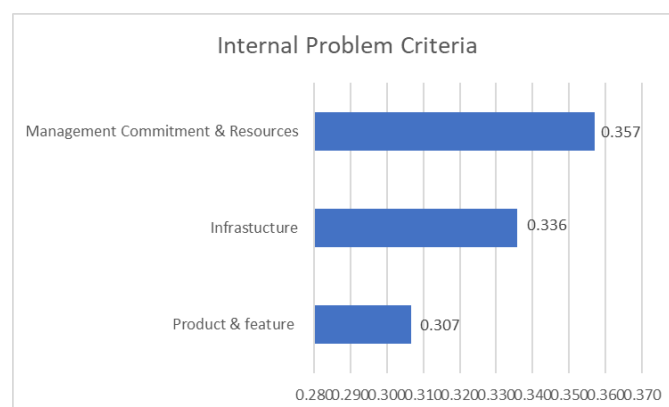


Figure 7. Internal Problem Criteria

Based on Figure 7, there are three internal problem sub-criteria indicators: Products and Features, Management Commitment and Human Resources Understanding related to Waqf, and Infrastructure Problems. The results show that the problem of Management Commitment and HR Understanding of waqf is the primary indicator in the internal problem sub-criteria with an average value of 0.357. The second indicator is infrastructure problems with an average value of 0.336; the

last indicator is products and features with an average value of 0.307. The rater agreement value for this criterion is 0.031 ($w=0.031$), or the expert agreement is relatively low in determining this internal problem sub-criteria.

The problem of waqf products and features consists of four indicators, the lack of a marketing strategy is the primary indicator with an average value of 0.313 or 31.3%, then the variety of product benefits is less (only endowments at death/insurance benefits and investment benefits) with an average of 0.245, low commissions for agents/sales force due to ujroh limitation an average value of 0.227, and the last indicator is a high contribution due to unit link-based products with an average value of 0.214. The rater agreement value for this criteria is 0.51 ($W=0.51$) which means that 51% of expert respondents relatively agree that the product and feature sub-criteria based on the sequence are: a lack of marketing strategy, lack of variation of endowments on life insurance, limited commissions for marketers, and contributions (premium) which is quite high because the product base is unit linked.

The problem of management commitment and understanding of HR consists of four indicators. The main indicator in this criterion is the company's internal understanding of waqf which is still low with an average value of 0.296, then marketers' understanding of waqf is also considered low with an average value of 0.288, company management commitment is lacking with an average value of 0.221, and the last indicator, namely waqf is not a priority with an average answer value of 0.195. The rater agreement value for this criterion is 0.062 ($w=0.062$) where the agreement of all respondents in determining the sub-criteria for issues of management commitment and understanding of HR is very low.

Internal problems can be summarized in Table 2.

Table 2. Summary of Internal Issues in the Development of Waqf Insurance

Criteria	Sub Criteria	Sub Criteria	Description
Internal Problem	Lack of management commitment and low understanding of waqf within the company.	Lack of management commitment - just following the trend.	Lack of management commitment as the waqf program is just following the trend and not accompanied by adequate research.
		Low understanding of insurance waqf among employees.	Insurance employees' low understanding of waqf, resulting in their lack of motivation to develop waqf.
		Low understanding of waqf among insurance agents.	The lack of understanding of agents (marketers) who market waqf products/features, resulting in a lack of confidence in marketing waqf.
		Waqf is not a priority within the company.	Waqf has not been prioritized because it has not been able to provide profitable business potential for the company.
	Infrastructure issues	The main distribution channel is through agencies.	Islamic life insurance distribution still prioritizes the agency channel, which requires higher compensation costs.
		Unsophisticated waqf administration.	Islamic life insurance application administration is digital-based, but for waqf there are still forms that must be signed manually by prospective heirs or beneficiaries.
		Lack of promotion or rewards.	Lack of rewards for agents who market the waqf feature and there is also no special promotion related to waqf.
		Lack of marketing tools.	There is no waqf-specific marketing tool that agents need to market waqf insurance.
	Product and feature issues	Lack of marketing strategy.	Lack of waqf-specific marketing strategy as currently waqf is only a feature attached to products commonly marketed by insurance managers.
		Lack of variety in product benefits.	Waqf only comes from the value of investment or insurance compensation that will only be received if the participant waqf, until now it is still a potential waqf fund.
		Small commission for marketers due to ujroh restrictions.	Managers cannot provide competitive commissions for marketers, as the ujrah used to provide commissions is limited to a maximum of 50%.
		High contribution due to unit-linked product.	Contributions that must be paid by participants are high because unit-linked products have an investment component.

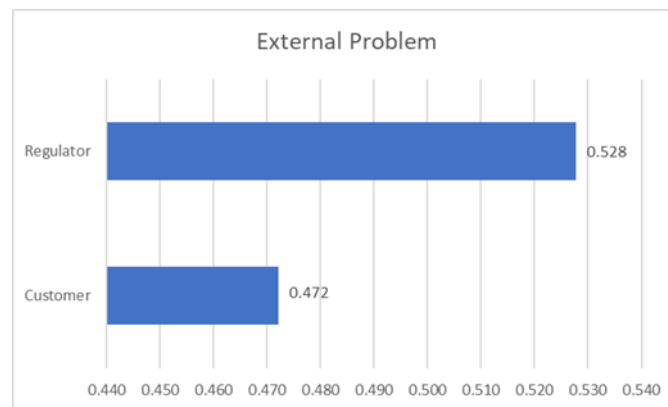


Figure 8. External Problem Criteria

External problem criteria in the development of waqf insurance are categorized into 2: problems related to insurance customers and problems from regulators. From the search results for external problem problems, as shown in Figure 8, the main priority is the problem with the regulator with an average of 0.528, while the customer problem is the next priority with an average value of 0.472. The value of rater agreement on this criterion is 0.018 ($w=0.018$), so it can be concluded that the experts have agreed to determine the external problem sub criteria.

Regulatory issues consist of three indicators, namely the lack of incentives/promotion/education related to waqf insurance with an average value of 0.434, the existence of a National Sharia Board Regulation (fatwa on waqf insurance benefits and investment benefits in Islamic life insurance) that limits ujroh for waqf products is the next priority with an average value of 0.294, and finally there is no OJK regulation governing waqf with an average value of 0.273. The value of rater agreement on this criterion is 0.163 ($w=0.163$), so the experts are relatively agreed in determining the sub criteria of regulatory issues.

Customer problems consist of three indicators, namely the low understanding of customers/potential customers about waqf insurance with an average value of 0.434, the second indicator is not wanting to bother with additional administration with an average value of 0.327, and the last indicator is the lack of trust in insurance company managers and nazir. The value of rater agreement on this criterion is 0.221 ($w=0.221$), where experts agree in determining the subcriteria of customer problems.

Table 3. Summary of External Issues in the Development of Waqf Insurance

Criteria	Sub Criteria	Sub Criteria	Description
External Issues	Regulatory Issues	Lack of promotion/education/incentives for waqf insurance development.	Lack of promotion/education and incentives from regulators for the development of insurance waqf.
		The existence of ujroh restrictions on insurance waqf products.	The existence of a DSN Fatwa that limits the maximum ujroh for insurance companies so that companies become inflexible in compensating marketers.
		There is no regulation governing waqf insurance in OJK.	There are no regulations governing insurance waqf in OJK, only fatwa on waqf of insurance benefits and investment benefits.
	Customer Problem	Low understanding of insurance waqf among customers/potential customers.	The understanding of waqf insurance among Indonesian people is still low..
		Customers do not want to bother with waqf administration.	Manual administration makes customers reluctant to add waqf to their insurance products.
		Lack of trust in waqf managers (insurance companies and nazir).	Customers are skeptical of insurance managers and nazir who manage insurance waqf.

In this study, the solutions used in developing waqf insurance in Islamic life insurance in Indonesia are divided into two indicators: internal solutions and external solutions. The internal solution is a problem-solving offered for the development of waqf insurance sourced from internal Islamic life insurance companies in Indonesia, while external solution is a problem solving offered

for the development of waqf insurance sourced from external Islamic life insurance companies in Indonesia.

In this study, the solutions used in developing insurance waqf in sharia life insurance in Indonesia are divided into two indicators: internal solutions and external solutions. Based on the survey results, all respondents considered that the primary indicators in the solution were internal solutions with an average value of 0.535, and external solutions with an average value of 0.465. The rater agreement value for this criterion is 0.040 ($w=0.040$). The experts have differing views in determining the solution sub-criteria.

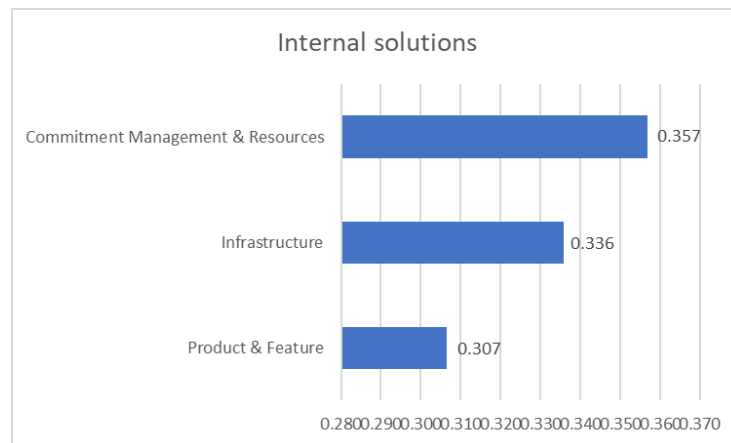


Figure 9. Internal Solution Criteria

Internal solutions in the development of waqf insurance are divided into 3 indicators: infrastructure solutions, management commitment solutions and HR understanding, and product solutions and features. The primary indicators in internal solutions are HR management commitment solutions with an average value of 0.362, product solutions with an average value of 0.335, and infrastructure solutions with an average value of 0.303. The rater agreement value on this criterion is 0.031 ($w=0.031$), where experts disagree in determining the internal solution sub-criteria.

The waqf product and feature solution consist of three indicators: creating simple waqf products based on traditional products with an average value of 0.364, affordable contributions with an average value of 0.362, and a relatively good commission of marketers with an average value of 0.273. The rater agreement value on this criterion is 0.350 ($w=0.350$), meaning that experts agree in determining the sub-criteria of product solutions and waqf features.

The solution of management commitment and HR understanding consists of three indicators, namely providing internal and agent training on waqf insurance with an average value of 0.398, increasing management commitment to waqf insurance with an average value of 0.321, holding contests/rewards for marketers and setting internal HR KPIs with an average value of 0.280. The value of rater agreement on this criterion is 0.163 ($w=0.163$), meaning that experts agree in determining the sub-criteria of management commitment and HR solutions.

Infrastructure solutions consist of three indicators: innovative marketing strategies with an average value of 0.354, using digital channels in marketing waqf with an average value of 0.347, and providing administrative convenience with an average value of 0.299. The value of rater agreement on this criterion is 0.031 ($w=0.031$), which experts disagree in determining the infrastructure solution sub-criteria.

Internal solutions can be summarized in the Table 4:

Table 4. Internal Solution Summary

Criteria	Sub Criteria	Sub Sub Criteria	Description
Internal Solutions	Solution to Improve Management Commitment and Understanding of Waqf within the Company	Training, workshops, and campaign programs for employees and agents.	Increased understanding of waqf through training, workshops, and special programs such as quizzes or games about waqf so that it will have an impact on employees' and agents' understanding of waqf insurance.
		Management commitment through marketing research and identifying waqf business opportunities or potential as a 'new market' for Islamic insurance.	Increasing management commitment is done by identifying the opportunities and potential of waqf as a 'new market' for Islamic insurance, in addition to the existing market. Understanding the market needs to be done with adequate research so that waqf can be developed.
		Rewards and monitoring for agents, as well as Key Performance Indicators (KPIs) for employees.	Monitoring and rewarding marketers who successfully market waqf will increase the development of waqf insurance. Including waqf in internal employee KPIs will motivate employees to participate in waqf development.
	Product Feature Solutions	Develop simple, traditional-based products.	Simple traditional products will be easily understood by agents and customers, and make it easier to prioritize the waqf aspect.
		Affordable contribution.	A simple product will make the contribution to be paid by customers more affordable.
		Good commission for marketers.	The commission of marketers needs to be considered to encourage them to market waqf. Products with affordable contributions will result in slightly lower commissions, but this can be compensated for with a large number of customers and in combination with other attractive programs.
	Product and feature issues	Innovative marketing strategy.	Special waqf marketing strategy that is different from regular products, promoting the social aspect of waqf through referral programs.
		Use of digital distribution.	Digital applications will make it easier to reach the public and reduce marketing costs so that contributions can be lower.
		Ease of administration.	Digital and online administration.

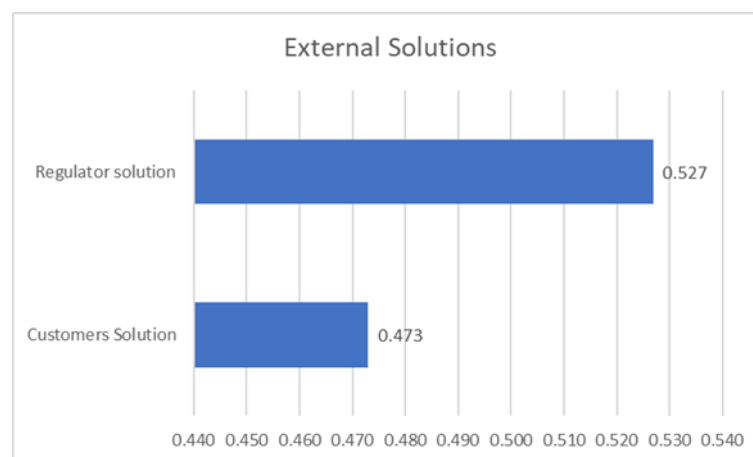


Figure 10. External Solution Criteria

The primary indicator in the external solution is the regulator solution with an average value of 0.527, and the customer solution has an average value of 0.473. The rater agreement value on this criterion is 0.040 ($w=0.040$), and the respondents' agreement in determining the regulator solution is relatively low. Overall, respondents disagreed that the regulator solution was the most dominant. On the other hand, external solutions are not only from regulators but also influenced by other things discussed in this study.

The regulator solution consists of three indicators, namely incentives/promotion of waqf insurance with an average value of 0.413, regulation of waqf insurance in OJK with an average value of 0.347, and no ujroh restrictions for waqf products with an average value of 0.240. The value of rater agreement on this criterion is 0.168 ($w=0.168$), meaning that experts agree in determining the regulator solution sub criteria.

The customer solution consists of three indicators, namely education and literacy about waqf with an average value of 0.396, then selecting the right segment for marketing waqf insurance with an average value of 0.304, and the last is providing easy access to waqf and its administration with

an average value of 0.300. The rater agreement value on this criterion is 0.068 ($w=0.068$), where experts do not agree in determining the customer solution sub criteria.

A summary of external solutions can be seen in Table 5.

Table 5. External Solution Summary

Criteria	Sub Criteria	Sub Sub Criteria	Description
External Solutions	Regulatory Solution	Waqf promotion incentives.	Waqf promotion through education and literacy programs from regulators, as well as incentives such as waqf as a tax deduction.
		Waqf regulation in OJK.	Regulations related to the application of waqf products and features as well as required documentation such as heirs' approval.
		No ujroh restrictions on waqf insurance products.	Review the provision of ujroh restrictions for waqf products.
	Customer Solution	Education and literacy about waqf.	Prospective customers need to find out about the insurance waqf program from various available media, including from marketers.
		The right waqf segment.	Understand waqf as a religious necessity in addition to prayer, zakat, fasting, hijab, etc.
		Ease of access and administration.	The use of digital media and applications means that customers must learn to use them well, in order to simplify the administration in applying for waqf insurance.

After parsing the problem and analyzing the solution, the next step is formulating an appropriate strategy for developing waqf insurance in Islamic life insurance in Indonesia. The strategy is divided into 2 indicators: internal strategies with an average value of 0.516 and external strategies with an average value of 0.484. The rater agreement value on this criterion is 0.040 ($w=0.040$), so overall the respondents do not agree in determining the strategy criteria. These results happen because in addition to internal strategies, external strategies are also essential considering that regulations and customers can help develop waqf insurance, which is inseparably related to everything outside the company.

Determining the insurance waqf development strategy must be carried out in an integrated, sustainable manner, and involve various interested parties. The results showed that internal strategies should be the top priority in developing waqf in Islamic insurance. This matters because the company's internal parties have the ability and understanding of the problems in the development of waqf insurance and can determine strategies to be implemented so that waqf insurance is increasingly developed and recognized by the community so that more people will participate.

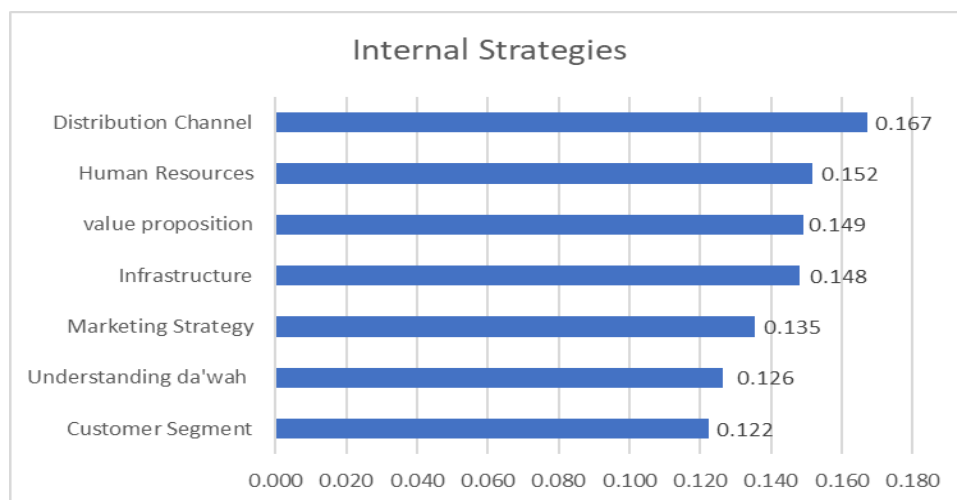


Figure 11. Internal Strategies

The internal strategy consists of seven indicators, namely the right distribution channel with an average value of 0.167, management commitment and quality of human resources with an average value of 0.152, a clear value proposition with an average value of 0.149, infrastructure that supports waqf with an average value of 0.148, having a marketing strategy with an average value of 0.135, providing an understanding of da'wah with an average value of 0.126, and selecting the right customer segment with an average value of 0.122. The rater agreement value on this criterion is 0.165 ($w=0.165$), so that in this study it shows that the internal strategy sub criteria have a low level of agreement and the respondents do not agree in determining the internal strategy sub criteria for developing insurance waqf in Islamic life insurance in Indonesia. The internal strategy for developing waqf insurance is summarized in Table 6:

Table 6. Internal Strategies the Development of Waqf Insurance

Criteria	Sub Criteria	Description
Internal strategy	Distribution channel strategy for waqf insurance products/features.	Distribution of waqf insurance through business-to-business cooperation with communities or mass organizations with marketing through referral programs (community marketing with referral-based programs).
	Strategy to increase management commitment to the development of waqf insurance.	Increased management commitment by conducting research to support the understanding that waqf will be a new market that will add to the existing Islamic market, and not cannibalize the conventional market.
	Strategy to increase employees' and agents' understanding of waqf.	Improved employee and insurance agent understanding of waqf through training, workshops, and continuous education.
	A clear value proposition regarding waqf.	A clear value proposition on waqf insurance, prioritizing the social aspect (waqf) before the financial aspect (insurance) through waqf insurance products.
	Waqf infrastructure.	Infrastructure that supports waqf in the form of digital applications.
	Understanding of waqf to the internal company.	Providing an understanding of da'wah to employees and agents through religious activities such as recitation, cultum, joint prayers, dhuha prayers, etc.
	Selection of the right consumer segment.	A segment of the Muslim community who are obedient and have done the obligatory things such as praying, zakat, fasting, eating halal food, and covering aurat.
	Providing supporting facilities for waqf insurance marketing.	Marketing tools (flyers, cheat sheets, information summaries, brochures) as well as waqf calculators, videos, teasers, etc.

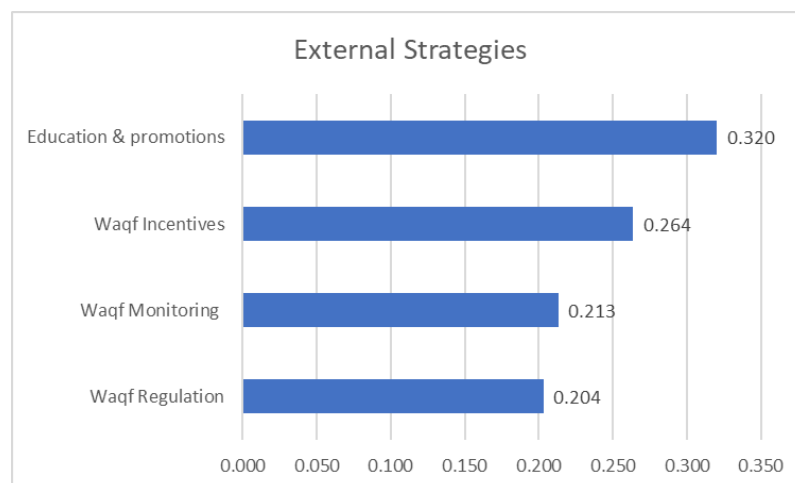


Figure 12. External Strategies

The external strategy consists of four indicators, namely education, and promotion of waqf from the government with an average value of 0.320, incentives and ease of waqf at the OJK with an average value of 0.264, waqf monitoring regulators with an average value of 0.213, and waqf arrangements at the OJK with the average value of 0.204. The rater agreement value for this criterion is 0.165 ($w=0.165$), where the expert agreement in determining the external strategy sub-criteria is relatively low. External strategies can be summarized in

Table 7:

Table 7. External Strategies in the Development of Waqf Insurance

Criteria	Sub Criteria	Description
External Strategies	Waqf education and promotion	Include educational and promotional content on waqf insurance in government or OJK literacy activities.
	Incentives and ease of waqf	Ease in applying for waqf product/feature approval and incentives for people who do waqf.
	Waqf regulation in OJK	Product and feature regulation, product approval submission, waqf documentation.
	Waqf monitoring	Suggest that companies have a waqf program as an empowerment and poverty alleviation program. OJK conducts monitoring related to this program.

6. Conclusion

Based on the results of this research, it is generally found that expert respondents agree that the internal problems in the development of waqf insurance that are prioritized are the lack of management commitment and the low understanding of human resources about waqf insurance, waqf infrastructure and problems with waqf products and features. Meanwhile, from the external side, it is related to the lack of promotion and education from regulators, as well as the low understanding of the public about this insurance waqf.

Answering the problems in the problem formulation, the result solutions are from the internal side by strengthening management commitment with conduct research to understand that insurance waqf has high business potential on top of current sharia business, increasing internal company understanding of insurance waqf with various type of training and workshops, and also externally in the form of support from regulators through educational programs and incentives for industry players.

In terms of waqf insurance development strategies, the experts agreed that the main thing is to choose the right waqf marketing channel to tap the waqf market specific segment where it is proposed to use business-to-business cooperation with Islamic institutions/communities using referral programs, strengthening management commitment with the understanding that waqf insurance is a promising new business potential, a strong product value proposition in the form of waqf insurance products with social concepts, digital technology infrastructure support in waqf development and other strategies. From the external side, regulatory support is needed in the form of education, socialization with the theme of economic empowerment or poverty alleviation, ease in applying for waqf as well as OJK monitoring and regulations that support the development of this waqf insurance.

This study limitation related to only see internal and external factors that exclude economy situation related to Covid 19 pandemic, market waqf through Islamic banks and expert suggest to also proposed waqf board as regulator position to be higher and wider scope.

Recommendation to next study are concern on waqf regulations, development of variables related to the role of technology, studies of sharia aspects and legal aspects such as laws and other regulations, or by using a different method approach in the development of insurance waqf.

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