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Determinants of Customer Engagement and Its Implications on Marketing Performance at National Private Commercial Banks in Jabodetabek

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ABSTRACT

This research was conducted to determine the effect of CRM capabilities, corporate image and pricing strategy on customer engagement and their impact on the marketing performance of national private commercial banks in DKI Jakarta simultaneously. This study aims to analyse the factors that influence the marketing performance of national private commercial banks in Jabodetabek. The type of research used in this research is causality research that wants to explain cause and effect relationships between research variables. The method used in this research is descriptive and verification. The unit of analysis in this research is the organization, called national private commercial bank in Jabodetabek, and the unit of observation is the Branch Manager or Relationship Manager who is involved in marketing activities for bank products and services, and is responsible for bank's marketing performance. The result of this research found that CRM capabilities, corporate image, pricing strategies and customer engagement is proven to have a positive and significant influence on marketing performance and customer engagement at National Private Commercial Bank in Jakarta and Jabodetabek.

Keywords: Corporate Image, CRM Capabilities, Customer Engagement, Pricing Strategies

INTRODUCTION

In encouraging the improvement of banking business performance in collecting funds and distributing credit, Bank Indonesia and Government have regulating the policies that support the banking business. Bank Indonesia's policy that reducing BI rate gradually from 7.50% in December 2015 which decrease to 5.00% in December 2019 has a good aim to encourage in increasing their lending. Likewise, Bank Indonesia's policy in lowering the minimum statutory reserve requirement (GWM) rupiah that must be owned by banks from 8% to 7.5% in December 2015 and decreased again to 6.5% in March 2018 through Bank Indonesia Regulation No.20/3/PBI. /2018, as well as the regulations regarding Loan to Deposit Ratio (LDR) through Bank Indonesia Regulation (PBI) No.15/7/PBI/2013 article 10, called the minimized LDR limit of 78% and the upper limit of 92%, which is also aimed to encourage banks to increase lending to the public. Another regulation is to establish a Deposit Insurance Corporation (LPS) which provides a sense of security for saving customers to encourage banking business performance in increasing the collection of third-party funds.

Through the regulation from Bank Indonesia and government to banking industry, the business performance of commercial banks are remain to increase, as well as the business performance of national private commercial banks which should increase in proportion to banking industry growth. However, in reality, the business performance of national private commercial banks is relatively stagnant and fluctuating, and even the growth of its business performance in collecting third party funds and lending is still below the average business growth of the banking industry.

There are several factors that can affect the company's marketing performance. According to (Cambra-Fierro et al., 2013), it is stated that one of the factors that positively influence the company's marketing performance is the customer engagement variable. The existence of good customer engagement will retain old customers and attract new customers which will have an impact on the long-term of company's marketing performance. Meanwhile, Coltman (2007) stated that the company's marketing performance was influenced by the CRM capabilities variable. CRM capabilities that are built and well managed will improve the marketing performance. According to Petzer & van Tonder (2019), relationship marketing aims to build, maintain, and improve relationships with customers that provide benefits for achieving the goals of all parties, while CRM capabilities is the ability to build relationships with customers in long-term period continuously. The companies that are able to build and foster CRM capabilities will make a good contribution by encouraging the customer engagement that will improve the marketing performance for the company in long-term period.

The next factor is positive corporate image of the bank which is an important capital for the bank to maintain and develop its reputation as a financial institution. According to Pickton & Broderick (2005), the identity of a company that provides an image will create an impression as well as the customer's perception of the company itself. Another factor that can affect the company's marketing performance is the pricing strategy. This is in line with the results of research by De Toni (2017) that the pricing strategy variable has a direct and positive influence on the company's profit margin since the pricing strategy is the main variable that will determine the company's revenues and profits, then the company's management must create the right pricing strategy.

This research was conducted to determine the effect of CRM capabilities, corporate image and pricing strategy on customer engagement and their impact on the marketing performance of national private commercial banks in DKI Jakarta simultaneously. The previous research conducted a causal study of CRM capabilities, corporate image and customer engagement as well as marketing performance variables by testing the causality model among those variables separately and has not been conducted in an integrated manner. Then, this study aims to analyse the factors that influence the marketing performance of national private commercial banks in Jabodetabek.

LITERATURE REVIEW

Customer Relationship Management Capability

The concept of customer relationship management (CRM) has become an important discussion in marketing research. In addition, business actors realize the importance of establishing and developing relationships with their customers in order to develop and maintain the company's business. According to Kotler & Keller (2016) customer relationship management is the whole process of building and maintaining profitable customer relationships by providing the customers' value and satisfaction. Meanwhile, the definition of CRM capabilities according to Wang and Feng (2012) is a cross-functional organizational process that focuses on building, maintaining, and enhancing long-term relationships with attractive customers. To support the customer relationship management in achieving the desired goals, it required the capability in implementing customer relationship management or customer relationship management (CRM). CRM capabilities are embedded in CRM activities within the organizational processes and it reflect the company's knowledge and skills to identify the customer prospects, initiate and maintain attractive customer relationships and leverage these relationships for profit.

Corporate Image

According to Tran (2015), the corporate image is a combination of tangible and intangible forms related to reputation. The company image is a set of feelings, ideas, beliefs, knowledge, impressions and values of the company. From the type of interaction and experience, the company's image is created to influence stakeholder perceptions then they have positive feelings about the company.

Pricing Strategy

Price is one of the factors that have a major role in customer's decision-making process. The price factor will help buyers to decide how to obtain the highest expected benefit or utility according to their purchasing capability. The perception that customers often have is that high prices reflect the high quality. The decisions regarding prices in marketing services are not easy to make since setting an expensive price can increase the short-term profits, but it will be difficult for consumers to reach and unable to compete with another competitors. Meanwhile, deciding the cheap prices will increase market share quickly but it will decrease the profit margins obtained (Tjiptono, 2014).

Customer Engagement

In terms of marketing the company's products and services, the customer becomes the main resource to increase the company's profitability growth. Profitability growth is one of the main goals that must be achieved by the company. In today world, the companies that provide customers' satisfaction by selling the right products and services are not enough since most of the products and services sold by companies are becoming more homogeneous with high competitors. Therefore, the companies must involve their customers through increasing the customer engagement in various ways, such as encouraging the provision of customer references, customer feedback about the company's products and services and social media interactions, apart from repeated and increased product purchases (Kumar, 2013).

On the other hand, according to Naumann (2017), customer disengagement (customers who are not engaged) and negative customer engagement have behavioural characteristics such as cynical, distrustful, indifferent or indifferent, complain, angry, and spread the negative things. This will cause customers to close their accounts or become inactive and move to other banks and influence the other customers to change banks that same as them.

Marketing Performance

Marketing performance is a concept to measure and determine the achievement of marketing activities as the implementation of a marketing strategy implemented by a company. According to Keats & Hitt (1988), marketing

performance is the ability of an organization to change or transform itself in facing the challenges of environmental change, both anticipated and unexpected in a long-term perspective and the performance marketing provides future-oriented considerations. Furthermore, according to Best (2013), marketing performance is a measure of achievement obtained by the company from the marketing activity process conducted by a company, and this measure is one indication that describes whether a company is progressing or not.

RESEARCH METHOD

The type of research used in this research is causality research that wants to explain cause and effect relationships between research variables (Ferdinand, 2014). In this research, the survey method is used to determine the effect of exogenous variables on endogenous variables and the effect of endogenous variables on other endogenous variables or explain the effect of independent variables on dependent variable. The method used in this research is descriptive and verification. The unit of analysis in this research is the organization, called national private commercial bank in Jabodetabek, and the unit of observation is the Branch Manager or Relationship Manager who is involved in marketing activities for bank products and services, and is responsible for bank's marketing performance.

Data Collection Method

The data used in this research consisted of primary data and secondary data. The methods of collecting those data are conducted by:

1. Field Research

The scale of respondents' answers used in the questionnaire is based on the Likert model scale with five alternative answers, called: Strongly Agree (SS), Agree (S), Moderately Agree (CS), Disagree (TS), and Strongly Disagree (STS).

2. Library Research

Literature research was conducted to obtain secondary data in order to complete the primary data obtained. This library research was conducted by studying and reviewing the literature which includes the theoretical basis and the results of previous research from various relevant sources.

RESULT AND DISCUSSION

Respondents Response Regarding CRM Capabilities Variables

The CRM Capabilities (CC) variable is represented by 3 dimensions, such as Customer interaction management capability (CIMC), Customer relationship upgrading capability (CRUC), and Customer win-back capability (CWBC).

Customer Interaction Management Capability (CIMC)

Respondents' responses regarding CRM Capabilities (CC) variable assessed that CRM Capabilities (CC) variable dimensions of customer interaction management capability (CIMC) with an average score of 1222 ± 49.11 with a total average value of 4.14 ± 0.17 with an ideal value of 5. The value range given by respondents to CRM Capabilities (CC) dimension of Customer interaction management capability (CIMC) is between 1149 – 1279 or with an average value of 3.89 – 4.34. The lowest score is on the statement item CC4 which is 1149 (3.89) and the highest score is on the statement item CC1 which is 1279 (4.34).

Customer Relationship Upgrading Capability (CRUC)

Respondents' responses regarding CRM Capabilities (CC) variable assessed the CRM Capabilities (CC) variable in Customer relationship upgrading capability (CRUC) dimension with an average score of 1196 ± 85.98 with a total average value of 4.05 ± 0.29 with an ideal value of 5. The value range given by respondents to CRM Capabilities (CC) variable dimensions of Customer relationship upgrading capability (CRUC) which is between 1097 – 1252 or with an average value of 3.72 - 4.24. The lowest score is on the statement item CC8, which is 1097 (3.72) and the highest score is on the statement item CC7, which is 1252 (4.24).

Customer Win-Back Capability (CWBC).

Respondents' responses regarding CRM Capabilities (CC) variable assessed the CRM Capabilities (CC) variable in Customer win-back capability (CWBC) dimension with an average score of 1189 ± 4.24 with a total average value of 4.03 ± 0.01 with an ideal value of 5. The value range given by the respondent to CRM Capabilities (CC) variable in Customer win-back capability (CWBC) dimension is between 1186 - 1192 or with an average value of 4.02 - 4.04. The lowest score is on the statement item CC9, which is 1186 (4.02) and the highest score is on the statement item CC10, which is 1192 (4.04).

Respondents Response Regarding Corporate Image Variables

The Corporate Image (CI) variable is represented by 5 dimensions, such as Corporate identity (CORP), Reputation (REPU), Level of service (SERV), Tangible cues (TANG), and Contact personnel (PERS).

Corporate Identity (CORP)

Respondents' responses regarding Corporate Image (CI) variable for Corporate identity (CORP) dimension assessed that Corporate Image (CI) variable for Corporate identity (CORP) dimension with an average score of 1216.5 ± 19.09 , and a total average value of 4.12 ± 0.06 with an ideal value of 5. The value range given by respondents to Corporate Image (CI) variable in Corporate identity

(CORP) dimension is between 1203 - 1230 or with an average value of 4.08 - 4.17. The lowest score is found in the CI1 statement item, which is 1203 (4.08) and the highest score is in the CI2 statement item, which is 1230 (4.17).

Reputation (REPU)

Respondents' responses regarding Corporate Image (CI) variable for Reputation (REPU) dimension. Based on the results of data processing, it can be seen that respondents assessed Corporate Image (CI) variable in Reputation (REPU) dimension with an average score of 1205 ± 5.42 , and a total average value of 4.08 ± 0.02 with an ideal value of 5. The value range given by respondents to Corporate Image (CI) variable in Reputation (REPU) dimension is between 1197 – 1209 or with an average value of 4.06 – 4.10. The lowest score is found in the CI4 statement item, which is 1197 (4.06) and the highest score is in the CI3 statement item, which is 1209 (4.10).

Level of Service (SERV)

Respondents' responses regarding Corporate Image (CI) variable for Level of service (SERV) dimension assessed that Corporate Image (CI) variable for Level of service (SERV) dimension with an average score of 1207.3 ± 3.06 , and a total average value of 4.09 ± 0.01 with an ideal value 5. The value range given by respondents to Corporate Image (CI) variable of dimension Level of service (SERV) is between 1204 - 1210 or with an average value of 4.08 - 4.10. The lowest score is found in the statement item CI7, which is 1204 (4.08) and the highest score is in the statement item CI9, which is 1210 (4.10).

Tangible Cues (TANG)

Respondents' responses regarding Corporate Image (CI) variable for Tangible cues (TANG) dimension with an ideal value of 5. The value range given by respondents to Corporate Image (CI) variable of Tangible cues (TANG) dimension is between 1189 - 1217 or with an average value of 4.03 - 4.13. The lowest score is found in the CI11 statement item, which is 1189 (4.03) and the highest score is in CI10 statement item, which is 1217 (4.13).

Contact Personnel (PERS)

Respondents' responses regarding Corporate Image (CI) variable for Contact personnel (PERS) dimension assessed that Corporate Image (CI) variable for Contact personnel (PERS) dimension with an average score of 1214.4 ± 7.09 , and a total average value of 4.12 ± 0.02 with an ideal value of 5. The value range given by respondents to Corporate Image (CI) variable in Contact personnel (PERS) dimension is between 1208 - 1226 or with an average value of 4.09 - 4.16. The lowest score is found in the CI17 statement item, which is 1208 (4.09) and the highest score is in the CI14 statement item, which is 1226 (4.16).

Respondents Response Regarding Pricing Strategy Variables

The Pricing Strategy (PS) variable is represented by 3 dimensions, such as Competition based prices (COMP), Customer value-based prices (CUST), and Cost-based Prices (COST).

Competition Based Prices (COMP)

Respondents' responses regarding Pricing Strategy (PS) variable for Competition based prices (COMP) dimension. 4.08 ± 0.02 with an ideal value 5. The value range given by respondents to Pricing Strategy (PS) variable in Competition based prices (COMP) dimension is between 1197 – 1208 or with an average value of 4.06 – 4.09. The lowest score is on PS4 statement item, which is 1197 (4.06) and the highest score is on PS2 statement item, which is 1208 (4.09).

Customer Value-based Prices (CUST)

Respondents' responses regarding Pricing Strategy (PS) variable for Customer value-based prices (CUST) dimension. The total average is 3.84 ± 0.06 with an ideal value 5. The value range given by respondents to Pricing Strategy (PS) variable in Customer value-based prices (CUST) dimension is between 1109 – 1148 or with an average value of 3.76 – 3.89. The lowest score is on the PS8 statement item, which is 1109 (3.76) and the highest score is on the PS6 statement item, which is 1148 (3.89).

Cost-based Prices (COST)

Respondents' responses regarding variable Pricing Strategy (PS) in Cost-based Prices (COST) dimension of 3.90 ± 0.21 with an ideal value of 5. The range of values given by respondents to Pricing Strategy (PS) variable in Cost-based Prices (COST) dimension is between 1085 – 1207 or with an average value of 3.68 – 4.09. The lowest score is on the PS10 statement item, which is 1085 (3.68) and the highest score is on the PS11 statement item, which is 1207 (4.09).

Respondents' Responses Regarding Customer Engagement Variables

The Customer Engagement (CE) variable is represented by 4 dimensions, such as Buying of customer (BUYI), Referring of customer (REFE), Influencing of customer (INFL), and Customer feedback (FEED).

Buying of Customer (BUYI)

Respondents' responses regarding Customer Engagement (CE) variable for Buying of customer (BUYI) dimension assessed the Customer Engagement (CE) variable in Buying of customer (BUYI) dimension with an average score of 1154 ± 15.56 , and a total average value of 3.91 ± 0.05 with an ideal value 5. The range of values given by respondents to Customer Engagement variable (CE) Buying of customer (BUYI) dimension is between 1143 – 1165 or with an average value of

3.87 – 3.95. The lowest score is found in the statement item CE2, which is 1143 (3.87) and the highest score is in the statement item CE1, which is 1165 (3.95).

Referring of Customer (REFE)

Respondents' responses regarding Customer Engagement (CE) variable for the Referring of customer (REFE) dimension assessed the Customer Engagement (CE) variable for Referring of customer (REFE) dimension with an average score of 1218.5 ± 13.44 , and a total average value of 4.13 ± 0.05 with an ideal value 5. The range of values given by respondents to Customer Engagement (CE) variable in Referring of customer (REFE) dimension is between 1209 – 1228 or with an average value of 4.10 – 4.16. The lowest score is found in the statement item CE4 which is 1209 (4.10) and the highest score is on the statement item CE3 which is 1228 (4.16).

Influencing of Customer (INFL)

Respondents' responses regarding Customer Engagement (CE) variable for Influencing of customer (INFL) dimension assessed the Customer Engagement (CE) variable for Influencing of customer (INFL) dimension with an average score of 1144.5 ± 33.23 , and a total average value of 3.88 ± 0.11 with an ideal value 5. The range of values given by respondents to Customer Engagement (CE) variable in Influencing of customer (INFL) dimension is between 1121 – 1168 or with an average value of 3.80 – 3.96. The lowest score is found in the statement item CE5, which is 1121 (3.80), while the highest score is found in the statement item CE6, which is 1168 (3.96).

Customer Feedback (FEED)

Respondents' responses regarding Customer Engagement (CE) variable for Customer feedback (FEED) dimension assessed the Customer Engagement (CE) variable for Customer feedback (FEED) dimension with an average score of 1233 ± 4.24 , and a total average value of 4.18 ± 0.01 with an ideal value 5. The range of values given by respondents to Customer Engagement (CE) variable in Customer feedback (FEED) dimension is between 1230 – 1236 or with an average value of 4.17 – 4.19. The lowest score is found in the statement item CE7, which is 1230 (4.17), while the highest score is found in the statement item CE8, which is 1236 (4.19).

Respondents' Responses Regarding Marketing Performance Variables

The Marketing Performance (MP) variable is represented by 2 dimensions, called Financial performance (FINA), and Non-financial performance (NFIN).

Financial Performance (FINA)

Respondents' responses regarding Marketing Performance (MP) variable for Financial performance (FINA) dimension assessed the Marketing Performance (MP) variable for Financial Performance (FINA) dimension with an average score of 1113 ± 42.67 , and a total average value of 3.77 ± 0.14 with an ideal value of 5. The range of values given by respondents to Marketing Performance (MP) variable in Financial Performance (FINA) dimension is between 1064 – 1142 or with an average value of 3.61 – 3.87. The lowest score is on the MP3 statement item, which is 1064 (3.61) and the highest score is on the MP1 statement item, which is 1142 (3.87).

Non-financial Performance (NFIN)

Respondents' responses regarding Marketing Performance (MP) variable for Nonfinancial Performance (NFIN) dimension assessed the Marketing Performance (MP) variable for Nonfinancial Performance (NFIN) dimension with an average score of 1121 ± 91.92 , and a total average value of 3.80 ± 0.31 with an ideal value of 5. The range of values given by respondents to Marketing Performance (MP) variable on Nonfinancial Performance (NFIN) dimension is between 1056 – 1186 or with an average value of 3.58 – 4.02. The lowest score is found in the MP4 statement item, which is 1056 (3.58) and the highest score is found in the MP5 statement item, which is 1186 (4.02).

CRM Capabilities Influences the Customer Engagement

The first hypothesis in this research is to determine the effect of CRM capabilities on customer engagement, the statistical hypothesis is formulated as follows:

$H_0: \gamma_{1.1} = 0$ There is no influences of CRM Capabilities in Customer Engagement

$H_1: \gamma_{1.1} \neq 0$ The CRM Capabilities influences the Customer Engagement

The t-count value for CRM capabilities variable is 3.761, which is bigger than t-table value of 1.96. Since t-count value is bigger than t-table value at the level of = 5%, then at 5% error rate, it was decided to accept H_1 and reject H_0 . Then, it can be concluded that CRM capabilities have a significant effect on customer engagement. The direction of the relationship between CRM capabilities and customer engagement is positive, which means when there is an increase in CRM capabilities, the customer engagement will also increase and vice versa. This is in line with research results of Wang & Kim (2017) which show that CRM capabilities variable has a positive effect on customer engagement.

Corporate Image affects the Customer Engagement

The second hypothesis in this research is to determine the effect of corporate image on customer engagement, the statistical hypothesis is formulated as follows:

$H_0: \gamma_{1.2} = 0$ There is no affects of corporate image in customer engagement

$H_1: \gamma_{1.2} \neq 0$ The corporate image is affects the customer engagement

The t-count value for corporate image variable is 9.134, which is bigger than t-table value of 1.96. Since the value of t-count is bigger than the value of t-table at the level of = 5%, then the 5% error rate, it was decided to accept H1 and reject H0. Then it can be concluded that corporate image has a significant effect on customer engagement. The direction of relationship between corporate image and customer engagement is positive, which means when there is an increase in corporate image, the customer engagement will also increase and vice versa. This is in line with the results of research by Islam & Rahman (2016) which proves that image has a significant effect on customer engagement.

Pricing Strategy Influences the Customer Engagement

The third hypothesis in this research is to determine the effect of pricing strategy on customer engagement, the statistical hypothesis is formulated as follows:

$H_0: \gamma_{1.3} = 0$ There is no influence of pricing strategy in customer engagement

$H_1: \gamma_{1.3} \neq 0$ The pricing strategy is influences the customer engagement

The t-count value for pricing strategy variable is 8.702, which is bigger than the t-table value of 1.96. Since t-count value is bigger than t-table value at the level of = 5%, then at 5% error rate, it was decided to accept H1 and reject H0. Then, it can be concluded that pricing strategy has a significant effect on customer engagement. The direction of the relationship between pricing strategy and customer engagement is positive, which means when there is an increase in pricing strategy, the customer engagement will also increase and vice versa. This is in line with Chan's research (2018) which proves that the pricing strategy variable has a significant and positive influence on customer engagement.

CRM Capabilities affects the Marketing Performance

The fourth hypothesis in this research is to determine the effect of CRM capabilities on marketing performance, the statistical hypothesis is formulated as follows:

$H_0: \gamma_{2.1} = 0$ There is no affect of CRM capabilities in Marketing Performance

$H_1: \gamma_{2.1} \neq 0$ The CRM capabilities is affects the marketing performance

The t-count value for CRM capabilities variable is 7.011 which is bigger than t-table value of 1.96. Since the value of t-count is bigger than the value of t-table at the level of = 5%, then at 5% error rate it was decided to accept H1 and reject H0. Then, it can be concluded that CRM capabilities have a significant effect on marketing performance. The direction of the relationship between CRM capabilities and marketing performance is positive, which means when there is an increase in CRM capabilities, the marketing performance will also increase and vice versa.

This is in line with the research results of Wang & Feng (2012), which states that the CRM capabilities variable has a positive and significant relationship to company's business performance.

Corporate Image Influences the Marketing Performance

The fifth hypothesis is to determine the effect of corporate image on marketing performance, the statistical hypothesis is formulated as follows:

$H_0: \gamma_{2.2} = 0$ There is no influence of corporate image in marketing performance

$H_1: \gamma_{2.2} \neq 0$ The corporate image influences the marketing performance

The t-count value for the corporate image variable is 6.800, which is bigger than t-table value of 1.96. Since the value of t-count is bigger than the value of t-table at the level of = 5%, then at 5% error rate it was decided to accept H_1 and reject H_0 . Then, it can be concluded that corporate image has a significant effect on marketing performance. The direction of the relationship between corporate image and marketing performance is positive, which means when there is an increase in corporate image, the marketing performance will also increase and vice versa. This is in line with the results of research by Alrubaiee (2017) which states that the corporate image variable has a direct and positive effect on marketing performance.

Pricing Strategy affects the Marketing Performance

The sixth hypothesis in this research is to determine the effect of pricing strategy on marketing performance, the statistical hypothesis is formulated as follows:

$H_0: \gamma_{2.3} = 0$ There is no effect of pricing strategy in marketing performance

$H_1: \gamma_{2.3} \neq 0$ The pricing strategy affects the marketing performance

The t-count value for pricing strategy variable is 4.520, which is bigger than the t-table value of 1.96. Since the value of t-count is bigger than t-table at the level of = 5%, then at 5% error rate it was decided to accept H_1 and reject H_0 . Then, it can be concluded that pricing strategy has a significant effect on marketing performance. The direction of the relationship between pricing strategy and marketing performance is positive, which means when there is an increase in the pricing strategy, the marketing performance will also increase and vice versa. This is in accordance with the research results of Toni (2017) which states that the pricing strategy variable has a direct and positive effect on the company's profit margin.

Customer Engagement influences the Marketing Performance

The seventh hypothesis in this research is to determine the effect of customer engagement on marketing performance, the statistical hypothesis is formulated as follows:

$H_0: \beta_{1.1} = 0$ There is no influence of customer engagement in marketing performance

$H_1: \beta_{1.1} \neq 0$ The customer engagement influences the marketing performance

The t-count value for the customer engagement variable is 4.048, which is bigger than t-table value of 1.96. Since the value of t-count is bigger than the value of t-table at the level of $\alpha = 5\%$, then at 5% error rate it was decided to accept H_1 and reject H_0 . Then, it can be concluded that customer engagement has a significant effect on marketing performance. The direction of the relationship between customer engagement and marketing performance is positive, which means when there is an increase in customer engagement, the marketing performance will also increase and vice versa. This is in line with the results of research by Cambra-Fierro (2013) which states that the customer engagement variable has a positive influence on the company's business performance.

CONCLUSION AND SUGGESTION

Conclusion

1. CRM Capabilities are proven to have a positive and significant impact on Customer Engagement at National Private Commercial Banks in Jabodetabek.
2. Corporate Image is proven to have a positive and significant influence on Customer Engagement at National Private Commercial Banks in Jakarta.
3. Pricing Strategy is proven to have a positive and significant impact on Customer Engagement at National Private Commercial Banks in Jakarta.
4. CRM Capabilities are proven to have a positive and significant impact on Marketing Performance at National Private Commercial Banks in Jabodetabek.
5. Corporate Image is proven to have a positive and significant influence on Marketing Performance at National Private Commercial Banks in Jabodetabek.
6. Pricing Strategy is proven to have a positive and significant influence on Marketing Performance at National Private Commercial Banks in Jabodetabek.
7. Customer Engagement is proven to have a positive and significant influence on Marketing Performance at National Private Commercial Banks in Greater Jakarta.

Suggestion

- 1) In increasing the customer engagement, it required to develop the ability to manage relationships with customers through more interactions with customers. The corporate image must be develop with the dimensions of bank employees who serve customers by increasing knowledge, skills and

good attitudes on an ongoing basis. Remain paying attention in pricing strategy through customer value-based prices with efforts to establish a pricing strategy based on customer value.

- 2) As an effort in improving marketing performance for the national private commercial banks can increase their market share and the number of customers, national private commercial banks are required to improve CRM Capabilities, Corporate Image, and Pricing Strategy with maintained and continuously improved in very dominant dimension without ignoring other dimensions in order to increase Customer Engagement. Furthermore, Marketing Performance will be realized with the efforts that focus more on continuous improvement of CRM Capabilities, Corporate Image, and Pricing Strategy are implemented together with the attempt to realize Customer Engagement, because the Customer Engagement variable is able to mediate by strengthening these three variables. Thus, CRM Capabilities, Corporate Image, and Pricing Strategy are important factors for national private commercial banks in maintaining and increasing the Customer Engagement.

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