The Effect of Sponsorships, Personal Selling and Pricing Strategies on Customer Engagement and Its Impact on Customer Retention of Dental Equipment Industry in Indonesia

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Abstract

The purpose of this study is to examine the relationship between Sponsorship, Personal Selling and Pricing Strategies on Customer Engagement, and how it impacts on Customer Retention dental suppliers. Although the dental equipment industry increased 15% per year or equal to USD 1 million, research that discusses dental equipment marketing is very limited. The respondents of this study are the providers of dental health services (dental nurses and dental paramedics) that limit the scope to cover only in Aceh province, Indonesia. Primary data were collected by distributing questionnaires. From 123 questioners distributed, 102 of them filled and returned completely. The data processed by using Smart PLS 2.0, since it able to run factor analysis and regression simultaneously. The results showed that the three exogenous variables: Sponsorship, Personal Selling and Pricing Strategies had a significant positive effect on the mediation variable of Customer Engagement. Only Pricing Strategies had a positive and significant influence on the Customer Retention as a dependent variable. For the mediation test, from the three indirect effect of hypothesis tested, only two of them had the significant indirect effect.

Keywords: customer relationship marketing, customer retention, customer engagement, sponsorship, personal selling and pricing strategies.

Introduction

The dental industry has grown in recent years as it is supported by rapid technological advances (Haynes, 2013). Coupled with the large number of dental medical practitioners, both graduating and students make the demand for dental tools and instruments increasingly (Gadish, 2008). The growth is also supported by the increasing public awareness of oral and dental health (Jose, States, Corporation, International, & Gmbh, 2015). In addition to be a good market opportunity for business actors, medical techniques that have experienced rapid development requires handling and relationship management in accordance with the needs of practitioners. Although formal education has been obtained, but the knowledge of dental medical personnel on dental instruments and equipment that can support the needs in practice is still limited. It takes professionals who can help them meet the needs of the product and provide the required information (Huang & Hsieh, 2014). The relationship between dental medical practitioners and companies that provide
various tools, instruments and resources that assist dental medical personnel in oral care is a business to business relationship (Haynes, 2013), Which is a business relation and more focuses on long-term relationships based on CRM concept (Wright & Lundstrom, 2004; Hutchinson, Lai & Wang, 2009; Soliman, 2011; Adelaide, 2015; Magasi, 2015; Agbim & Oriarewo, 2013).

CRM is divided into three main pillars, namely Customer Acquisition, Customer Retention and Customer Development (W. Kamakura et al., 2005; W. A. Kamakura, Wedel, de Rosa, & Mazzon, 2003; J. Singh & Saini, 2016). The focus of this research is Customer retention which is a business strategies to maintain long-term cooperative relationships with customers and prevent customer churn (Chojnacki, 2001; Chu, Tsai, & Ho, 2007; Pezeshki, Mousavi, & Rakowski, 2005; Qadri & Khan, 2014; A. Singh, 2010). With a tolerable percentage of customer switches between 5% - 7% (Law, 2017). If it exceeds that number then the company is in trouble. To increase and prevent the occurrence of customer churn, Customer Engagement should be of particular concern to business actors (Doorn et al., 2010; Sashi, 2012; Verhoef et al., 2016). In addition to be a key topic in CRM as it is believed to build customer loyalty (Kam, So, King, Sparks, & Wang, 2014; Mitussis, O’Malley, & Patterson, 2006), engagement is also frequently discussed in other studies such as politics, social, science, psychology and organizations (Bulpapram, Wundavalli, Avula, & K, 2015; DeCoito, 2016; Kaliannan & Adjovu, 2015). Nevertheless, there is little research using the theme of engagement in marketing research. From 2005 to 2010, only 192-studies used the term Customer Engagement or Brand Engagement (Brodie, Hollebeek, Jurić, & Ilić, 2011).

What should be a concern for the implementation of Customer Retention and Customer Engagement is the strategies implemented in retaining customers (Abdullah, Putit, & Teo, 2014; Halimi, Chavosh, & Choshali, 2011; Magatf & Tomalieh, 2009; Vinezean, Opreana, & Tichindelean, 2014; Williams & Anderson, 2005). Based on the dental effort that became the subject of research, the author tries to formulate three related variables as a strategies applied to retain customers. Namely Sponsorship, Personal Selling and Pricing Strategies. In some CRM-themed studies, Sponsorship is one of the main factors often discussed by researchers (Plewa & Quester, 2011; Theofilou, Ventoura-Neokosmidi, & Neokosmidis, 2008). Because in addition to improving corporate image, through Sponsorship the company can show good intentions to the customer community so as to foster trust and loyalty (Thompson, 2005). Personal Selling is also an important element for fostering relationships, and is often to be taken into account in CRM research (Donoho & Heinze, 2011; Ferrell, Johnston, & Ferrell, 2007; Jandhyala, 2016). Because in addition to helping customers in making purchasing decisions, through communication based on high commitment in Personal Selling activities, can also instill trust in customers, useful to maintain long-term cooperative relationships (Francisca & Moise, 2014). Pricing Strategies Factor, is a policy to set prices based on customer perspective and expectations (Dolgui & Proth, 2010a; Shankar & Bolton, 2004; Wen-he, Wen, & Engineering, 2014). Compared to the previous two strategies, Pricing Strategies is a form of policy that can be implemented and applied quickly which aims to increase profits (Dasu & Tong, 2010). Pricing in accordance with customer expectations will increase customer engagement and retention in a cooperative relationship (Hutagalung, Saering, & Tumbuan, 2015). Determining the right strategy by the company in maintaining long-term cooperative relationships with customers, will greatly increase the company’s profitability and productivity in the midst of the development of the industrial sector of the segment involved.

Based on the industry topic that is the reference of this study with Bright Market Research, its reveal the forecast global markets for dental equipment industry will grow at a 5.7% CAGR (Compound Annual Growth Rate) rate from 2017 to 2024. Based
on Global Industry Analysis (Jose et al., 2015), the global market for industrial supplies gear reaches US $ 16-billion by 2015, driven by an aging population and increasing awareness about dental and oral care and is also influenced by technological growth. A variety of dental appliances consisting of devices used to diagnose illnesses, dental seats, dental lasers, CAM systems, CBT scanners have a rapid market growth impact due to technological developments and improving the efficiency of practitioners. The United States, Japan and Europe are collectively the largest part of the dental medical market. In the future, Asian markets are expected to increase, by 2013 the Asian dental implant market is projected to exceed US $ 670-Million. The Oxford Business Group explains that the implementation of the Health Care and Social Insurance Agency (BPJS) system enhances the use of health services in Indonesia. Thereby increasing the demand for medical equipment such as CT scanners, X-Ray machines, dental implants, orthopaedic and respiratory equipment. By 2015 the Indonesian medical device market is worth US $ 1-billion, and is expected to grow to 15% per year. Despite the high growth of the market, there are still few journals and studies that discuss marketing in the dental medical field.

Based on the explanation above, this study aims to investigate the relationship between Sponsorship, Personal Selling and Pricing Strategies on Customer Engagement and its impact on Customer Retention. The main foundation of this research focuses on CRM (Customer Relationship marketing), how to maintain and increase customer involvement with the implementation of strategies implemented by business actors. In the case of this study is a dental supplier effort that seeks to maintain the relationship of business relations with dental medical practitioners.

**Literature Review**

**Customer Retention**

Gerpott et al, (2001) defines Customer Retention as an activity to maintain business cooperation between customers and companies or the ability to influence customers to stay together with companies. Gengeswari et al, (2013) mentions that Customer Retention has become a major agenda in maintaining customer relationships. Customer retention is more effective to decrease cost than focus to acquire new customers (Customer Acquisition) (Ekhlassi, 2012; Rahman and Masoom, 2015). Wanjau (2013) said Customer Retention can be influenced by marketing promotion mix (Advertising, Promotion, Personal Selling and Public Relation). In other words, the implementation of strategies by the company is very influential in maintaining customers or business partners.

**Customer Engagement**

Customer Engagement is customer behavior that goes beyond the purchase transaction that is motivated to get involved with various corporate activities (van Doorn et al., 2010). Customer Engagement can also be described as a psychological condition that occurs based on customer interaction and experience on agents, personnel, services or objects of the firm and plays a central role in regulating relational concepts to establish loyalty (Kam et al., 2014). The Customer Engagement strategies also plays an important role in the development of new products / services (Hoyer, Chandy, Dorotic, Krafft, & Singh, 2010; Kothandaraman & Wilson, 2001). As well as the establishment of experience and value for customers (Brakus, Schmitt, & Zaranonello, 2009).

**Sponsorship**

Tripodi, (2001) defines Sponsorship as a grant activity by commercial organization in the form of money and goods in exchange for the economy and commercial image. Walliser (2003) concludes Sponsorship as a minimum agreement based on exchanges between sponsors and sponsored parties, to pursue the marketing objectives (communications) between both. Sponsorship can overcome the obstacles of
communication that Advertising cannot do, and has an unlimited selection of targets and possibilities (Walliser, 2003). In various Sponsorship Programs, the implementation includes the activities and events that support for building opportunities between nonprofit providers and customer communities (Meenaghan, 2015). So it can have a good potential impact for companies to get more attention from business partners (Becker-Olsen & Hill, 2006).

**Personal Selling**
According to Ann et al, (2014), Personal Selling is a series of activities conducted by salespeople through effective communication in providing information with good attitude and ethics and followed by appropriate appearances to encourage customers on purchasing decisions. Personal Selling can also be interpreted as two communication between sellers and buyers designed with face-to-face way to influence a person or a group in determining purchase decisions (Murithi, 2015). Several other studies have concluded that Persona Selling is the primary link between customers and companies, where salespeople create value and influence perceptions and increase customer interest in maintaining long-term cooperative relationships (Cruceru & Moise, 2014; Jandhyala, 2016; Jr, 1993; Lagace, Dahlstrom, & Gassenheimer, 1991; Mcclaren, 2013; Weitz & Bradford, 1999).

**Pricing Strategies**
Pricing Strategies can be interpreted as a policy in pricing of products / services while maintaining customer perspective and expectations (Shankar & Bolton, 2004). Several previous studies have shown, price is an important factor in purchasing decisions (Ronda, 2004). Kotler and Armstrong contend (2010) finding and establishing the right Pricing Strategies is essential for business success. Price policies that match the expectations and needs of customers will increase customer engagement and retention, and have an effect on maintaining long-term cooperative relationships (Hutagalung et al., 2015; W. Kamakura et al., 2005; Mwangeka, Mjomba, Omindo, & Nyatichi, 2014; Nufer & Bühler, 2009; Polo, Sese, & Verhoef, 2011; Sharmeela-Banu, Gengeswari, & Padmashantini, 2013).

**Hypotheses Development**

**Influence of Customer Engagement on Customer Retention**
Related research on the effect of Customer Engagement to the Customer Retention is still few discussed by researchers. One of them is research conducted by van van Doorn et al, (2010) shows that Customer Engagement influence Customer Retention, Customer Live Time Value and New Product Development. Other research by Chan and Lee (2014), explains the variables of Customer Engagement directly affect the Repurchase Intention and Word of Mouth intention which is part of the indicators of Customer Retention. In addition Customer Engagement also as an intermediary between exogenous variables System Support, Community Value, Freedom of Expression and Reward & Recognition. That indirectly affects the Customer Retention.

**Influence of Sponsorship on Customer Engagement**
The research about the relationship between Sponsorship and Customer Engagement is still rarely studied, one of them by Rodrigues et al., (2016) which states that the strategies of promotional mix, include Public Relation (representation of Sponsorship) can effect Customer Retention. Wakefield (2012) explains the Sponsorship programs can significantly influence customer behavior, thereby increasing their engagement with the company. Other research shows that Sponsorship, as a means of communication can be one of the instruments for marketers to improve engagement (Donlan, 2010).
Influence of Sponsorship on Customer Retention
Although Sponsorship is closely related to CRM and is believed to build the image to the company (Thompson, 2005), but still rare for researchers to associate it with Customer Retention. Once of the study is shown by Plewa and Quster (2011), where is Customer Satisfaction, Customer Purchase and Customer Retention are influenced by Sponsorship Exposure formed through Consumer Perception. Other research is by Clark et al., (2003), indicating that the use of event marketing activity or Critical Sales Event in the company program can improve relationship with customer, which is can influence to increase of Customer Retention.

Influence of personal Selling on Customer Engagement
Personal Selling research on Customer Engagement is still very rarely used as a main topic by marketing researchers. Among them are researched by Rodrigues et al., (2016), which concludes that the strategies of promotional mix, including personal selling can affect the customer engagement. Cambra-fierro et al., (2014) states that attitudes of the employee or salesperson, which is part of the Personal Selling dimension can affect the Customer Engagement. Employees who have a good motivation and ethical attitude towards customers in doing the work can have a positive effect for the company, especially to increase the involvement and customer satisfaction to the company and increase profitability.

Influence of Personal Selling on Customer Retention
Head and Jainullabdeen (2015) indicate, Sales Performance which is the dimension of Personal Selling have effect on Customer Retention. The result of the research shows that sales performance performances influenced by Value Based Performance and Target Based Performance have a positive impact on Customer Retention. Basnayake (2015) through his research shows that Employee Ethical Behavior significantly affects Customer Retention, either directly or indirectly through two other independent variables. Research by Yang (2015) shows that a series of dimensions of Personal Selling which is divided into several attitude and personality variables of the salesperson directly or indirectly can affect the Customer Retention.

Influence of Pricing Startegy on Customer Engagement
Lack of research with topics themed Engagement in the disciplines of marketing (Brodie et al., 2011), resulting is still few researching relationship between the Pricing Strategies with Customer Engagement. Once of the studies researched by Mahobia H, (2016) shows the Price Discount and Display, which is part of the Pricing Startegy can influence Customer Engagement. Gourevitch et al., (2017) concludes that the use of Price Transparency policies that are part of Pricing Startegy is a suggested tool as it can increase the confidence of customers using health services through clear pricing information.

Influence of Pricing Strategies on Customer Retention

Based on the explanation in the above parageraf, the hypothesis of the research is as follows:
Ha1 : Sponsorship has a positive effect on Customer Engagement.
Ha2: Personal Selling has a positive effect on Customer Engagement.
Ha3: Pricing Strategies has a positive effect on Customer Engagement.
Ha4: Sponsorship has a positive effect on Customer Retention.
Ha5: Personal Selling has a positive effect on Customer Retention.
Ha6: Pricing Strategies has a positive effect on Customer Retention.
Ha7: Customer Engagement has a positive effect on Customer Retention.
Ha8: Sponsorship indirectly has a positive effect on Customer Retention through Customer Engagement.
Ha9: Personal Selling indirectly has a positive effect on Customer Retention through Customer Engagement.
Ha10: Pricing Strategies indirectly has a positive effect on Customer Retention through Customer Engagement.

Figure 1. Research framework

Research Method
Research Instruments
Indicator used in research is taken from previous research. To measure customer retention, the authors adapted from research Gengeswari et al., (2013) which divides it into 4 dimensions of World of Mouth indicator, Price Insensitive, Repeat Purchase and Non-Complaining Behavior. While the indicator instruments used for Customer Engagement based on research Kam et al., (2014) which consists of Identification, Attention, Enthusiasm and Absorption. Indicators for Sponsorship variables are adapted from Bjorn Walliser (2003) research which is divided into Awareness, Image and Purchase Intention. While Ann et al, (2014) divides Personal Selling into several related dimensions of what the salesperson possesses, namely Motivation, Approach and Good Grooming. And for the instruments used in measuring Pricing Strategies is divided into four, namely Price Consistency, Price-Promotion Intensity, Price-Promotion Coordination and Relative Brand Price based on research Shankar dan Bolton (2004).

Table 1. Validity, Reliability and AVE

<table>
<thead>
<tr>
<th>Factor</th>
<th>Factor Loading</th>
<th>AVE</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Retention</strong> (World of Mouth, Price Insensitive, Repeat Purchase dan Non-Complaining Behavior)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide information to family and close relatives</td>
<td>.046</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does not matter a bit of price increases</td>
<td>.637</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buy back products whenever need them</td>
<td>.664</td>
<td>.417</td>
<td>.739</td>
</tr>
<tr>
<td>Can be understand if there is a service that does not match expectations</td>
<td>.724</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Customer Engagement</strong> (Identification, Attention, Enthusiasm dan Absortion)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Be happy if others praise the benefits of the product / company</td>
<td>.761</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Want to know more information related to the company</td>
<td>.705</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Factor Loading AVE CR
Anything related to the company always attracts attention .633 .514 .880
Interested to attend various events conducted by the company .797 .797 .797
Always feel good when engaged in interactions .763
Time passes quickly when engaged in anxiety or interaction .685
Feel closer to the company than other customers .661
**Sponsorship** (Awareness, Image dan Purchase Intention)
More interested in purchasing sponsored products than others .822
The sponsored event is a good intentional dispensation with the community .676
Image and company names are increasingly frequent by sponsors .809 -589 .877
Can easily obtain product information of the sponsor .777
With sponsorship activities, the desire to buy products increases .746

**Personal Selling** (Motivation, Approach dan Good Grooming)
Explanation of product benefits is very helpful in choosing products .748
Demonstration of use, very useful in operating the product .692
Explanation of the importance of the product helps in deciding the buying .691 .529 .871
The courtesy and friendly attitude of the salespeople .729
The patience of the sales force in serving and answering any questions .769
Appearance of Salespeople .735

**Pricing Strategies** (Price Consistency, Price promotion Coordination dan Reltive Brand Pricing)
The price of the product is stable and does not always change .650
Provide discounts and sales in the form of bundles .815 .508 .819
The price of products sold more affordable than other companies .852

**Sample Design and Data Collection**
The sampling technique used in this research is cluster random sampling that is a random sampling technique based on the location of the region of respondent division, where each population has the same chance to be a sample (Ajay & Micah, 2014). Respondents in this study were medical workers or dental health providers scattered throughout the province of Aceh. The total number of respondents is 122 respondents spread throughout Aceh. However, during the period of questionnaire distribution between the period of June 3 to September 30, 2017, from 122 respondents who fill and return the questionnaire is only 102 respondents. The percentage of male respondents was 84.3% and women, with most respondents aged 21-30 years 50%, 31 - 40 years 28.3%. At education level dominated by high school education with percentage 51% and D III with percentage 30,3%. For job percentage, dental nurse equal to 29,4% and dental worker 70,6%.

**Data Analysis**
The tool used in this research is PLS-SEM (Partial Least Square - Structural Equation Modeling). PLS software used for data processing this research is SmartPLS 2.0. In the PLS model evaluation includes two stages, namely outer model and inner model.
Results and Discussion

Measurement Model and Structural Model

The average value of the communality value of the measurement model is 0.5312. While the AVE value for each latent variable is; Customer Retention of 0.417, Customer Engagement of 0.514, Sponsorship of 0.589, Personal Selling of 0.529 and Pricing Strategies of 0.605. For some values obtained from the related structural model the value of $R^2$, ie value $R^2_1$ of 0.496 and $R^2_2$ value of 0.413. The value of $Q^2$ predictive relevance is categorized to be 0.02, 0.15 and 0.35 indicating that the model is weak, moderate and strong. The value of $Q^2$ predictive relevance is 0.703 then indicates that the model belongs in the strong category. And the GoF index value of 0.4911 above the value of 0.36 from the recommended. Then the GoF index value of this study can well evaluate the structural model and the overall measurement model in predicting the model.

Direct Relationships of Each Variable

In the SmartPLS program, for testing the results of significance from the influence of the relationship between each latent variable is done through Bootstrapping. Bootstrapping test in PLS is done because for significance testing cannot be done with falsification.

<table>
<thead>
<tr>
<th>Path Hypothesis</th>
<th>Standardized Coefficient</th>
<th>Standard Error</th>
<th>T Statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship -&gt; Customer Engagement</td>
<td>.327</td>
<td>.083</td>
<td>3.952</td>
</tr>
<tr>
<td>Sponsorship -&gt; Customer Retention</td>
<td>-.169</td>
<td>.125</td>
<td>1.351</td>
</tr>
<tr>
<td>Personal Selling -&gt; Customer Engagement</td>
<td>.258</td>
<td>.086</td>
<td>3.005</td>
</tr>
<tr>
<td>Personal Selling -&gt; Customer Retention</td>
<td>.093</td>
<td>.103</td>
<td>0.908</td>
</tr>
<tr>
<td>Pricing Strategies -&gt; Customer Engagement</td>
<td>.197</td>
<td>.092</td>
<td>2.132</td>
</tr>
<tr>
<td>Pricing Strategies -&gt; Customer Retention</td>
<td>.452</td>
<td>.112</td>
<td>4.054</td>
</tr>
<tr>
<td>Customer Engagement -&gt; Customer Retention</td>
<td>.324</td>
<td>.103</td>
<td>3.135</td>
</tr>
</tbody>
</table>

Sponsorship has a positive and significant influence on Customer Engagement with coefficient value of 0.326 and T Statistic 3,952> 1,96 (Rodrigues et al., 2016), but negatively and insignificant to Customer Retention with coefficient -0,169 and T Statistic 1,351 < 1.96. Personal Selling has positive and significant influence on Customer Engagement variable with coefficient value 0,258 and T Statistic 3,005> 1,96 (Cambra-fierro et al, 2014), although positive effect to Customer Retention with coefficient value 0,093 but not significant because T Statistic 0,908 <1.96. Pricing Strategies has positive and significant influence on Customer Engagement, with coefficient value 0,197 and T Statistic 2,132> 1,96 (Mahobia H, 2016), and also to Customer Retention, with coefficient value 0,452 and T Statistic 4,054> 1,96 (Mwangeka et al., 2014). Customer Engagement has a positive and significant effect on Customer Retention variable, with coefficient value 0,324 and T Statistic 3,135> 1,96 (Doorn et al., 2010)

Mediation Analysis

Test of the influence of mediation on the intervening variable, whether it can give significant indirect effect, is done through the Sobel Significance Test formula (1982), to determine the extent to which the mediator can contribute to the total effect on the variable outcome. Where indirect effect of independent variable (X) on dependent variable (Y) through mediation (M) is tested by using the result of bootstrap (Hayes, 2013; Tavakoli, Carolina, Heiney, & Carolina, 2013; Yay, 2016). The result of testing the Sobel test formula is the following:
### Table 3. Mediation test result

<table>
<thead>
<tr>
<th>Path Hypothesis</th>
<th>Standardized Coefficient</th>
<th>Standard Error</th>
<th>T Statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship -&gt; Customer Engagement -&gt; Customer Retention</td>
<td>0.106</td>
<td>0.045</td>
<td>2.356</td>
</tr>
<tr>
<td>Personal Selling -&gt; Customer Engagement -&gt; Customer Retention</td>
<td>0.084</td>
<td>0.045</td>
<td>1.867</td>
</tr>
<tr>
<td>Pricing Strategies -&gt; Customer Engagement -&gt; Customer Retention</td>
<td>0.064</td>
<td>0.032</td>
<td>2.000</td>
</tr>
</tbody>
</table>

Indirect effect of Sponsorship on Customer Retention through the mediation variable Customer Engagement has a positive and significant influence with the coefficient of 0.106 and the value of T arithmetic 2.356 > 1.96. Personal Selling on Customer Retention through the mediation variable Customer Engagement also has a positive value with a coefficient of 0.084, but no significant effect because the value of T arithmetic of 1.867, is <1.96. Indirect test between Pricing Strategies variable to Customer Retention through mediation variable Customer Engagement has a positive value with coefficient 0.064 and also significant value T count 2,000 > 1.96 (Harmeling, Moffett, Arnold, & Carlson, 2017; Hasnin, 2018; van Doorn et al., 2010).

**Discussion**

Compared to the other two strategies, Pricing Strategies gives the best impact on Customer Retention and Customer Engagement, proving that the right pricing of products/services will give success to the business (Kotler & Armstrong, 2010). Whether directly or through mediation, Pricing Strategies provides a positive and significant impact, even contributing the greatest to the Customer Retention compared to other variables. A pricing policy that matches customer expectations will have a good impact on the continuity of business relationships (Hossein Vazifedoo & Abdi, 2016), as well as positive stimuli that are key in creating customer value and purchasing decisions (Rosa Diaz & Rondán Cataluña, 2011).

The results of this study indicate that Personal Selling has positive and significant impact on Customer Engagement, signifying its effectiveness to make customers want to always engage in transaction activities (Ocon & Alvarez, 2014). The ethics and behavior of salespeople in communication are key in Personal Selling (Cambra-fierro et al., 2014). Personal Selling also positively affects both directly and indirectly to Customer Retention (Basnayake, 2015; Head & Jainullabdeen, 2015), but not significant. Indicates that in addition to the skills and ethics of salespeople, the concerns of the success of Personal Selling also include environmental factors, customer expectations, technology and various other external factors that impact on cooperative relationships (Tanner & Ahearne, 2005).

The positive and significant influence of Sponsorship on Customer Engagement proves that Sponsorship can be instrumental in improving corporate image and fostering trust among the customer community (Thompson, 2005). Sponsorship indirectly also has a positive and significant impact on Customer Retention through Customer Engagement, but has a negative and not significant directly to Customer Retention. Shows that the formation of customer perception plays an important role to the event conducted by the sponsor (Plewa & Quester, 2011). If the customer’s perception is able to form a positive Domain Logic (DL) and can understand the good intentions submitted by the sponsor, it can provide a positive value for the relationship of business relations (Brodie et al., 2011). Conversely, if positive perceptions are not created, customers tend to compare sponsors with other companies and cause negative effects.
Conclusions

Pricing Strategies is the most reliable compared to the other two variables, while demonstrating that product pricing strategies are typical and superior compared to other similar companies (Dolgui & Proth, 2010b). So it is very important for business actors to maintain the existing pricing policy and add some new pricing policies taking into account customer expectations (Toni, Sperandio, Busata, & Larentis, 2016). Where in addition to being able to increase customer engagement as well as maintain and prevent customers to switch.

In the implementation of Personal Selling, salespeople must have good communication skills, supported by ethics and performance in order to grow customer value, instill trust so that they are always involved in transaction activities (Ann et al., 2014). However, this is not enough in maintaining business relationships. Companies and salespeople are required to understand customer expectations. Implementing the frequency of Personal Selling activities as customer's desire, as well as an understanding of the products with increasingly sophisticated technology in order to provide the required information of the customer, and various other external factors (Tanner & Ahearne, 2005).

Sponsorship activities may be can create retention, if the customer's perception or psychology has been engagement to the sponsor's event (Plewa & Quester, 2011). Without the formation of positive perceptions in the minds of customers, then Sponsorship is not effective. Considering Sponsorship is a non-profit activity that does not provide direct benefits (Meenaghan, 2015). For business actors with limited capital, should be sufficient to maintain sponsorship activities improvise without increasing the frequency of implementation.

Based on the results of the authors, it is explained that the implementation of a consistent strategy implemented by the company by considering the customer's desires will maintain a long-term relationship with customers, preventing customers from switching to other companies. Where companies must be highly committed to implementing their strategy, must be observant and sensitive to changes in customer desires and needs. So that it can continue to maintain customer involvement and retention for the long term.

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