

THE ROLE OF *DYNAMIC MODEL OF CUSTOMER ENGAGEMENT TOWARD CUSTOMER VALUE*

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ABSTRACT

The added value of the company at this time can not always be built only through customer satisfaction, but more to factors such as communication, coaching, and sharing of the company as stated in the customer engagement. The purpose of this study is to know the role of dynamic models of customer engagement toward customer value. Explanatory research is conducted on 50 owners, managers, and authorized personnel in corporate decision. The sampling used is purposive sampling. Furthermore, there are three variables involved in this study those are customer engagement, relationship quality, and customer value. The data of these three variables is obtained from questionnaires. Partial least squares analysis with smart PLS 2.0 is used to determine the correlation within variables. Customer engagement shows a positive results and significant influence to customer value, either directly or indirectly through the relationship quality, in which the influence of indirect coefficient (0.499) is higher than the direct coefficient (0.491). So, it can be concluded that customer engagement has a role in improving customer value through relationship quality.

Keywords: *customer engagement, relationship quality, customer value.*