

## **Customer Relationship Management (CRM) And Brand Image Encourage Customer Retention; A Mediating Role Of Customer Engagement**

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### **ABSTRACT**

The aim of the current study is to investigate the impact of customer relationship management (CRM) and brand image on retaining the customers through engaging them towards the brands. The study adopts survey method with a 7.0-point Likert Scale containing 50 items ranging from '1' meaning "Strongly Disagree" to '7' meaning "Strongly Agree" consisting of four latent variables (CRM, brand image, customer engagement and customer retention). The population of the study are the individuals of South Punjab, Pakistan. Smart PLS has been used for analysis (measurement and structural models). The most substantial finding of the existing study is that the brands must exert their highest efforts in building a strong relationship with their customers so as to retain them with the brands through building positive image within the minds of customers through engaging the customers by providing the products beyond their expectations. The study highlights the horizons to the marketers to exert their efforts in building their relationships with their clients with more strength and to put a greater focus to build and maintain a strong liaison with clients so as to retain them with the brands for long. Future research can extend this study by using some other dimensions of CRM like service quality and e-CRM. Moreover, the future research may adopt the longitudinal horizon so as to reduce the bias. The study is novel in its nature that there is no study which comprises the effect of CRM and brand image in retaining the customers with brands. The study not only enhances the knowledge base relative to CRM and customer retention but also provides a practical implication for the marketers to enhance the growth rate of their brands in competitive and dynamic environment.

**Keyword(s):** Customer Relationship Management (CRM), Brand Image, Customer Retention and Customer Engagement.

## **1. INTRODUCTION**

### **Background of the Study**

Within current competitive and dynamic environment, the brands are facing multiple competitive threats from their rivals which ultimately, is empowering the customers. The customers have been considered as the focal element for brands amplifying their efforts to retain them through satisfaction beyond expectations and enduring relationships between brands and customers. In the current scenario, customer relationship management (CRM) is a strategy used to achieve this objective. Through using CRM, the companies analyze the needs of their customers to fulfill them to enhance customers' satisfaction and to retain with the brands for long.

### **Problem Statement**

According to Ibrhim et al. (2021), the brands have to spend 500-600% more on attracting the new customers as compare to retaining the existing customers with them. Multiple market diversifications like change in customer demands, better quality, customer information, lower level of prices and market saturation and maturity, are emerging within the current competitive scenario which affect the organizations in managing the brand-customer relationships (Nyongesa et al., 2020). Moreover, other market trends like globalization, competitive product offerings and technological advances have provided the customers multiple choices to switch to any brand according to their requirement. This requires the brands to yield a strong relationship with their customers through their positive image in an attempt to retain them as loyal customers (Arora et al., 2021). The current study is focusing on the same phenomenal argument within the individual of South Punjab, Pakistan especially in investigating their engagement and retention level towards multiple brands of FMCG industry.

### **Significance of the Study**

The current study is novel in its nature as it enhances knowledge base relative to customer relationship management through providing empirical evidence of impact of CRM in predicting the customer retention through engaging the customers towards brands. Practically, the study becomes more important in shedding light on marketers' efforts which find themselves more relaxed when they are tending to exert a greater focus on building and maintain the strong relationships for optimum level of customer retention.

## **2. LITERATURE REVIEW**

### **Customer Retention**

According to Puspaningrum (2020), the tendency of customers to be aligned with the company brands and its products is referred to customer retention. The study illustrates that companies use this concept not only to retain the existing clientage but also to attract the new incumbents towards the brands. According to Uwamariya & Njenga (2021), customers have the driving seat in any company which company may enhance through their satisfaction being the survival of any

company. The brands focus on their needs and wants as they are the only revenue generating source. In other words, customers are inevitable for any brand as there would be no generation of revenue leading to have no esteem in market (Sağlam & El Montaser, 2021).

### **Customer Relationship Management (CRM)**

Customer Relationship Management (CRM) has been acclaimed by the multiple previous research studies Kakeesh et al (2021) as a managerial philosophy which is found to be closely related to the concepts of marketing as well as information technology, enhancing the value of the brand within the minds of customers. Olasojumi et al (2021) found that CRM is a series of multiple methods of information technology for making an effective usage of CRM. Al-Hazmi (2021) called attention to these methods for establishing, maintenance as well as enhancing the long-term attachment of the customers with companies as has been elaborated in the concept of CRM. Moreover, the studies conducted by Jayalath & Galdolage (2021) pinpointed that the companies achieve multiple milestones like profit maximization, sales growth, higher customer loyalty and retention, increased customer satisfaction and new customer acquisition due to effective utilization of customer relationship management (CRM) practices. On the same tone, the studies (Chen et al., 2021; Quzwen et al., 2021 & Zia et al., 2021) posited the importance of CRM within organizations for encouraging their existing customer-base as well as maintaining good relations with them to improve the company image.

### **Relationship between CRM and Customer Retention**

The previous literature incorporates CRM as an integral and key element for any company especially in the service industry to strengthen their relations with their customers through providing them the higher level of satisfaction and enhancing their retention with company brands for enhancing the volume of income for company and its business (Mulyono & Pasaribu, 2021). It is evident through previous literature (Quzwen et al., 2021; Al-Hazmi 2021; Chen et al 2021 & Olasojumi et al., 2021) that CRM is a key concept for making most of the customer-base aligned with the company brands through creating brand identification, brand awareness (Ibrahim et al., 2021) and building strong customer bonding (Alam et al., 2021) for achieving the customer retention. This profound that an organization which adopts CRM exceeds customer satisfaction to foster a healthy and strong relationships with their clients to retain them with company brands (Haryandika & Santa, 2021). The relationships between customers and organizations especially in service industry are found to be highly influential in marketing campaigns as it influences customer support (Asefa, 2021), their satisfaction (Kerdpitak, 2021) and retention (Sağlam & El Montaser, 2021) with the brands. With the above-illustrated notions, the current study illustrates the relationship between CRM and Customer Retention through following hypothesis statement:

H1: There exists a positive relationship between Customer Relationship Management (CRM) and Customer Retention (CR).

### **Customer Engagement (CE)**

Currently, Customer Engagement refers generally the association of customers with multiple brands (Arora et al., 2021 & Chen et al., 2021). Multiple research scholars (Castillo et al., 2021; So et al., 2021); Manosuthi et al., 2021 & Shin & Perdue, 2022) propound that customer engagement as a psychological state within which customers demonstrate their sense of pleasure through some action or object. Previous studies highlight customer engagement as an emotional state which occurs within customers with interactive and co-creative exposures of multiple brands (Panjaitan & Panjaitan, 2021). The companies are trying to provide such promotional campaigns for their brands so as to build better relationships with their customers through offering them incentives, discounts and trade offers (Busalim et al., 2021). Moreover, according to (Utami et al., 2022), CE has been found to be linked with consumers' minds, hearts and their actions. This exhibits that the companies must focus on such features within their brands which may attract the consumers through their cognitive, emotional or behavioral domains.

### **Customer Engagement as a Mediator**

#### **a) Relationship between Customer Relationship Management (CRM) and Customer Retention (CR)**

Through multiple previous studies (Dewnarain et al., 2021; Jassens, 2021 & Lamrhari et al., 2022), it is evident that CRM is a key concept which has a strong impact on Customer Engagement. Hollebeek et al (2021) found that relationship management theory contributes appropriately within the literature relative to Customer Engagement (CE). Delighted customers share the information regarding their favorite brands (to whom they are highly engaged) within their social networks enhancing the growth rate (Ra et al., 2021) and sales volume (Qiao & Wei, 2021) of the company. On this notion, it is found that the companies must focus on product development as well as their marketing strategies so as not only to engage the customers but also to retain them with the company. The current study postulates the same phenomena and enhances the existing literature with investigating the mediating role of customer engagement within the relationship between Customer Relationship Management (CRM) and Brand Image (BI). Furthermore, several research investigations have illuminated the key aspect of CE within the strategies pertaining to relationship management theory through intensification of CRM concept into CE for the extension of CE theory (Srivastava & Sivaramakrishnan, 2021; Arora et al., 2021; Malhotra & Agarwal, 2021 & Nangpiire et al., 2021). The current study is moving forward to investigate the relationship between CRM and Customer Engagement with the following hypothesis statement:

H2: Customer Engagement positively mediates the relationship between Customer Relationship Management and Customer Retention (CR).

#### **b) Relationship of Brand Image (BI) with Customer Retention (CR)**

As Brand Image has been found as a good source to build a strong relationship of brand with its customers, customer perceive their brand as a matter of prestige for themselves through communicating their self-image with association of a reputable brand (Mao et al., 2020). Through

building a strong association with the brand, customers are found congruent with their self-concept yielding a strong positive image of their brand (Mao et al., 2020). Moreover, the study conducted by Chang (2020), found that customers assign human attributes to their used brands which is the symbol of their emotional attachment with their favorite brands. Within their research investigation, Huang & Chen (2022) found that youngsters most often prefer symbolic characteristics (feel and image) while making any purchase decision. On the other hand, the adults prefer value or functional characteristics from the brands. This is also revealing the importance and appeal of brand image for the customers to improve their image as well as identity within their social circle, enhancing the customer engagement with the brand. Therefore, this hypothesizes a positive influence of brand image on customer engagement:

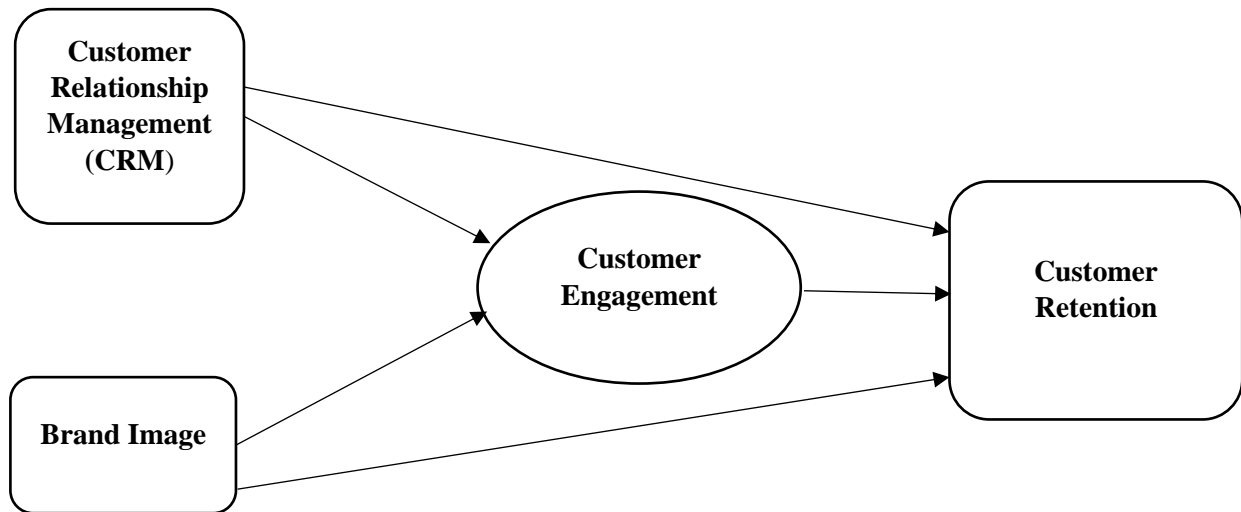
H3: Customer Engagement positively mediates the relationship between Brand Image (BI) and Customer Retention (CR).

### **Brand Image (BI)**

Previous marketing literature is evident that brand image has always been considered as a fascinating and impressive kind of concept not only for marketing research scholars but also for marketing practitioners. Furthermore, brand image has been considered as a heart for marketing literature because of its nature for addressing the marketing and relative problems as well as being a chief role player in yielding brand equity on a long-term basis (DAM & DAM, 2021). Brand image has been declared as a perception of the customers about the brand due to their association with them (Olasojumi et al., 2021). Furthermore, the customers find themselves a bit relaxed due to the requirement of the brand enabling them to make their favorite brand differentiated from its competitors. This relaxation becomes a source for the customers to retain with the brands and purchase them due to brands' strength and association (Asefa, 2021). This customer retention leads the brand to receive higher perceived value by their clients and consequently, the position of the brand increases within competitive and dynamic market position (Abbas et al., 2021). Due to this brand association, not only the users but also the brand becomes stronger based on the customers' exposure and experience with the brand (Rosanti & Salam, 2021). The more favorable the brand image, the more positive attitude of the customers towards the brand and its features (Zia et al., 2021). Due to positive image of brand, a customer finds him/herself recognize one's needs and wants relative to the brand making it differentiated with other competitors (Muneeb Mehta et al., 2021). According to DAM & DAM (2021), brand image has been used to make the customers realize the differentiations a brand offers to them in comparison to other competitors. Due to these differentiations, the customers are found to become loyal customers with the brand which consequently, leads the customers to retain with the brand and its positive image in the minds of customers. Due to this positive image, the brand achieves the favorable competitive position with sustainable competitive advantage through increased level of its share and growth (Vierdwiyani & Syafarudin, 2020). The higher image of a brand, the more effective brand and its features (Rosanti & Salam, 2021). This reveals that due to higher image of the brand, there is more tendency of the customers to retain with the brand. This postulates the following hypothesis statement:

H4: There exists a positive relationship between Brand Image (BI) and Customer Retention (CR).

### Research Framework



**Figure 1:** Research Framework

## 3. METHODOLOGY

### Research Design

The current study undergoes with quantitative method as it has been considered as most objective and parsimonious (Saunders et al., 2020) maneuvering a series of questions. Positivism is the philosophy as it deals with information which is reality-based. Additionally, the study uses deductive research approach as it is handy to incorporate research questions, conjectured hypotheses statements as well as unbiased research findings apprehended in most of the previous research investigations (Creswell, 2021).

### Population and Sample

The population of the current study are living people in Southern Punjab, Pakistan because it is investigating the role of CRM as well as Brand Image regarding behavioral pattern of people with FMCG brands especially in Southern Punjab region. The rationale behind the selection of this population is to investigate the role of brand image as well as CRM activities performed by brands not only to engage their customers but also retaining them towards multiple FMCG brands.

The sample size is 200 individuals who live in South Punjab, Pakistan. According to SBP (2021), 35 million people live in South Punjab region establishing the population of the current study. The sample size is 200 for the population of over 10 million (Hair et al., 2019). Non-probability convenience sampling has been adopted in this study as it is found to be highly convenient and easier for the researchers while collecting data (Saunders et al., 2020).

## **Data Collection**

The data was collected from the people of South Punjab, Pakistan through a questionnaire designed for the purpose of this research investigation with 7.0-point Likert Scale regarding latent constructs of study (Customer Relationship Management, Brand Image, Customer Engagement and Customer Retention). The study incorporates a sample size of 200 respondents with a noteworthy gender disproportion as the data was collected from 31 % of the total respondents were females whereas 69 % were male respondents.

## **Research Instrument and Scale Measures**

### **Customer Relationship Management (CRM)**

The study adapts a scale from the previous study conducted by Olasojumi et al. (2021) with the intention of collecting data regarding a latent construct of the study, Customer Relationship Management (CRM)-independent variable of conceptual model of the current study with anchoring of: 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

### **Brand Image (BI)**

With the purpose of revealing the required information from the respondents of South Punjab, Pakistan regarding brand image (BI), another latent construct and independent variable of the study, a series of questions have been adapted from the previous study conducted by Rosanti & Salam (2021) with anchors: 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

### **Customer Engagement (CE)**

While attempting to collect the data regarding customer engagement, another latent variable as a mediator in the current study, the researchers adapted a questionnaire from previous studies conducted by Zaid & Patwayati (2021) & Arora et al (2021) with the following anchors: 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

### **Customer Retention (CR)**

The researchers adapted a questionnaire from previous studies conducted by Gao et al (2021) & Sağlam & El Montaser (2021) to collect the data regarding dependent variable of conceptual framework, Customer Retention (CR) with anchors: 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

## **4. DATA ANALYSIS**

For analyzing the collected data, the researchers used Variance-based Partial least Square-Structural Equation Modelling (PLS-SEM) which has been recognized as the most quotidian statistical technique adapted by most of the studies within management disciplines with the purpose of generalization as well as integration of latent constructs along with the major

component and regression analysis (Hair et al., 2019). Within structural model of existing study, the target as well as formative construct is Customer Retention that has been supported theoretically and according to Hair et al (2019), PLS-SEM is the most congruous approach. The study processes both models: assessment of measurement model (evaluating validity and reliability of latent constructs) and structural modelling (investigation of the relationships among latent constructs).

### Descriptive Statistics and Correlational Analysis

With the purpose of illustrating the significance of relationships among latent variables of model, Sample Mean (M), Standard Deviation (STDEV), T-Statistics and corresponding P-values have been summarized in Table 1.

**Table 1:** Descriptive Statistics

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
BI -> CE	0.766	0.764	0.068	11.301	0.000
CE -> CR	0.924	0.931	0.040	23.212	0.000
CRM -> CE	0.184	0.188	0.073	2.518	0.002
CRM -> CR	0.170	0.175	0.068	2.493	0.003
BI -> CR	0.707	0.712	0.073	9.707	0.000

The correlation among latent constructs of conceptual model have been illustrated in Table 2 which depicts that all constructs are significantly correlated with each other.

**Table 2:** Inter-Construct Correlation

	BI	CE	CR	CRM
BI	1.000			
CE	0.902	1.000		
CR	0.910	0.836	1.000	
CRM	0.743	0.753	0.579	1.000

### Mediation Analysis

Through illustration of Tables 1 & 2, it is quite clear that all the variables (Customer Relationship Management, Brand Image, Customer Engagement and Customer Retention) are found to be statistically significant. It is evident from the results that the relationship between Brand Image (BI) is found to be in a strong, positive and significant relationship with customer engagement (CE) ( $r=0.766$ ,  $p<0.01$ ) and customer retention (CR) ( $r=0.712$ ,  $p<0.01$ ). Moreover, the result indicates that customer relationships management (CRM) has a strong, significant and positive relationship with customer engagement (CE) ( $r=0.188$ ,  $p<0.01$ ) and customer retention (CR) ( $r=0.175$ ,  $p<0.01$ ). The above results support hypotheses statements 1 & 4. Furthermore, the



mediation effect of customer engagement (CE) has been illustrated through Table 3 which highlights a strong, significant and positive mediation effect within CRM and CR ( $r=0.175$ ,  $p<0.01$ ) and BI and CR ( $r=0.712$ ,  $p<0.01$ ).

**Table 3:** Specific Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
CRM -> CE -> CR	0.170	0.175	0.068	2.493	0.003
BI -> CE -> CR	0.707	0.712	0.073	9.707	0.000

### Measurement Model

Smart PLS 3.0 is being used in the study for conducting the analysis among the latent variables: Customer Relationship Management (CRM), Brand Image (BI), Customer Engagement (CE) and Customer Retention (CR). For measurement model, Cronbach's Alpha and Composite Reliability (acceptable range is between 0.6 & 0.7) are the indicators for evaluating internal consistency of the model within an exploratory research investigation (Hair et al., 2019). Moreover, the values of Cronbach's Alpha and Composite Reliability between 0.7 and 0.9 indicate good reliability of the model (Hair et al., 2019). Table 4 indicate the result of internal consistency (construct validity and reliability) of the current study.

**Table 4:** Construct Validity and Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
BI	0.901	0.932	0.909	0.539
CE	0.926	0.943	0.941	0.623
CR	0.895	0.929	0.911	0.518
CRM	0.890	0.898	0.912	0.565

According to Hair et al (2019), indicators' loading and the value of AVE (Average Variance Extracted) are used to determine the convergent validity. The acceptable value of AVE for each latent variable should be higher than 0.50 and for indicators' loading, acceptable value is greater than 0.70 (Hair et al., 2019). Through Table 4, it is clear that AVE for each latent construct within the existing study is above 0.50 indicating an acceptable and satisfactory value of AVE. Moreover, Table 5 highlights the value of outer loading for each construct indicating that for each indicator of all latent constructs, outer loadings are greater than 0.70 revealing satisfactory result for convergent validity for the model (Hair et al., 2019).

**Table 5:** Indicators' Cross-Loadings

Cross-Loadings	BI	CE	CR	CRM
BI1	0.851	0.821	0.697	0.783
BI10	0.758	0.751	0.551	0.463

BI2	0.729	0.688	0.375	0.510
BI3	0.703	0.573	0.442	0.475
BI5	0.766	0.304	0.644	0.485
BI6	0.868	0.561	0.783	0.585
BI7	0.879	0.774	0.812	0.582
BI8	0.876	0.864	0.732	0.589
BI9	0.896	0.811	0.806	0.628
CE1	0.826	0.853	0.711	0.777
CE10	0.646	0.815	0.54	0.563
CE2	0.417	0.736	0.698	0.37
CE3	0.787	0.913	0.656	0.708
CE4	0.800	0.832	0.724	0.51
CE5	0.888	0.950	0.803	0.761
CE6	0.637	0.708	0.573	0.466
CE7	0.792	0.832	0.676	0.733
CE8	0.626	0.769	0.659	0.425
CE9	0.622	0.706	0.758	0.504
CR1	0.517	0.509	0.789	0.306
CR10	0.586	0.365	0.738	0.333
CR2	0.628	0.716	0.672	0.431
CR3	0.805	0.685	0.834	0.460
CR4	0.730	0.628	0.773	0.257
CR5	0.872	0.889	0.83	0.594
CR6	0.817	0.713	0.883	0.617
CR7	0.511	0.424	0.743	0.422
CR8	0.505	0.362	0.779	0.431
CRM1	0.333	0.381	0.301	0.748
CRM10	0.778	0.735	0.588	0.766
CRM2	0.539	0.550	0.409	0.865
CRM4	0.458	0.484	0.372	0.780
CRM5	0.592	0.502	0.468	0.766
CRM7	0.572	0.720	0.344	0.753
CRM8	0.536	0.406	0.425	0.784
CRM9	0.492	0.568	0.471	0.732

For determining discriminant validity, Fornell-Larcker criterion and cross-loading values are used in Smart PLS. The correlations among latent variables based upon Fornell-Larcker criterion must be lower than the value of AVE square root for every latent variable. Additionally, the value of outer loading for each indicator corresponding to each other latent variable should be larger than cross loading values with all the other constructs (Hair et al., 2019). For the study, Table 5 illustrates the indicators' cross loading with higher values for each indicator from all rest of the

indicators and Table 6 indicates the Fornell-Larcker criterion indicating the lower value for AVE square root revealing the acceptable and satisfactory discriminant validity for the model (Hair et al., 2019).

**Table 6:** Discriminant Validity

	<b>BI</b>	<b>CE</b>	<b>CR</b>	<b>CRM</b>
<b>BI</b>	0.734			
<b>CE</b>	0.902	0.789		
<b>CR</b>	0.910	0.836	0.720	
<b>CRM</b>	0.743	0.753	0.579	0.752

The results exhibited in Tables 4, 5 & 6 indicate that all the variables of the existing study have been found satisfactory for both convergent validity and reliability with AVE > 0.50, good indicator's reliability > 0.50, significant outer loading > 0.70 with higher values of internal consistency for every latent variable within this study (i.e., CRM, brand image, customer engagement, customer retention) with a satisfactory values of Cronbach's Alpha as well as Composite reliability in between 0.890 and 0.943 (Hair et al., 2019). The study findings highlight that all the latent variables have been discriminated transparently as the scale of the study has evaluating criteria for discriminant validity (Fornell-Larcker criterion and Cross loading values) (Hair et al., 2019).

### Structural Model

To determine the structural model validity, ( $R^2$ ) Coefficient of determination is used which indicates the combined impact of exogeneous latent variables on endogenous latent variable with an acceptable value ranging in between 0 & 1. The higher values indicate the greater explanatory power of model (Hair et al., 2019). For the current study, Table 7 illustrates  $R^2$ , 0.830 for Customer engagement and 0.704 for customer retention, indicating a strong and positive value (Hair et al., 2019).

**Table 7:** R Square

	<b>R Square</b>	<b>R Square Adjusted</b>
<b>CE</b>	0.830	0.828
<b>CR</b>	0.704	0.701

In Smart PLS, the significance of the structural model is determined with the significance of path coefficients in the model and a t-value greater than 1.96 with corresponding p-value < 0.05 indicate the significance of path coefficient of a model (Hair et al., 2019). Table 8 illustrates the significance of the path coefficients for the current study.

**Table 8:** Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
<b>BI -&gt; CE</b>	0.766	0.764	0.068	11.301	0.000
<b>CE -&gt; CR</b>	0.924	0.931	0.04	23.212	0.000
<b>CRM -&gt; CE</b>	0.184	0.188	0.073	2.518	0.002
<b>CRM -&gt; CR</b>	0.170	0.175	0.068	2.493	0.003
<b>BI -&gt; CR</b>	0.707	0.712	0.073	9.707	0.000

Table 3 & Table 8 indicate the impact of CRM and brand image on customer retention with mediation of customer engagement. The findings highlight a significant impact of independent latent construct CRM ( $r=0.175$ ,  $p<0.05$ ) and brand image ( $r=0.712$ ,  $p<0.01$ ) on customer retention through mediator – customer engagement (CE). These findings support hypotheses statements 2 & 3 of the current study. The strength of the mediation is determined through VAF (Variance Accounted For) which is calculated through dividing indirect effect by total effect (sum of direct and indirect) (Hair et al., 2019). For the current study, VAF for CRM has been found 0.50 i.e., the impact of CRM on customer retention (CR) through customer engagement (CE) is 50% whereas VAF for BI is 0.4972 depicting 49.72 % impact of Brand image (BI) on customer retention (CR) through customer engagement (CE). The above findings highlight customer engagement (CE) as a complementary mediator.

## Discussion

CRM is one of the most crucial concepts in the current scenario in marketing discipline as it is widely used to generate a strong relationship with clients which leads to provide the excellent services by organizational management. The organizations focus on building CRM to retain customers for yielding loyalty within them to gain larger market share and provide value-added services to match customer needs. Firms focus CRM in an attempt to define, highlight and keep their profitable clients with them. The study supports previous literature that CRM has an influential impact on customer retention through excellent relationships with their customers. Moreover, the study illustrates the definite role of customer engagement as a mediator within relationship between CRM and customer retention.

## 5. CONCLUSION

The study measures the role of CRM and brand image on customer retention through mediation of customer engagement. It emphasizes the products or services offered by the companies so as to foster long-term relationships between brands and customers and most importantly, retaining them with the brands as a loyal customer. The rationale behind CRM is to offer according to requirement of the customers, not the requirement of the brand. The study illustrates the same phenomenon that

the brands must work hard for building their positive image on the customers' minds and consequently, make them loyal customers to retain them for long.

### **Limitations and Future Research Directions**

Undoubtedly, the current study is novel in its nature as no previous study has identified the role of brand image as well as CRM to retain customers with brands but there are some limitations of the study. Firstly, the study undergoes CRM as a strategic tool and there may be some other dimensions like service quality (Olasojumi et al., 2021), electronic customer relationship management (e-CRM) (Ibrahim et al., 2021) etc., which may be used to uncover the role of CRM for customer retention. Secondly, the study has been used one point of time interval. Thirdly, the data has been collected through self-reported pattern which becomes a source of biases. The future study may incorporate other dimensions of CRM like service quality as well as e-CRM to enhance the current study. Secondly, future research may undergo for longitudinal time horizons so as to reduce the bias. Thirdly, the data may use some objective method to collect the data to reduce the bias.

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