The Effect of Customer-Brand Relationship Investments on Customer Engagement: An Imperative for Sustained Competitiveness

(Kesan Pelaburan Hubungan Pelanggan-Jenama ke atas Penglibatan Pelanggan: Suatu Kemestian bagi Daya Saing yang Mampan)

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ABSTRACT

Using the extended Resource Investment Model, this study investigated the effect of customer-brand investments in building a strong customer engagement. Data were collected from a sample of 200 mobile phone customers using self-administered questionnaire, and analyzed through the utilization of multiple linear regressions analysis. The findings revealed that investments in customer and brand relationship significantly induce the customer to be engaged to a brand. Besides, the findings indicated that customer investment partially mediates the relationship between perceived brand investment and customer engagement. This study is one of the first to test the applicability of resource investment model in the context of customer-brand relationship. It concentrated on customers’ perception of their relationships with mobile phone brand in the Malaysia’s context. Accordingly, this study provides useful insight for companies in developing a strong customer-brand relationship; and consequently to sustain their competitiveness.

Keywords: Relationship investment; customer-brand relationship; customer engagement; mobile phone brand

ABSTRAK

Menggunakan Model Sumber Pelaburan yang dilanjutkan, kajian ini mengkaji kesan pelaburan pelanggan-jenama dalam membina penglibatan pelanggan yang kukuh. Data dikumpul daripada sampel 200 pelanggan telefon mudah alih dengan menggunakan soal selidik yang ditadbir sendiri, dianalisis menerusi analisis regresi pelbagai. Dapatan kajian mendapati pelaburan hubungan pelanggan dan jenama mendorong pelanggan secara ketara untuk melibatkan diri secara aktif dalam hubungan dengan jenama. Selain itu, hasil kajian menunjukkan bahawa pelaburan pelanggan menjadi pengantara separa dalam hubungan di antara pelaburan jenama dengan penglibatan pelanggan. Kajian ini adalah salah satu kajian yang pertama bagi menguji
INTRODUCTION

The homogeneity of brands and the increasingly demanding customers have led companies to face stiff competition. These marketplace forces, if not properly and urgently tackled, will put the companies’ competitiveness and survival at risk due to continuous reduction in the market and brand shares, sales and profitability (Carter 2008; Passikoff 2013; Schraft & Micu 2010; Tripathi 2009). Accordingly, to secure the market and brand shares as well as to achieve sustained competitiveness and survival, it may no longer be sufficient for companies to compete in terms of pricing, quality or customer satisfaction; but a focus on the building of strong customer-brand relationship is needed (Alqtahtani 2011; Circles 2010; Eisingerich & Rubera 2010; Louis & Lombart 2010).

In response, various studies have been conducted to delve into the customer-brand relationship (CBR) domain (Sung & Campbell 2009; Sung & Choi 2010), particularly to examine the influential factors (e.g. Breivik & Thorbjornsen 2008; Sung & Campbell 2009; Sung & Choi 2010) as well as the important consequences (e.g. Belaid & Behi 2011; Eisingerich & Rubera 2010; Louis & Lombart 2010) of a strong customer-brand relationship. In identifying the drivers of a strong CBR, most extant studies’ primary focus was on the role of customer; and paid minimal attention to the role of brand in the relationship (Sung & Choi 2010). This is done despite the widely accepted notion that the contribution of both partners in a relationship is critical to relationship sustainability (Bendapudi & Berry 1997; Moon & Bonney 2007; Palmatier et al. 2006). To date, almost all CBR studies have adopted the Relationship Investment Model of Rusbult (1983). Their results consistently revealed that satisfaction, investment size (i.e. relationship investment) and alternative attractiveness are the predictors to customer commitment. Relationship investment (RI) has been found to be a better predictor to customer intention in establishing a relationship with a brand (Sung & Campbell 2009; Sung & Choi 2010). It is recognized as being capable to depict both the customer and his/her partner in a relationship (Buvik & Andersen 2011; Dorsch et al. 2001; Luo et al. 2009; Morais et al. 2004). However, despite its recent recognition as the most influential factor to drive customer retention (Sung & Campbell 2009; Sung & Choi 2010), very few attempts have been made to extensively examine the potential of relationship investment in the establishment of a strong customer-brand relationship. While quite a number of studies have investigated the effect of customer investment (e.g. Breivik & Thorbjornsen 2008; Li & Petrick 2008; Sung & Choi 2010), studies that investigate the effect of brand investment in a CBR have been relatively minimal (e.g. Aurier & De Lanauze 2012). Moreover, studies that simultaneously examine the impact of customer and brand investments in a single framework are also rare. Even with a newly proposed model, i.e. Resource Investment model (RIM) by Morais et al. (2004) that specifically investigates the
interaction of both customer and partner investments in driving customer loyalty, there are only few studies in the customer-brand domain that have adopted RIM and examined the relationships among customer investment, partner investment and relational outcome.

Further, most of the CBR studies had employed commitment as the relational outcome, particularly in indicating relationship strength (e.g. Belaid & Behi 2011; Cater & Cater 2010; Louis & Lombart 2010). In examining the effect of relationship investment, customer investment is often associated with commitment as the outcome construct to reflect the relationship strength (Eisingerich & Rubera 2010; Sung & Campbell 2009; Sung & Choi 2010), while brand investments with relationship quality (De Wulf et al. 2001; Liang et al. 2008; Yoon et al. 2008). Although customer engagement is acknowledged as the better indicator to relationship strength (Bowden 2009; Brodie et al. 2011; 3; Sashi 2012; Van Doorn et al. 2010; Verhoef et al. 2010), empirical research on the antecedent of customer engagement has also been very limited. Accordingly, as very few studies have delved into the role of relationship investment in customer engagement, the effect of relationship investment on customer engagement is not well understood.

Given the growing importance of CBR domain and the heightened need to thoroughly investigate the effect of relationship investment as well as to clarify on the correct lever that will effectively engage the customers to a brand, this paper aims to determine the effect of customer and brand investments on customer engagement. Accordingly, using extended Resource Investment model (RIM), this study broadens the knowledge of the conceptualization and operationalization of relationship investment and customer engagement. Besides, the finding establishes the significance of further exploring and understanding the impact of customer-brand investments on customer engagement. Moreover, it also provides companies with new insights of how they can utilize customer perception toward relationship investment as to develop a strong CBR and consequently sustain their competitiveness.

The competition among various mobile phone brands is even more marked as compared to brand of other product categories and expected to become increasingly stiff (Schraft & Micu 2010). Despite the strong tendency of brand switching (Bugel et al. 2010; Rusbult et al. 1998), consumer’s loyalty sentiment is the highest for mobile phone brand (Nielsen 2013). Thus, this shows that mobile phone brand could truly discriminate the engaged from disengaged customers (Passikoff & Weisler 2006; Passikoff 2013). Therefore, to prevent companies from continuously losing their sales and customers to competitors (Barnes 2011; Carter 2008) and guide them on how to sustain their brands’ competitiveness and survival (Euromonitor International 2011, 2013; Interbrand 2011, 2012; International Data Corporation (IDC) 2012; Youthsays Malaysia 2009), the study on the customer engagement toward a mobile phone brand is extremely critical. Thus, mobile phone brand is specifically examined in this research.

LITERATURE REVIEW

Strong evidence on the significant role of relationship investment in relationship building has driven an increasing interest to employ relationship investment as one of the dominating factors in the relationship marketing research framework. Since both partners invest in the relationship, the investigation of the effect of relationship investment in prior studies had based upon two concepts. In some studies, relationship investment refers to the individual evaluation of his/her own relationship investment (termed as own or customer investment, hereafter) (Liu et al. 2009;
Luo et al. 2009; Nusair et al. 2011; Rusbult 1983; Sung & Choi 2010). Meanwhile in others, they were related to individual’s evaluation of the partner’s investment in a relationship (termed as either partner or brand investment, hereafter) (Aurier & De Lanauze 2012; De Wulf & Odekerken-Schröder 2001; Ha & Stoel 2008; Mitrega & Katrichis 2010; Yoon et al. 2008).

Despite probing on different types of relationship investment, previous studies have successfully revealed the significant effect of own (individual) investment as well as partner investment on relational outcomes (Aurier & De Lanauze 2012; Nusair et al. 2011; Odekerken-Schroder et al. 2003; Sung & Campbell 2009). Nevertheless, very few studies had tested the effect of own and partner’s investments simultaneously in a single framework. Among the earlier attempts to investigate the effects of both types of investments include Chung, Chatterjee and Sengupta (2012); Buvik and Andersen (2011) and Henry Xie, Suh and Kwon (2010). Even more so, very few studies have explored the interaction between one’s own investment and partner’s investment. So far, Morais et al. (2004) had demonstrated that partner investment significantly induces own investment to affect loyalty. Nonetheless, almost no attempt has been made to further confirm the finding and clarify as to whether own investment mediates the effect of partner investment on relational outcomes.

More to the point, extensive studies have been conducted in business-to-business (B2B) (e.g. Buvik & Andersen 2011; Chang et al. 2011; Chung et al. 2012; Liu et al. 2009). In business-to-customer (B2C) domain (e.g. Morais et al. 2004; Nusair et al. 2011; Shi et al. 2011), the number of studies are quite substantial. However, the number of studies in the customer-brand relationship (CBR) domain is limited but increasing. While most studies in other marketing domain have been based upon several prominent theories, research on relationship investment in the CBR relies heavily on the Relationship Investment Model of Rusbult (1983) (e.g. Breivik & Thorbjornsen 2008; Li & Petrick 2008; Nysveen et al. 2005; Sung & Campbell 2009). Due to such inclination, many studies have been directed to examine the effect of customer investment (e.g. Breivik & Thorbjornsen 2008; Sung & Campbell 2009; Sung & Choi 2010) rather than partner (brand) investment. Among the first attempt to investigate the role of brand investment in customer-brand relationship context might be Aurier & de Lanauze (2012).

Further, although it has been recently accepted that engagement can better depict the relationship strength (Bowden 2009; McEwen 2004; Peoplemetrics 2009; Sashi 2012; Schraft & Micu 2010), commitment is commonly employed as the indicator of relationship strength (e.g. Breivik & Thorbjornsen 2008; Sung & Campbell 2009; Sung & Choi 2010). Therefore, it is important that the existing literature be enriched by providing empirical evidence on the significance of customer and brand investments in engaging customer, and consequently establishing a strong customer-brand relationship.

**EXPLICATION OF CONSTRUCTS**

**Relationship Investment**

Relationship investment (RI) refers to the tangible or intangible resources brought into a relationship by the parties involved as a means to keep the relationship stronger and lasting (De Wulf et al. 2001; Le & Agnew 2003; Rusbult 1983). Accordingly, RI encompasses the investments made by both partners in a relationship. In the context of this study, which focuses on the relationship between customer and brand, investigation of relationship investment should involves customer investment as well as brand investment. From the customer perspective, determinants of RI would include customer investment (i.e. customer
perception of his/her investment in a relationship) and perceived partner investment (i.e. customer perception of the investment made by partner in a relationship). Correspondingly, RI is characterized by the level of investment made by the brand as well as the customer.

**Perceived Brand Investment** In examining the effect of partner’s investment, many of the previous studies had adopted the conceptualization of perceived relationship investment (PRI) proposed in the Relationship Exchange model by De Wulf et al. (2001). In the model, PRI is defined as “a consumer’s perception of the extent to which a retailer devotes resources, efforts, and attention aimed at maintaining or enhancing relationships with regular customers” (De Wulf et al. 2001). That is, individual’s perception of the extent of his/her partner’s efforts in retaining customers. Accordingly, in this study, it is specifically termed as perceived brand investment, and defined as customer’s overall perception toward the extent of a brand in actively devoting its resources and efforts made at retaining existing customer (Aurier & De Lanauze 2012; De Wulf et al. 2001; Wang & Head 2007).

**Customer Investment** As for customer investment, many studies adopted the conceptualization of investment size, outlined in the Relationship Investment model of Rusbult (1983). In the business-to-business (B2B) context, investment size is defined as “the degree of the invested resources for maintaining the long term relationship” (Huang et al. 2007). Meanwhile, the business-to-customer (B2C) is “how much that customers have already invested in a relationship” (Nusair et al. 2011). Further, in the context of CBR, investment size is defined as “the consumers overall perception of the degree of resources they have put into the relationship with their brands” (Sung & Choi 2010). Similarly, customer investment term is the customer’s overall perception of the degree of his/her own invested resources in maintaining the relationship with brand (Huang et al. 2007; Rusbult 1983; Sung & Choi 2010).

**Customer Engagement** Customer engagement (CE) is a new term in marketing literature, which has received considerable attention from researchers to better reflect the strength of a relationship established between parties in a relationship. Scholars argued that CE has a greater explanatory power to indicate the relationship strength as it does not only encompasses the emotional, cognitive and behavioural components, but also exist as a result of a two-way exchange between partners (Mollen & Wilson 2010; Nammir et al. 2012). Accordingly, such arguments emphasize that CE is a broader construct that extends the definition of involvement, attachment and commitment (Belaid & Behi 2011; Dagger & David 2012; Thomson et al. 2005). Further, it has been theoretically proven that CE is an outcome of satisfaction, trust, commitment and involvement (Bowden 2009; Haven & Vittal 2008; Sashi 2012; Singh 2011). The theoretical evidence, coupled with empirical evidence showed that relationship investment has a significant effect on satisfaction, trust and commitment; thus, it is reasonable to expect a relationship between relationship investment and CE. As such, the arguments have provided this study with a basis to employ CE as outcome construct; substituting the roles of commitment, relationship quality and loyalty to predict the psychological bond that customer develops toward a brand.

Up to now, there is lack of agreement in defining CE. From the psychological perspective, CE is viewed as a psychological state that will drive the customer to exhibit supportive behaviours (Brodie et al. 2013; Hollebeek 2009). Accordingly, in this study, CE is the intensity of the customer’s psychological state characterized by the emotional connection, sustained
attention, brand relevancy and commitment to an active relationship with a brand (Abdul-Ghani et al. 2011; Higgins & Scholer 2009).

RELATIONSHIPS AMONG CONSTRUCTS

DIRECT RELATIONSHIP BETWEEN CONSTRUCTS

Social exchange theory emphasizes that individuals will remain in a relationship as long as they can gain benefits from such relationship (Auh 2005; Choi et al. 2008). The reciprocity principle of the social exchange theory (SET) clearly explains that when individuals perceive that they benefited from a relationship, they would feel indebted and are obligated to reciprocate (Blau 1964; Gouldner 1960). That is, due to the benefits received from partner, individuals tend to reciprocate equitably and ultimately results in relationship continuity (Eisingerich & Rubera 2010). Accordingly, customer perception of brand contribution will influence the customers’ perception of their contribution in the relationship, which ultimately influences their decision to engage with the brand. Following to this, Morais et al. (2004), in proposing the Resource Investment model (RIM), stated that customers’ perception toward the provider of investment significantly and positively influence the customers’ perception of their own investments, which in turn promote customer loyalty. Thus, the higher the customers’ perception toward the provider of the investment in a relationship, the more likely they are to invest in the relationship; which in turn will increase the tendency of the customers to become loyal to the provider.

Applying the Relationship Investment model by Rusbult (1983), many prior studies suggested that customer investment significantly increases customer commitment (Bugel et al. 2010; Huang et al. 2007; Nusair et al. 2011; Sung & Campbell 2009; Sung & Choi 2010) and loyalty (Jiang et al. 2011; Li & Petrick 2008; Tsai & Pai 2012). Nonetheless, it decreases opportunistic behaviour and conflict with partner (Liu et al. 2009; Luo et al. 2009). Thus, the greater the individual (customer) perceives of his/her investment in a relationship, the stronger his/her tendency in committing to the relationship. As such, the findings clearly justify that in order to secure what they have invested in a relationship, customers are willing to demonstrate a positive attitudinal and behavioural responses to the partner (brand) and consequently maintain the relationship (Nusair et al. 2011; Sung & Choi 2010). In the course of that, customer investment is supposed to bind the customer strongly to the relationship with the brand.

Evidence from the literature also shows that perceived partner investment (PPI) as a significant predictor of satisfaction (Liang & Wang 2007; Odekerken-Schroder et al. 2003; Wang & Head 2007), trust (Aurier & De Lanauze 2012; Wang & Head 2007) and commitment (Aurier & De Lanauze 2012; Odekerken-Schroder et al. 2003). Hence, the findings justify that when the customers perceive that the partner has made significant attempt to maintain or enhance the relationship with them, they are more likely to be satisfied with the relationship, trust the partner and commit to the relationship. Besides, past studies found a positive relationship between partner investment and relationship quality (De Wulf et al. 2003; Yoon et al. 2008). This implies that the favourable perception toward the partner’s investment will improve the overall assessment on the relationship. By further revealing that partner investment will consequently lead to a substantial increase in loyalty (De Wulf et al. 2001; Ha & Stoel 2008), a more satisfying and lasting relationship can be obtained; thus retaining the customer. Moreover, with the empirical link between partner investment and customer dependency being supported, it is believed that when the partner’s investment is perceived as great, the customer will try to
avoid losing the benefits that the partner has given (Chung et al. 2012). Thus, it is apparent that the perceived partner investment (PPI) will act as an important signal to the partner’s (company) determination at sustaining a relationship with customer as well as the ability to better serve the customer in the future; and thereby reinforce the reason for a continuous relationship.

In adapting the context to this study, it is expected that customer perception of the significance of their investments would strongly retain them in a relationship. Hence, it can be assumed that high-perceived level of customer investment would increase the level of customer engagement. Besides, customers’ favourable perception of brand investment will result in them to reciprocate equitably. That is, they are more likely to view their investments as more significant and far beyond that; customer will exhibit strong intention to remain engage in the relationship. Accordingly, high-perceived level of brand investment may not only increase the level of customer investment, but also the level of customer engagement. Thus, it is predicted that:

H₁ High-perceived level of brand investment leads to high-perceived level of customer investment.
H₂ High-perceived level of brand investment leads to high level of customer engagement.
H₃ High-perceived level of customer investment leads to high level of customer engagement.

INDIRECT RELATIONSHIP BETWEEN CONSTRUCTS

In recent years, investment size (i.e. customer investment) has been proven as a significant mediator. In particular, Wieselquist (2009) showed that individuals who trust their partners are more committed to their romantic relationship when they have made significant investment in the relationship. Subsequently, Jiang et al. (2011) demonstrated that customer who valued the discounts given by the provider will invest significantly and thereby enhance their commitment to remain involved in the relationship. Meanwhile, Chow and Tan (2013) pointed out on the significance of investment size as a mediator in the effect of attachment to commitment. Despite that, limited studies have been conducted to prove on the mediating effect of customer investment in a relationship between perceived brand investment and relational outcome. To date, previous studies have provided empirical proof on the significant direct effect of perceived partner (brand) investment (De Wulf et al. 2001; Shi et al. 2011; Wang & Head 2007) as well as customer investment (Huang et al. 2007; Li & Petrick 2008; Nusair et al. 2011; Sung & Campbell 2009; Sung & Choi 2010) on relational outcome. Morais et al. (2004) revealed that perceived partner (brand) investment has to affect customer investment as to influence customer loyalty. To certain extent, it is believed that the effect of perceived partner (brand) investment on relational outcome is indirect via customer investment. Accordingly, based on the above arguments on the interrelationship between PBI, CI and relational outcome, it is reasonable to assume on the partial mediating roles of customer investment. Thus, the following hypothesis is proposed:

H₄ Customer investment will partially mediate the relationship between brand investment and customer engagement.
Consequently, research framework of this study modifies the standard Resource Investment Model (RIM) by employing customer engagement as relational outcome and predicting a direct effect of perceived brand investment on customer engagement. The proposed research framework is displayed in FIGURE 1.

FIGURE 1. Proposed research framework

METHOD

This study adopted the positivist, deductive and quantitative approach. Data were collected from 200 mobile phone customers on voluntary basis. To control biasness due to convenience sampling, questionnaires were distributed on three different occasions at the same shopping mall. A structured two-part questionnaire has been utilized. Part A relates to customer perception of the brand, namely perceived brand investment (13 items), customer investment (7 items) and customer engagement (19 items). All the measurement items were adapted from previous studies: perceived brand investment (Han et al. 2011; Shi et al. 2011; Zainol et al. 2014), customer investment (Goodfriend & Agnew 2008; Gummerus et al. 2012; Zainol et al. 2014) and customer engagement (Cheung et al. 2011). The responses were measured by using a 7-point Likert scales from 1 (strongly disagree) to 7 (strongly agree). Part B contains demographic questions such as gender, age, educational level and employment status. The data used in this study were obtained from Malaysian mobile phone users who had used the mobile phone brand for at least six months and at least 15 years old. A total of 200 questionnaires were distributed to potential respondents using convenience sampling method. Out of 200 questionnaires, 197 were returned, equivalent to a 98.5 percent response rate. However, 47 responses were excluded as the responses were of either more than 10 percent of unanswered items (Hair et al. 2010) or similar answer to all questions. Thus, 150 valid responses were used for analysis, representing a response rate of 75 percent. The data were analysed using the Statistical Package for Social Sciences (SPSS) software, which include descriptive statistic analysis, reliability test of scales and multiple linear regressions.

RESULTS

PROFILE OF RESPONDENTS AND RELIABILITY TEST
The sample for this study consisted of 200 respondents, with a valid number of data of 150. The majority of the respondents were male (61.3%), in the age ranging from 20 to 29 years old (54%) and with undergraduate education (67.3%). Screening of the data shows no missing values. Hence, all the responses were used for analysis. The reliability test on perceived brand investment, customer investment and customer engagement has resulted in Cronbach’s alpha values of 0.914, 0.845 and 0.963, respectively. Since all the Cronbach’s alpha values are greater than the cut-off value of 0.7 (Hair et al. 2010), it can be concluded that all items are reliable measurement of their respective constructs.

RESULTS OF MULTIPLE REGRESSION ANALYSIS

In order to check whether the assumptions of Multiple Regression are met, preliminary assumption testing for normality, outliers and multicollinearity were conducted. The skewness and kurtosis values were in the range of ±2 (Garson 2012), which satisfy the normality assumption. The box plots showed no extreme cases and the Mahalanobis distance values were lesser than the critical chi-square values of 13.82 at an alpha level of 0.001; thus, indicating no univariate as well as multivariate outliers (Coakes & Steed 2003). Further, the variance inflation factor (VIF) values for independent variables were lesser than 1.5, well below the recommended upper limit of 10 (Hair et al. 2010). Meanwhile, the tolerance was at 0.85, above the threshold of 0.2 (Garson 2012). Therefore, multicollinearity problem does not appear to influence the results. As no significant violation is found, the data is suitable for further analysis.

TABLE 1 presents the results of the regression analysis. Results from the first analysis showed that perceived brand investment (PBI) explains 14.8 percent of the variance in customer investment (CI), significant at 0.001 level. PBI positively affects CI with a beta coefficient of 0.385. Therefore, H1, which hypothesized a direct positive relationship between PBI and CI, is supported.

The second result indicated that perceived brand investment (PBI) significantly explains 33.1 percent of the variance in customer engagement (CE). The effect PBI on CE was positive with a beta coefficient of 0.575. In the third hypothesis, the effect of customer investment (CI) on CE was also positive, with total variance explained at 33.6 percent and predictive power of 0.58. Thus, H2 and H3 are supported.

To test the mediating effect of customer investment (CI), a four-step approach suggested by Baron and Kenny (1986) was employed. First, three relationship paths were examined; those are the effects of PBI on CE, PBI on CI, and CI on CE. The findings revealed that all three relationships were significant at 0.001 and the effects were in a positive direction. Thus, it could be confirmed that CI does mediate the relationship between PBI and CE. Next, the effects of both PBI and CI on CE were examined. The findings revealed that the effect of PBI on CE was still significant even when CI was entered into the model. However, there was a reduction in the beta value before (β = 0.575) and after (β = 0.413) CI was entered. Thus, this indicates that CI is a partial mediator. Therefore, H4 is also supported.

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<th>Hypothesis</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
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<tr>
<td>Hypothesis 1: (PBI - CI) $R^2=0.148$; Adjusted $R^2=0.142$; $F=25.75^*$</td>
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Hypothesis 2: (PBI - CE) $R^2=0.331$; Adjusted $R^2=0.326$; $F=73.214^*$

Hypothesis 3: (CI - CE) $R^2=0.336$; Adjusted $R^2=0.332$; $F=74.977^*$

Hypothesis 4: (PBI – CI – CE) $R^2=0.482$; Adjusted $R^2=0.475$; $F=68.33^*$

Note: PBI - perceived brand investment; CI – customer investment; CE – customer engagement

*p<0.001

DISCUSSION

The results of this study revealed that perceived brand investment (PBI) has a significant positive relationship with customer investment (CI). Accordingly, the results implied that high-perceived level of brand investment leads to high-perceived level of CI. To a certain extent, the results seemed to conform with the principle of interdependence interactions which highlights that in a relationship, the actions of one partner is contingent on the rewarding actions of the other partner (Blau 1964; Cropanzano & Mitchell 2005). As such, the results suggested that the relationship between CI and a brand is contingent on how rewarding the customer perceives the brand investment. That is, customers are encouraged to make significant investments in a relationship only if they appreciate the brand efforts to develop a relationship with them.

Besides, the results somewhat supported the reciprocity principle of Social Exchange theory (SET) as well as the relationship between customer-provider investments outlined in Resource Investment model of Morais et al. (2004). Accordingly, the results indicated that customers are more likely to reciprocate whenever they perceived that their partners in the relationship (i.e. brand) have made significant investment in the relationship (Blau 1964; Eisingerich & Rubera 2010; Gouldner 1960; Morais et al. 2004). Hence, when customers perceive that they have received substantial benefits from brand investment, they are compelled to reciprocate such investment by devoting greater amount of resources in their relationships with the brand. In this regard, the significant positive effect of brand investment on customer investment clearly shows that whenever customers have a positive impression of the magnitude and importance of brand investment, they are compelled to repay by making significant investments in the relationship. Thus, customer strong appreciation of brand efforts that aimed at building strong functional and emotional connections with customers might result in the customer to make substantial investment in terms of money, effort, emotion and time.

In addition, the results provided strong evidence that PBI and CI have a significant positive effect on customer engagement (CE). The results seemed to be consistent with previous studies that highlighted PBI (Aurier & De Lanauze 2012; Bolton et al. 2003; Kim et al. 2008; Shi et al. 2011; Yen & Chu 2009; Yoon et al. 2008) and CI (Bugel, Verhoef & Buunk 2011; Huang et al. 2007; Jiang et al. 2011; Nusair et al. 2011; Sung & Campbell 2009; Tsai & Pai 2012) as among the dominating factors that affect relational outcomes. Accordingly, the findings clearly demonstrated that PBI acts as an important signal to the brand’s determination in sustaining its relationship with customers as well as better future customer service. It is therefore, when customer perceive the brand investment as significant, they are more likely to reciprocate the benefit they received from the brand’s investment by exhibiting a strong engagement toward the brand. Thus, the results implied that the customers could be persuaded to engage when they
perceive that the brand has significantly invested in building emotional and functional connection with them. Besides, the positive influence of CI on CE indicates that high-perceived level of customer investment leads to a high level of customer engagement. That is, when customers perceive that they have made a significant investment in the relationship with a brand, they are more likely to be engaged in a relationship as to secure such investment (Bugel et al. 2010; Sung & Campbell 2009; Sung & Choi 2010; Tsai & Pai 2012). In this regard, the findings clearly showed that customers appreciate every single investment they made, to the extent that they are willing to engage in a relationship with a brand.

Further, the results also showed that CI partially mediates the effect of PBI on customer engagement (CE). Accordingly, the findings are in congruent with previous studies that showed significant mediating role of CI (Chow & Tan 2013; Jiang et al. 2011; Wieselquist 2009). Further, the findings showed that perceived level of brand investment may not only have a direct positive effect on CE, but also indirect effect through customer investment. To a certain extent, the results supported previous studies that demonstrated a direct relationship between perceived partner (brand) investment and relational outcome (De Wulf et al. 2001; Shi et al. 2011; Wang & Head 2007) and indirect relationship via customer investment (Morais et al. 2004).

Accordingly, the results indicated that high PBI would improve the customers’ perception of their investments whereby they are more willing to engage in a relationship with the brand. That is, when the customers perceive that a brand has invested significantly in building strong connection with them, they would feel obligated to reciprocate the brand’s efforts by making equitable investment; and consequently are more likely to engage in a relationship with the brand as to secure their investments. Accordingly, it is reasonable to believe that customers who perceive high level of PBI are more likely to engage, particularly when they have made significant intrinsic and extrinsic investments.

**IMPLICATIONS**

Having demonstrated the significance of the proposed paths, this study provided empirical evidence on the significance role of relationship investment in inducing customer engagement (CE). Accordingly, this study contributed to the methodological aspect of the literature by providing evidence on the applicability of RIM in the customer-brand relationship context and highlighting RIM as an alternative model for other researchers to adopt in explaining customer-brand relationship. Besides, this study provided empirical evidence on the mediating effect of the customer investment (CI).

This study also contributed to the existing literature by demonstrating that even though CI plays a major role to drive CE, perceived brand investment (PBI) is also of comparable importance to induce CE, and the combination of both customer and brand investments could further increase the customers’ willingness to remain engaged. Since PBI has been demonstrated to be a significant construct, its omission might affect the investigation of the predictive role of relationship investment in customer-brand relationship context.

Since limited empirical evidence has been provided on the antecedents of CE, the inclusion of CE as the ultimate relational outcome in the proposed framework contributes significantly to existing literature of CE and customer-brand relationship. With empirical evidence on the predictive power of relationship investment in affecting CE, this study pointed out another antecedent at work to affect CE.
From a practical perspective, this study indicated that PBI and CI are likely to establish stronger CE. Hence, having customer insights on customer-brand relationship investments should provide the brand managers, at least of mobile phone companies, with valuable hints concerning the type of relationship investment that may contribute in promoting CE. Armed with that insight, brand managers can learn why customers want to engage with a brand, assess the current state of CE and identify the influential factors that will help the companies to plan the best course of action to engage the customers. In particular, to enhance CE, the brand manager might want to direct their investments not only on aspects that are highly rated by customers, but also on efforts that are capable of triggering a customer’s significant investment in a relationship. It is necessary for companies to adopt an outside-in perspective and considering a 360° view of the customers in designing engagement strategies to achieve sustained competitiveness. This can be done by implementing programs that focus on the enhancement of relationship quality; and this might include sending a thank you card for customers’ continued engagement and supporting communication by using channel preferred by customers.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

While this study provided some insights on customer-brand relationship, as in any other research, this study is limited by several factors. In order to refine the proposed framework, it is worth to address such limitations for further theoretical and empirical research. Firstly, the validity and generalizability of the findings might be limited as this study used a small sample (n=150), which was selected through the utilization of non-probability from a single nation, industry and product type. Accordingly, the results of this study cannot necessarily be generalized beyond the population studied. As to confirm the validity of the model and expand the generalizability of the study’s results to other settings, replication of this study is critically required. Perhaps, the future research may want to employ probability-sampling method and examine the proposed framework across different context, particularly different nations, industries, samples and product types. Secondly, the study only investigated the effect of customer-brand relationship investments on customer engagement, not the effect of dimensions of customer and brand investments. Since it has been empirically proven that the dimensions of relationship investment can have an independent impact on relational outcome, the dimensions of relationship investment could have important effect on customer engagement. Therefore, to improve the prediction of customer engagement and consequently enhance the explanatory power of the study framework, the future work will need to explicitly examine the effect of the dimensions of customer-brand relationship investment on customer engagement.

CONCLUSION

This paper examines the effect of customer-brand relationship investments on customer engagement (CE). The results suggest that customer perception of the brand investment as well as his/her investment in a relationship significantly influence the customer willingness to engage. Despite that, the perceived brand investment may as well influence the customer perception of his/her own investment, and consequently affect the CE. Accordingly, this paper provides useful insight for companies to develop a strong customer-brand relationship and consequently sustain their competitiveness. The findings suggest that companies should invest in resources that appear
valuable to customers. This is because only then the customers will be willing to reciprocate in a kind and further improve their engagement level.

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